

**SOQUEL CREEK WATER DISTRICT
REGULAR MEETING MINUTES
May 19, 2009**

A Budget Workshop was held at 5:30 p.m.

1. Roll Call

President LaHue called the Regular Session to order at 7:03 p.m.

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
Ron Duncan, Conservation & Customer Service Field (CCSF) Manager
Michelle Boisen, Financial/Business Services Manager
Taj Dufour, Operations & Maintenance Manager
Denise Alexander, Executive Assistant/Board Clerk

Others Present:

1 member of the public
Alex Handlers with Bartle Wells
Mark Millan and Barry Dugan with Data Instincts

2. APPROVAL OF MINUTES

May 5, 2009

Page 6: Item 6.2 (D) - Each answer is to include relative certainty (e.g. very certain to *rough estimate* WAG)

Item 6.3 Option 2b – Sell the accrued toilet and turf credits to developers at a cost of \$17,000 per acre-foot *to be adjusted accordingly.*

MOTION: Director Daniels; Second: Director Jaffe: To approve the May 5, 2009 minutes as modified. The motion passed by a unanimous vote.
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3. ORAL COMMUNICATIONS

Lisa Saldo, Treasurer for Capitola Knolls Homeowners Association, stated they received a turf rebate under the District's program last year and a second application for another project was submitted and approved. She introduced their landscaper, Fred Jones with Emerald City Landscaping. Recently, they received notice of the Board decision to temporarily suspend accepting applications for the District's turf rebate program and that the work on their project would need to be completed by June 30. They had planned to start killing off the existing turf in three stages over the summer months, then to re-plant in early fall. The June 30th deadline would not be feasible. She asked for guidance.

CCSF Manager Ron Duncan stated that consideration had been given to each application to establish where it was in the planning process and whether a monetary investment had been made. He thought that in this particular case Capitola Knolls may not have sufficiently progressed in the planning process and monies had not yet been spent to be eligible for a rebate. He recommended contacting the District's Conservation Specialist Roy Sikes to obtain confirmation.

President LaHue briefly clarified the basis for suspending the program.

Director Kriege congratulated the representatives from Capitola Knolls for their conservation efforts.

Director Jaffe provided an update on his meeting with County Supervisor Ellen Pirie who was interested in gaining a better understanding of the District's Water Demand Offset (WDO) Program and the changes that were made to the policies. He thanked General Manager Laura Brown for the WDO Policy Fact Sheet and Overview of Water Use Efficiency Requirements he gave to Supervisor Pirie that addressed her inquiries regarding the WDO process and the water issues surrounding the Poor Clares project. Ms. Brown stated that duplicate information was also given to the County planner for that project along with the District's Resolution to Establish Policies and Procedures for Water Service for Affordable Housing Projects.

Director Jaffe commented he had spoken to a landscape designer who resides at Seascape Greens and believes that those weather based irrigation controllers are not being used properly.

President LaHue commented he had spoken to a representative from Seascape Green's Homeowners Association, Mark Godoy, who had been trying to contact Mr. Sikes for advice to help them get their irrigation usage down.

Director Jaffe stated he was contacted by his neighbor about the County's Poor Clares project who couldn't understand why the District is asking customers to voluntarily reduce water consumption but at the same time allowing new development.

Director Hoernschemeyer mentioned an article in ACWA's newsletter on desalination that the California Coastal Commission had approved a demonstration facility in Oxnard and in the New York Times, a \$320 million desalination plant in Carlsbad was approved for San Diego's Regional Water Authorities. Director Daniels noted that the same article had hypothesized that the approval agencies would be slowing down on future approvals to "wait and see" how that plant would do.

Director Daniels stated he received a call from a customer who was concerned that people were watering the day before it was forecasted to rain and inquired whether something could be put in the newspaper to alert people not to water. R. Duncan responded that it was an interesting concept and that he would look into it.

4. REPORT FROM CLOSED SESSION – May 5, 2009

4.1 Conference with District Labor Negotiator to Give Direction Regarding Memorandum of Understanding with Management Employees

President LaHue stated that the Board gave guidance to the labor negotiator regarding the MOU with management employees.

5. PUBLIC HEARING

None

6. ADMINISTRATIVE BUSINESS

6.1 New Water Service Connection Application for Keith Venter, 783 Soquel San Jose Road, Soquel, APN 104-211-19

MOTION: Director Daniels: Second: Director Kriege: To authorize the District's standard water service connection to be installed for Keith Venter at 783 Soquel San Jose Road, Soquel, APN 104-211-19. The motion passed by a unanimous vote.

6.2 Approve Consultant Agreement with Environmental Science Associates (ESA) to Prepare the CEQA Compliance for the Aptos Pump Station Project, 9033 Soquel Drive, Aptos

Engineering Manager Jeff Gailey responded to a question regarding the proposal from ESA that concludes a Mitigated Negative Declaration would be prepared. The proposed Scope of Services will be modified for ESA to prepare an Initial Study and Environmental Assessment.

MOTION: Director Daniels: Second: Director Jaffe: To authorize the General Manager to sign a standard consultant agreement with ESA for preparation of the Initial Study and Environmental Assessment for the Aptos Pump Station Project for an amount not to exceed \$13,320, CWO 09-103. The motion passed by a unanimous vote.

