

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

1. Roll Call

President LaHue called the Regular Session to order at 7:02 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
Melanie Schumacher, Special Projects Engineer
Denise Alexander, Executive Assistant/Board Clerk

Others Present:

Jim Sandoval, Project Manager with CH2M HILL
2 members of the public

2. APPROVAL OF MINUTES

October 6, 2009

MOTION: Director Daniels; Second: Director Hoernschemeyer: To approve the October 6, 2009 minutes as presented. The motion passed by a unanimous vote.
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3. ORAL COMMUNICATIONS

Director Daniels stated he learned from Derrik Williams with HydroMetrics LLC that he will be speaking at the American Water Works Association (AWWA) Research Foundation conference in Seattle about the District's sustainable yield model. He attended a Soquel Neighbors Alliance meeting with the District's Conservation/Customer Service Manager Ron Duncan who was the guest speaker. A lot of questions were asked regarding sustainable yield, saltwater intrusion, conservation and the proposed rate increase.

4. **PUBLIC HEARING**

None

5. **ADMINISTRATIVE BUSINESS**

- 5.1 Will Serve Water Service Application for Brad Blachly, "0" Altivo Avenue, La Selva Beach, APN 045-112-37

Engineering Manager Jeff Gailey stated that the house in front of the proposed new development was demolished; a variance will apparently not be required.

MOTION: Director Daniels; Second: Director Jaffe: To authorize the District's Conditional Will Serve Letter indicating that the District will conditionally serve the proposed single family dwelling for Brad Blachly at "0" Altivo Avenue in La Selva Beach, APN 045-112-37. The motion passed by a unanimous vote.

- 5.2 Will Serve Water Service Application for Carol Frederick, Robak Drive, La Selva Beach, APN 045-331-10

MOTION: Director Kriege; Second: Director Hoernschemeyer: To authorize the District's Conditional Will Serve Letter indicating that the District will conditionally serve the proposed single family dwelling on Robak Drive in La Selva Beach, APN 045-331-10. The motion passed by a unanimous vote.

- 5.3 scwd² Energy Minimization and Greenhouse Gas Reduction Study - Presentation by CH2M HILL of Preliminary Findings

General Manager Laura Brown introduced Jim Sandoval, Project Manager with CH2M HILL who provided an overview of the study to date, preliminary estimates for energy and greenhouse gas emissions based on the District's conceptual use of the desalination facility, the regulatory requirements specific to greenhouse gas emissions for the proposed desalination facility, and a preliminary evaluation of the potential to offset greenhouse gas impacts to reach carbon neutrality. A copy of the presentation is attached as **Exhibit A**. Mr. Sandoval responded to questions throughout the presentation. Staff provided input.

Discussions ensued. Comments/concerns expressed that affect the decision making process and cost were: the goal is to be 100% carbon neutral and to minimize energy demand; technology is continually

changing and being improved; potential changes to regulatory requirements; flexibility and a mixture of offset options should be identified with the assumption that the initial offsets may change over time.

The Board thanked Mr. Sandoval for the presentation.

5.4 Approve Letter to the Office of Environmental Health Hazard Assessment (OEHHA) regarding Draft Public Health Goal for Hexavalent Chromium in Drinking Water

Operations and Maintenance Manager Taj Dufour reported on the public workshop he attended in Oakland on October 19, hosted by OEHHA. Copies of ACWA's revised letter to OEHHA were distributed, attached as **Exhibit B**. The content of ACWA's letter was discussed e.g. OEHHA's basis for determining a PHG of 60 parts per trillion.

Modifications were made to SqCWD's draft letter to OEHHA. Language will be added to state that the studies to establish a PHG should be based on solid scientific evidence and the supporting documents should be subject to independent external peer review.

The modified letter will be emailed to President LaHue for approval.

MOTION: Director Daniels; Second: Director Jaffe: To authorize the Board President to sign the letter as modified to the Pesticide and Environmental Toxicology Branch at the Office of Environmental Health Hazard Assessment, California Environmental Protection Agency regarding the Draft Public Health Goal for hexavalent chromium in drinking water. The motion passed by a unanimous vote.

