

**SOQUEL CREEK WATER DISTRICT
REGULAR MEETING MINUTES
January 20, 2009**

1. **Roll Call**

6:00 P.M. CLOSED SESSION

- a. Conference with District Labor Negotiator to Give Direction Regarding Memorandum of Understanding with SEIU Local 521
- b. Conference with Laura Brown, General Manager, to Give Direction Regarding Memorandum of Understanding with Management Employees

2. **RECONVENE TO OPEN SESSION** - President LaHue reconvened the meeting to Open Session and called the regular session to order at 7:04 p.m.

2.1 Report from Closed Session

President LaHue stated that direction was given to the District's Labor Negotiator. The Board will convene to Closed Session again shortly after the regular session.

Board Members Present:

Dr. Thomas LaHue, President
Bruce Daniels, Vice President
Dan Kriege
Dr. Bruce Jaffe
Dr. Don Hoernschemeyer

Staff Members Present:

Laura Brown, General Manager
Bob Bosso, District Counsel
Jeff Gailey, Engineering Manager/Chief Engineer
Michelle Boisen, Financial/Business Services Manager
Ron Duncan, Conservation & Customer Service Field (CCSF) Manager
Taj Dufour, Operations & Maintenance Manager
Denise Alexander, Executive Assistant/Board Clerk

Others Present:

Derrick Williams with HydroMetrics LLC
5 members of the public and two staff members of the SEIU negotiating team
Roy Sikes, Conservation Specialist and Reggie Almond, Construction Inspector.

3. APPROVAL OF MINUTES

December 16, 2008

On page 4 - President LaHue ~~mentioned possibly saving the current~~ **stated that the proposed option to save** available retrofits for everyone currently holding a Conditional Will Serve letter and to have a different pool to choose from for all future Will Serve applicants; ~~however, that idea may not be fair,~~ ~~and~~ **because** whoever is ready to build should get the retrofits.

MOTION: Director Kriege; Second: Director Hoernschemeyer: To approve the minutes of December 16, 2008 as modified. The motion passed by a unanimous vote.

4. ORAL COMMUNICATIONS

Sonia Laracunte, SEIU Local 521 representative and chief negotiator, introduced herself and members of the District's Field and Office negotiating team Roy Sikes and Reggie Almond. Christine Mead, Water Quality Technician and Rob Jaime, Customer Service Field Crew Leader were not present. A survey was performed by the District's union members and the following wish list was stated:

- 1) Wage increase
- 2) A proposal will be drafted when the market study is received and reviewed for parity
- 3) Increase PERS retirement benefit from 2.5 to 2.7 @55
- 4) Change the current health insurance plan employee contribution formula for dependant coverage to be a flat fee instead of a COLA adjustment
- 5) Agency Shop due to the increase in union membership of 75% of the unit
- 6) Binding arbitration added to the grievance process

Ms. Laracunte thanked the Board for their time and the SEIU representatives left the meeting.

Mr. Will Roblins, a resident of Santa Cruz County for 35 years and a project manager for Barry Swenson Builder, stated he was concerned when he read the recent Board minutes regarding available retrofit candidates languishing on the list to receive a toilet for more than a year. Barry Swenson's experience has been the opposite and they have been struggling with getting the candidates to schedule site visits and to make toilet selections. His company is concerned that water credits won't be available for their big projects. He proposed working with the Board to create a corresponding program to the Water Demand Offset Program called *Water Supply Onset*

Program whereby the builders would offer assistance with bringing desalination on line as a way of providing water for some of the larger projects.

Director Daniels reported on the following:

- A recent geyser-like water leak on his street.
- An article in the Capitola-Soquel Times titled “Looking Back on 2008” incorrectly tied the increase in water rates to the proposed desalination project.
- Hexavalent chromium was discussed at the dinner he attended with the experts before the TCP Forum. Based on prior studies, a PHG of .07 for hexavalent chromium was established with consensus that the MCL would be about 10. That would present a serious concern for the District which the Board needs to address.
- A National Groundwater Association Conference in Tucson on April 19-23 would be worthwhile. (Approval to attend this conference will be agendaized).
- He will be giving a talk about water quality and quantity in the county on January 24 for the American Association of University Women at Michael’s On Main.
- He was informed by a constituent that the City of Capitola wants to remove vegetation in the medians along 41st Avenue to curtail water use and the Redevelopment Agency would then transfer those water credits to the developers to use for the Rispin project. (Staff clarified that most of the medians along 41st Avenue are not within the District’s service area and that the Capitola City Council recently voted not to approve that project).

Director Jaffe stated he would like to receive information on the District’s chlorination process that would include the ranges of concentration and how the chlorine levels are being monitored so he can respond when comments come up about residents not drinking the water because of the chlorine taste.

