

SOQUEL CREEK WATER DISTRICT BOARD OF DIRECTORS

AGENDA

TUESDAY, DECEMBER 5, 2023

AGENDA 6:00 PM

CLOSED SESSION

MEETING LOCATION

Capitola City Council Chambers
420 Capitola Avenue, Capitola, California

MISSION

We are a public agency dedicated to providing a safe, high quality, reliable, and sustainable water supply to meet our community's present and future needs in an environmentally sensitive and economically responsible manner.

BOARD MEETING PROCEDURES

The Board President serves as the chairperson to guide Board Meetings following agenda order listed below:

1. Call to Order and Roll Call
2. Public Hearing
3. Board Members' Opportunity to Remove Items from Consent Agenda
4. Consent Agenda
5. Oral and Written Communications
6. Reports
7. Administrative Business
8. Closed Session
9. Adjournment

Note that the agenda order is subject to change.

MEETING INFORMATION AND ACCESSIBILITY

Meeting materials are available on the District's website:

<https://www.soquelcreekwater.org/AgendaCenter> Agendas, board packets, written correspondence (if any), and presentations (if any), are available by clicking on the meeting date and associated links.

Meetings are open to the public and thoughtful oral comments are encouraged. Please see the [District's Oral and Written Communications Guidelines](#) for additional information.

Board Meetings are broadcast live on Community Television's YouTube Channel (<https://www.youtube.com/@CTVsantacruz/live>) and on Charter Channel 8. Meetings are also televised on Thursday at 8am and Sunday at 6pm (Comcast Channel 25 and Charter Channel 71), following the meeting. Meeting recordings are posted on the District's website (<https://www.soquelcreekwater.org/AgendaCenter>) following the meeting at the earliest opportunity.

The meeting room is an accessible facility. Should special assistance be required to participate in the meeting, please contact the Board Clerk at 831-475-8500 x126.

**SOQUEL CREEK WATER DISTRICT
AGENDA – DECEMBER 5, 2023**

6:00 PM

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC HEARING – None

3. BOARD MEMBERS' OPPORTUNITY TO REMOVE ITEMS FROM CONSENT AGENDA

4. CONSENT AGENDA (Pg. 4)

Consent Agenda items include routine business that do not call for discussion. One vote is taken for all Consent Agenda items. Only a Board Member may request that the Board President remove items from Consent to Regular agenda for discussion. A public member may request that a Board Member pull an item from the Consent Agenda prior to the start of the meeting. It is requested that public members provide an explanation with requests to remove Consent Agenda Items – this helps the Board determine if an item should remain on consent or be pulled for discussion. Any Consent Agenda items that are removed for discussion will be considered at the end of Administrative Business. For Consent Agenda items not removed for discussion, public members may provide comment for up to two (2) minutes, or the length of time established by the Board President, at the beginning of the Consent Agenda.

4.1 Approval of Minutes – None

4.2 Board Planning Calendar

4.3 Special Board Assignments Status Report

4.4 Public Outreach Committee Meeting Summary

4.5 Water Resources Management and Infrastructure Committee Meeting Summary

4.6 Annual Reporting of Exempt and Non-Exempt Surplus Land

4.7 Approve Cancellations of the Designated 2024 Board Meetings

4.8 Approve and Publish 2024 Employee Salary Schedules: SEIU, Mid-Management and Management

5. ORAL AND WRITTEN COMMUNICATIONS (Pg. 23)

Oral Communications provides the opportunity for public members to speak on any item of interest (for items not on the Agenda), within the jurisdiction of the District. Public members may provide comment for up to three (3) minutes, or the length of time established by the Board President. Individuals may speak only once during Oral Communications. This also provides an opportunity for Board Members to make announcements.