5.5 Clarification and Direction on Items Involving the Water Demand Offset Program

CCSF Manager Ron Duncan stated that the first issue of the staff report is to increase the WDO Toilet Installation Project contract limit and noted a change in the staff recommendation to reallocate funds from the Quail Run Tank Design project instead of the Moosehead Drive and Winfield Way Main Replacements project.

Director Kriege stated that the state may require the District to conserve another 20% in the near future, and if that should happen, it would be prudent to save some retrofitting for later. The economy is struggling and the District cannot afford to continue funding this project.

Director Daniels stated that the District might be able to claim credits for the carbon savings.

Mr. Duncan commented that a letter was sent to all customers on the waiting list for over a year indicating that their toilet would be retrofitted. President LaHue stated that the District made a commitment, and we should follow through. Ms. Brown suggested an alternative approach to limit the District contribution to the \$250 rebate amount.

Further discussion ensued regarding the two remaining issues of 1) change-of-use for pre-WDO commercial entities that require no meter change; and 2) determining the existing water-use credit for replacement development or change-of-use.

MOTION: Director Jaffe; Second: Director Daniels: To reallocate the \$333,000 budgeted for the Quail Run Tank Design project to the WDO Toilet Installation Project. The motion passed by 4-1 vote with Director Kriege dissenting.

MOTION: Director Jaffe; Second: Director Daniels: To approve **Resolution 09-40** Amending Resolution No. 03-31 Establishing Water Demand Offset Requirements for Change-of-Use by Commercial Development in concept and schedule a public hearing for November 3, 2009 prior to final adoption, and to approve a policy that credit for existing water use shall be determined based on the corresponding water use factor as determined by the District without further adjustment. The motion passed by a unanimous vote.

5.6 *This item was pulled from the agenda*

5.7 Polo Grounds Production Well Pump Test, Accept Report as Complete

MOTION: Director Kriege; Second: Director Hoernschemeyer: To accept the Polo Grounds Well Test report as complete for the Polo Grounds Production Well, CWO 06-039. The motion passed by a unanimous vote.

5.8 Approve Vista Del Mar Tank Main Replacement Project, Preliminary Environmental Assessment & Categorical Exemption

MOTION: Director Hoernschemeyer; Second: Director Kriege: To approve the Preliminary Environmental Assessment and finding of a Categorical Exemption for the Vista Del Mar Tank Main Replacement Project. The motion passed by a unanimous vote.

5.9 Vista Del Mar Tank Main Replacement Project, Adopt Plans & Specifications and Call for Bids

Mr. Dufour responded to inquiries and a brief overview of the project was given utilizing the plans displayed on the wall.

MOTION: Director Kriege; Second: Director Hoernschemeyer: To approve **Resolution No. 09-41** for plans and specifications and **Resolution No. 09-42** setting prevailing wages and calling for bids for the Vista Del Mar Tank Main Replacement Project, CWO 09-126. The motion passed by a unanimous vote.

5.10 *This item was pulled from the agenda*

5.11 Approve Purchase over \$10,000 for Chlorine Residual Analyzers

MOTION: Director Jaffe; Second: President LaHue: To approve the purchase of four Wallace and Tiernan Depolox 3 Free Chlorine Analyzers with Bare Electrode Measuring Cells from Borges & Mahoney Co. of Vallejo, CA at a cost of \$11,768 plus tax. The motion passed by a unanimous vote.

5.12 Vote for the National Water Resources Association (NWRA) California Caucus

Candidates selected were: E.G. "Jerry" Gladbach; James Heitzman; Dr. Betty H. Olson and Larry L. Russell, Ph.D., P.E.

MOTION: Director Kriege; Second: Director Jaffe: To direct the General Manager on the District's vote for the NWRA California Caucus. The motion passed by a unanimous vote.

5.13 Letter Requesting U.S. Representative Farr to Co-Sponsor H.R. 3727, The "Drinking Water Adaptation, Technology, Education, and Research (WATER) Act"

Two modifications to the draft letter were made.