President LaHue stated he read in the ACWA newsletter that a large solar installation at a California water district in Valley Center was providing 20% of their electricity.

5. PUBLIC HEARING

None

6. ADMINISTRATIVE BUSINESS

6.1 Presentation and Acceptance of Report on Groundwater Levels to Protect against Seawater Intrusion and Store Freshwater Offshore by HydroMetrics LLC

President LaHue stated that questions will be taken after the presentation is given.

General Manager Laura Brown introduced the District's hydrologist Derrick Williams with HydroMetrics LLC who provided a presentation, attached as **Exhibit A**.

Mr. Williams responded to questions from the Board.

A question arose whether 1100 acre-feet of offshore storage was sufficient under certain scenarios and possibly a larger protective zone may be needed.

A slide showing current groundwater levels at the District's key monitoring wells compared to the proposed protective and target water levels was presented by Director Daniels, attached as **Exhibit B**.

MOTION: Director Daniels; Second: Director Hoernschemeyer: To accept the Report on Groundwater Levels to Protect Against Seawater Intrusion and Store Freshwater Offshore prepared by HydroMetrics LLC. The motion passed by a unanimous vote.

MOTION: Director Jaffe; Second: Director Daniels: HydroMetrics to perform additional work to estimate the outflow using a range of volume that could help refine the quantification of sustainable yield and provide a letter report at a cost not to exceed \$5,000. The motion passed by a unanimous vote.

6.2 Annual State of the Basin Report for Water Year 2007 and Preliminary Findings and Recommended Actions from Water Year 2008 Data presented by HydroMetrics LLC

Mr. Williams provided a presentation, attached as **Exhibit C**.

Director Daniels stated that the contour maps appear to show a negative gradient which would mean that seawater should be flowing inland. HydroMetrics was asked to calculate from the offshore gradient what the onshore flow might be.

Director Jaffe requested having more details on the extent of seawater intrusion in the Aromas aquifer to then possibly decide what pumping measures could be taken to slow advancing seawater.

In response to Director Jaffe's request, Mr. Williams stated he could provide a report on what the rate of intrusion in the Aromas might be and at what depths, and compare that depth to the depths of the District's production wells. He would also provide a timescale and information about upconing and what preventative measures can be taken.

6.3 Approval of Water-Wise Garden Mini Grant Application for a Water-Wise Demonstration Garden at the Corner of Wharf and Capitola Roads

CCSF Manager Ron Duncan introduced Melissa Van Ness, Volunteer project Coordinator and Kristen Liske, Vice President with Ecology Action.

Ms. Van Ness and Ms. Liske discussed the following aspects about the proposed project: volunteer assistance and long-term maintenance, that water demand will eventually decline once the garden is established, and they will work with District staff on the signage.

MOTION: Director Daniels; Second: President LaHue: To approve grant funding to Ecology Action in an amount not to exceed \$2,000 for a water-wise demonstration garden at the corner of Wharf and Capitola Roads. The motion passed by a unanimous vote.

6.4 Will Serve Water Service Application for Jim Patterson, 3298 Valencia Ave., Aptos, APN 041-181-39

MOTION: Director Daniels; Second: Director Jaffe: To authorize the District's Conditional Will Serve Letter indicating that the District will conditionally serve the single-family dwelling to be located at 3298 Valencia Avenue in Aptos, APN 041-181-39. The motion passed by a unanimous vote.

6.5 Approve Purchase over \$5,000 for Testing the Performance of Estates Well

MOTION: Director Kriege; Second: Director Daniels: To authorize the General Manager to execute a purchase order in the amount not to exceed \$8,100 to HydroMetrics, LLC to conduct performance testing of Estates Well and generate a report of the results. The motion passed by a unanimous vote.

6.6 Approve Purchase over \$5,000 for Proposed Scope of Work for Data Collection Program in the Soquel Creek Watershed

A brief discussion ensued.

Director Daniels explained why he is not a fan of continuing to have the consultant administer this data collection program in the future. He suggested correlating the data from the District's rain gauge with Santa Cruz to determine whether there is still a need for maintaining a gauge on Soquel Creek.

President LaHue agreed with this idea and supported a transition so the District can be using the data ourselves.

MOTION: Director Kriege; Second: Director Hoernschemeyer: To authorize the General Manager to execute the standard consultant agreement with Linsley, Kraeger Associates, Ltd for 2008-09 Data Collection Program in the Soquel Creek Watershed at a total cost not to exceed \$20,000. The motion passed by a 4-1 vote with Director Daniels dissenting.

6.7 Approve Purchase over \$5,000 for 10 Remote Telemetry Units (RTUs)

MOTION: Director Daniels; Second: Director Kriege: To authorize the General Manager to execute a purchase order in the amount not to exceed \$37,827 to Emerson Process Management, Remote Automation Solutions for the purchase of ten remote telemetry units. The motion passed by a unanimous vote.