6. REPORTS – None

7. ADMINISTRATIVE BUSINESS (Pg. 24)

7.1 Conditional and Unconditional Will Serves – None

7.2 Annual Election of Vice-President by Board of Directors

7.3 Review and Consider Compensation for District Directors According to Ordinance No. 20-01

7.4 Request Board Direction Regarding the 2023 Water Rate Study Proposed Rate Structures

7.5 Consider Board Member Appointments on Various Standing Committees/Boards

8. CLOSED SESSION

The Board may conduct a Closed Session on particular agendas as necessary. Closed Sessions are not open to the public; however, there is an opportunity for public members to address the Board on specific closed session agenda items prior to the Board convening in closed session. Matters discussed during Closed Session include existing and pending litigation, personnel matters and real property negotiations. Actions taken by the Board during Closed Session will be announced during open session following the adjournment of the closed session.

**SOQUEL CREEK WATER DISTRICT
AGENDA - DECEMBER 5, 2023**

- 8.1 Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section §54956.9(d)(1)
Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV01517
Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV02699; CA Sixth District Court of Appeal Case No. H050093
- 8.2 Conference With Legal Counsel—Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1 case

9. ADJOURNMENT

**BOARD OF DIRECTORS
TUESDAY, DECEMBER 5, 2023
CONSENT AGENDA**

Consent Agenda items include routine business that do not call for discussion. One vote is taken for all Consent Agenda items. Only a Board Member may request that the Board President remove items from Consent to Regular agenda for discussion. A public member may request that a Board Member pull an item from the Consent Agenda prior to the start of the meeting. It is requested that public members provide an explanation with requests to remove Consent Agenda Items – this helps the Board determine if an item should remain on consent or be pulled for discussion. Any Consent Agenda items that are removed for discussion will be considered at the end of Administrative Business. For Consent Agenda items not removed for discussion, public members may provide comment for up to two (2) minutes, or the length of time established by the Board President, at the beginning of the Consent Agenda.

4. CONSENT AGENDA

- 4.1 Approval of Minutes – *None*
- 4.2 Board Planning Calendar
- 4.3 Special Board Assignments Status Report
- 4.4 Public Outreach Committee Meeting Summary
- 4.5 Water Resources Management and Infrastructure Committee Meeting Summary
- 4.6 Annual Reporting of Exempt and Non-Exempt Surplus Land
- 4.7 Approve Cancellations of the Designated 2024 Board Meetings
- 4.8 Approve and Publish 2024 Employee Salary Schedules: SEIU, Mid-Management and Management

Board Planning Calendar

All items and dates noted are subject to change; some items may not be listed.

| November 2023 | | | | | | |
|---------------|--|---|-----|---------------------------------|---------------------------------|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 Board Meeting – CANCELLED | 8 | 9 | 10 Holiday – District Closed | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 Publish Board Packet | 18 |
| 19 | 20 Board Meeting Closed Session Management Update Rate Study: Final Rate Proposal | 21 | 22 | 23 Holiday – District Closed | 24 Holiday – District Closed | 25 |
| 26 | 27 | 28 | 29 | 30 | | |

Board Planning Calendar

All items and dates noted are subject to change; some items may not be listed.

December 2023

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|---------------------------------|---|-----|---|---------------------------------|-----|
| | | | | | 1 Publish Board Packet | 2 |
| 3 | 4 | 5 Board Meeting Closed Session Annual Appointment of Board Vice-President Board Member Appointments to Standing Committees Rate Study: Final Rate Proposal | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 Public Outreach Standing Committee (10:30-11:30 am) Water Resources Management and Infrastructure Standing Committee (4-5 pm) | 13 | 14 Mid-County Groundwater Agency (MGA) Board Meeting: 6:00 pm, Capitola Branch Library | 15 Publish Board Packet | 16 |
| 17 | 18 | 19 Board Meeting Closed Session Committee Meeting Summaries Management Update Rate Study: Rate Authorization Consideration Year in Review Slideshow | 20 | 21 | 22 Holiday – District Closed | 23 |
| 24 | 25 Holiday – District Closed | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

Board Planning Calendar

All items and dates noted are subject to change; some items may not be listed.

| January 2024 | | | | | | |
|--------------|---|---|-----------|-----------|-----------------------------------|-----------|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | 1 Holiday – District Closed | 2 Board Meeting – PENDING CANCELLATION | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 Publish Board Packet | 13 |
| 14 | 15 Holiday – District Closed | 16 Board Meeting Closed Session Management Update | 17 | 18 | 19 | 20 |
| 21 | 22 Finance Standing Committee (4-5 pm) | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 | | | |