MOTION: Director Jaffe; Second: Director Hoernschemeyer: To authorize the Board President to send a letter to U.S. Representative Sam Farr requesting that he co-sponsor H.R. 3727, the “Drinking Water Adaptation, Technology, Education, and Research (WATER) Act” as modified. The motion passed by a unanimous vote.

5.14 Cancel December 1, 2009 and January 4, 2010 Regular Board Meetings

MOTION: Director Kriege; Second: Director Jaffe: To cancel the December 1, 2009 and January 4, 2010 regular Board meetings. The motion passed by a unanimous vote.

5.15 Desalination Task Force and Energy Issues – (oral report)

Director Kriege stated that at tomorrow’s meeting, the task force will consider the interim final version of the agreement between the two agencies. Overall consensus was reached on the various components of the operational plan; the agreement is good. Ms. Brown stated that three EIR consultants will be interviewed on November 2 and a recommendation will hopefully be taken to the task force later that month. EIR Scoping meetings will alternate between the City and District offices. SqCWD and the City will be co-lead agencies for the preparation of the project level EIR and both agencies will vote on the final EIR at a joint meeting.

6. INFORMATION ITEMS

None

7. STATUS REPORTS

7.1 Engineering – Mr. Gailey stated that a good pre-construction meeting with the contractor, Robert Enz Construction, for the Vienna Woods Main Replacement project was held and the work started on Monday. In response to an inquiry, Mr. Gailey stated that customers will be noticed beforehand of any shut-down; a total of 4-5 shutdowns are expected over the duration of the entire project, occurring in different areas. The equipment to automate the bulk water stations has been delayed due to an upgrade that was done to the circuit boards. Potbelly Beach’s CEQA review is still underway at the County.

7.2 Operations & Maintenance - Mr. Dufour provided an overview of the status report. An update on the Central Water District emergency intertie was given. A sample of an impeller that was pulled from the

Maplethorpe Booster Station was shown. Staff is waiting to receive a statement from the lab acknowledging flawed testing in order to clear an MCL violation from the California Department of Public Health; second sampling performed the day after the initial samples were taken were clear.

- 7.3 District Counsel - Bob Bosso stated he has been working with staff via emails on various items.
- 7.4 General Manager - Ms. Brown reported on the following: Meetings are underway with SEIU and staff regarding the District's installation of GPS systems on the on-call vehicles and related modifications to the Vehicle Use Policy. Management's MOU terminates December 31. A Human Resources consultant was hired to re-evaluate the managers' job descriptions/salaries. Ms. Brown, Mary Bannister with Pajaro Valley Water Management Agency and Gary Patton, a local environmental attorney, spoke on a Community TV Express show that she felt went well. She reported on an environmental breakfast event sponsored by Assembly Member Bill Monning that she attended. The group requested the Assembly Member to support the need for continued integrated water resources management funding and statewide equity that recognizes local accomplishments if conservation is mandated. She and Ms. Boisen met with Tom Pavletic and Marv Winer with Municipal Financial Services to provide input on the water capacity fees to be presented at the November 17 meeting. She and Mr. Gailey are continuing to work on the proposed adjustment to engineering and new connection fees and charges that will also be on the November 17th agenda. Staff finished reviewing the draft Well Master Plan EIR and comments have been sent to ESA to implement the changes.

8. **WRITTEN COMMUNICATIONS AND CORRESPONDENCE**

None

9. **REPORT OF PAYMENT OF THE BILLS**

- 9.1 September Warrants and August/September Credit Card Analysis

MOTION: Director Kriege; Second: Director Daniels: To accept the September Warrants and August/September Credit Card Analysis as paid. The motion passed by a unanimous vote.

At 9:56 p.m., President LaHue recessed the Open Session to convene the Closed Session.

10. CLOSED SESSION

10.1 Personnel Matter – Approve extension of medical leave for one employee

President LaHue reconvened to Open Session at 10:01p.m.

11. ADJOURNMENT - There being no further business, President LaHue adjourned the meeting at 10:02 p.m. to the next regularly scheduled meeting on November 3, 2009.

SUBMITTED BY:

APPROVED BY:

Denise Alexander, Board Clerk

Thomas LaHue, President