6.8 Approve Purchase over \$5,000 for Replacement Sodium Hypochlorite Bulk Storage Tank

MOTION: Director Daniels; Second: President LaHue: To authorize the General Manager to execute a purchase order in the amount not to exceed \$17,972 to Ryan Process, Inc. for the purchase of one 3000-gallon double contained sodium hypochlorite storage tank. The motion passed by a unanimous vote.

6.9 Claims of Damage: T.J. Bemis, 160 Margarita Rd., Aptos

MOTION: Director Daniels; Second: Director Kriege: To deny the subject claim and forward to JPIA for review and resolution. The motion passed by a unanimous vote.

6.10 Appoint Board Member to the Zone 5 Board of Directors of the Santa Cruz County Flood Control and Water Conservation District

MOTION: Director Daniels; Second: Director Jaffe: To appoint Director Hoernschemeyer as the District representative to serve on the Zone 5 Board of Directors of the Santa Cruz County Flood Control and Water Conservation District, replacing Director Daniels. The motion passed by a unanimous vote.

6.11 Resolution in Recognition of the Retirement of Gary Lamprecht, Operations and Maintenance Manager

MOTION: Director Daniels; Second: Director Jaffe: To adopt **Resolution No. 09-01** in appreciation of Gary Lamprecht. The motion passed by a unanimous vote.

6.12 Approve Attendance at the International Water Efficiency Conference, March 30 – April 2, 2009 in Newport Beach, California

MOTION: Director Kriege; Second: Director Jaffe: To authorize attendance at the International Water Efficiency Conference, March 30-April 2, 2009 in Newport Beach, California. The motion passed by a unanimous vote.

6.13 Desalination Task Force and Energy Issues – oral report

Director Kriege stated that he, Director Daniels and Ms. Brown recently met to discuss proposals for the operational agreement being facilitated by Dr. Haddad. More precise details regarding the District's share of expenses versus the city's and in particular how they relate to the city owning the outfall and intake, when the District could have access to the water, and the amount of water guaranteed to the District were discussed.

7. **INFORMATION ITEMS**

None

8. STATUS REPORTS

8.1 Engineering – Engineering Manager Jeff Gailey reported on the following: Larkin Valley Tank Recoat should start on or about January 26; Martinez Paving & Grading, contractors for the Seacliff Avenue Main Replacements, Phase II project, has been experiencing difficulty with trenching out by the railroad tracks. It's very labor intensive. Several fire hydrant relocations are going on down by the wharf.

8.2 Operations & Maintenance - Mr. Dufour provided an overview of the status report.

Director Daniels commented on the rain data and a Department of Water Resources' meteorological report forecasting a La Nina which would cut short the traditional rainfall season. We may be looking at future drought conditions and a plan for possible rationing should be in place. Staff stated that the District is closely monitoring what the City of Santa Cruz is currently doing in this regard.

8.3 District Counsel – Bob Bosso stated he has been working with the General Manager and the District's consultants on the Well Master Plan draft EIR and also with Mr. Gailey regarding issues related to the project in Seacliff. Certificates for completing the ethics training were distributed to the Board Clerk.

8.4 General Manager – Ms. Brown apprised the Board of a letter received from the Regional Water Management Foundation to the Northern Santa Cruz County IRWM Proposition 50 Grant Partners informing them of a State funding freeze which will have a substantial impact on several District projects, e.g. Polo Grounds Monitoring Well and Polo Grounds Well and Treatment Plant. Kestrel Consulting has been retained by the IRWM Partners to provide a integrated resource water management strategy to look at what could be funded with future grants, updating the list of projects and packaging for the next round of State funding as well as exploring other grant possibilities. Also, five agencies have decided to submit an application for Federal Bureau of Reclamation grant money that would help fund modeling intertie connections between the agencies. The District's portion would address the City of Santa Cruz intertie that would allow the District to move water in both directions. Kennedy Jenks has prepared the grant applications, one of which was due on January 14. She briefly commented that Black & Veatch has inquired whether the District has any "shovel-ready" projects to submit for possible funding under

President Obama's economic stimulus package. Several main replacements are possibilities.

9. **WRITTEN COMMUNICATIONS AND CORRESPONDENCE**

None

10. **REPORT ON PAYMENT OF THE BILLS**

December Warrants and Nov./Dec. Credit Card Analysis

MOTION: Director Kriege; Second: Director Jaffe: To approve the December Warrants and Nov./Dec. Credit Card Analysis as paid. The motion passed by a unanimous vote.

11. **ADJOURNMENT** - There being no further business, President LaHue adjourned the meeting at 9:50 p.m. to the next regularly scheduled meeting on February 3, 2009.

SUBMITTED BY:

APPROVED BY:

Denise Alexander, Board Clerk

Dr. Thomas LaHue, President