- 6.3 Authorize Purchase in Excess of \$5,000 for Skid Mounted Booster Pump System at Vista Del Mar Tank

MOTION: Director Kriege: Second: President LaHue: To approve the purchase of one, skid mounted booster pump system for a total price not to exceed \$28,204.00, including tax and shipping from Advanced Electric if Watsonville, CA. The motion passed by a unanimous vote.

- 6.4 Authorize Purchase in Excess of \$5,000 for Seascape Booster Pump Station Piping

MOTION: Director Daniels: Second: Director Hoernschemeyer : To authorize the General Manager to sign a purchase order for Seascape Booster Station Piping Modifications to Lighthouse Welding for an amount not to exceed \$7,000. The motion passed by a unanimous vote.

- 6.5 Approve Payment for Labor Negotiation Services for Memorandum of Understanding with Service Employees International Union, Local 521 in Excess of Original Budget

MOTION: Director Daniels: Second: Director Kriege: To authorize allocation of funds for an amount not to exceed \$11,760 from Operating Contingency Reserves for Labor Negotiation services with LCW for Memorandum of Understanding with Service Employees International Union, Local 521. The motion passed by a unanimous vote.

6.6 Estates Treatment Plant Recoating Project, Adopt Plans & Specifications and Call for Bids

MOTION: Director Jaffe: Second: President LaHue: To approve **Resolution No. 09-13** for plans and specifications and **Resolution No. 09-14** setting prevailing wages and calling for bids for the Estates Treatment Plant Recoating Project, CWO 09-104. The motion passed by a unanimous vote.

6.7 Resolution Supporting the Bureau of Reclamation Grant Proposal

MOTION: Director Jaffe: Second: President LaHue: To adopt **Resolution No. 09-15** indicating the Board's authorization and support to apply for "Challenge Grant Program: Recovery Act of 2009 Water Marketing and Water Efficiency Grants" funds. The motion passed by a unanimous vote.

Resolution No. 09-15 (3) to state a District contribution of **1,911,553.00**.

The Board thanked Mr. Duncan for his effort to process the grant application.

6.8 Approve Summer 2009 Meeting Schedule

MOTION: Director Kriege: Second: Director Daniels: To adopt a summer meeting schedule of regular meetings on Tuesday, July 7 and Tuesday, August 4, 2009 and cancel the meetings of July 21 and August 18, 2009. The motion passed by a unanimous vote.

Director Jaffe apprised the Board he would not be able to attend the Board meeting on June 16.

6.9 Desalination Task Force and Energy Issues (oral report)

Director Kriege stated he and Director Daniels met to discuss the item regarding governance on tomorrow night's agenda, specifically, the three options being proposed by the task force facilitator Brent Haddad and his recommendation of a City-owned desalination facility linked by contract to SqCWD. The comments/issues expressed by Directors Kriege and Daniels were discussed. The Board provided input.

Ms. Brown stated that a draft Scope of Work for the regional desalination project EIR will be on the June 2nd agenda for Board comment.

7. **INFORMATION ITEMS**

None

8. **STATUS REPORTS**

8.1 Engineering – Jeff Gailey provided an update on the following: Seacliff Avenue Main Replacements Project, Phase II is almost complete except for paving. Results of pressure and bacteria testing are pending. The installation of the Polo Grounds monitoring well is moving along quickly. Once completed, a pump test on the production well will be done.

Ms. Brown apprised the Board of the disappointing news that the District's efforts to be considered for grant funding under the Economic Stimulus Package failed; however, she heard that Pure Source Water and Trout Gulch Mutual had made the cut.

8.2 Operations and Maintenance – Operations & Maintenance Manager Taj Dufour provided an overview of the status report. Several trees at the Vista Del Mar Tank site need to be removed and staff will be applying for a permit to do that.

8.3 District Counsel – Bob Bosso stated he will be attending the ACWA conference in Sacramento this week. He noticed on the agenda that apparently the City of Santa Cruz is doing a change of point of diversion before the State Water Resources Control Board and Camp Pendleton filed a protest which was overruled.

8.4 General Manager – Ms. Brown reported on the following:

Sad news: Kevin Walker, who retired after serving as the District's Electrical Technician for many years, recently passed away and, the District's Construction and Maintenance worker Ryan Gomes was hospitalized on Friday for a grave medical condition.

Details of the meeting she and Mr. Gailey had with the County and the District's representative from the State Water Resources Control Board yesterday on the Proposition 50 grant and the County's request to switch the turf retrofit project from Polo Grounds to Anna Jean Cummings Park. The meeting was positive. Discussion ensued.

The State representative, a geologist, was very excited to be visiting the Polo Grounds Monitoring Well site today to observe the well being drilled.

9. WRITTEN COMMUNICATIONS AND CORRESPONDENCE

Letter from District customer Barry Kotler dated May 1, 2009 regarding his water bill.

At 8:06 p.m., President LaHue recessed the Open Session to convene the Closed Session.

10. CLOSED SESSION

9.1 Conference with District Labor Negotiator to Give Direction Regarding Memorandum of Understanding with Management Employees Unit

President LaHue reconvened to Open Session at 8:20 p.m.

President LaHue stated that the Board gave direction to the labor negotiator regarding the MOU with management employees.

11. ADJOURNMENT - There being no further business, President LaHue adjourned the meeting at 8:21 p.m. to the next regularly scheduled Board meeting on June 2, 2009.

SUBMITTED BY:

APPROVED BY:

Denise Alexander, Board Clerk

Thomas LaHue, President