Board Planning Calendar

All items and dates noted are subject to change; some items may not be listed.

| February 2024 | | | | | | |
|---------------|---------------------------------|--|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | 1 | 2 | 3 |
| 4 | 5 | 6 Board Meeting Closed Session | 7 | 8 | 9 | 10 |
| 11 | 12 | 13 Public Outreach Standing Committee (10:30-11:30 am) Water Resources Management and Infrastructure Standing Committee (4-5 pm) | 14 | 15 | 16 | 17 |
| 18 | 19 Holiday – District Closed | 20 Board Meeting Closed Session Management Update | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | | |

**Consent Agenda Item 4.3
Special Board Assignments Status Report
Updated for December 5, 2023**

Key
Regular Font = No Change
Red Underline = New Assignment or Activity
~~Blue Strikethrough~~ = Completed or moved to a Department Status Report; completed and moved items are deleted the following month

ADMINISTRATION

No items.

SPECIAL PROJECTS & OUTREACH

- a. **Presentation on Pure Water Soquel Treatment Process** – Director Jaffe requested a presentation on the Pure Water Soquel treatment process, specifically focusing on system redundancy. (Assigned March 21, 2023; Projected Completion – to be determined).

FINANCE

No items.

WATER RESOURCES

- b. **Water Audit Data Validity Score Increase** – Director LaHue requested that an item be agendized to discuss how the District’s water audit data validity score can be increased, what’s involved, and projected costs. The State is working to implement new water audit software that includes an overhaul of the data validity scoring. Staff anticipates that new software will identify specific actions that will increase the District’s score. The release of the new software has been pushed back by the State, and it is anticipated to be ready next year (for the 2023 audit). (Assigned October 20, 2020, Projected completion – January 2024 (when water audit results are presented)).

ENGINEERING

No items.

OPERATIONS & MAINTENANCE

- a. **Water Transfer Pilot Project Purchase Price** – Director Jaffe requested that staff present an approximate total cost of the purchased water from the City of Santa Cruz (including purchase price and staff and permitting costs), at a future Board Meeting. (Assigned August 18, 2020, Projected completion – to be determined).
- b. **District Property Evaluation** – Director Daniels requested that after the Pure Water Soquel project is completed that an item be agendized to evaluate whether to sell unused District-owned properties. (Assigned December 1, 2020, Projected completion – after Pure Water Soquel project is completed.)

HUMAN RESOURCES

No items.

MISCELLANEOUS ITEMS

No items.

RESERVE LIST

(Items mentioned at a Board meeting, yet not prioritized by the Board.)

- a. **Aquifer Indicator** - At the Feb. 7, 2017 Board meeting, Director Jaffe asked that staff develop a simple indicator to educate the public on our overdraft problem. This request is similar to a previous request by Director Daniels. (Assigned February 7, 2017, Projected completion – to be determined).
- b. **Development of WaterSmart App** – Vice-President Jaffe requested that a discussion regarding the development of a WaterSmart App be agendized. There may be an opportunity to utilize college-level students to develop the App. (Assigned – January 17, 2023; Projected Completion – To be determined.)
- c. **New District Name** - Agendize a conversation about a District name change – on hold due to higher priorities. (Assigned Pre- 2016; Project completion: Unknown, maybe after the supplemental project(s) are executed.)
- d. **Youth/Junior Committee** – Director Balboni requested additional information and a discussion about the possibility of forming a youth/junior committee. (Assigned – November 20, 2023; Projected Completion – To be determined.)

**SOQUEL CREEK WATER DISTRICT
PUBLIC OUTREACH COMMITTEE MEETING SUMMARY
TUESDAY, OCTOBER 10, 2023, 10:30 – 11:30 AM**

MEETING LOCATION

Soquel Creek Water District, 5180 Soquel Drive, Soquel, CA 95073

ATTENDANCE

Public Outreach Committee

Dr. Tom LaHue, Vice Chair

Steven Graff, Public Member

Staff

Ron Duncan, General Manager

Melanie Mow Schumacher, Special Projects-Communications Manager / Assistant General Manager

Rebecca Rubin, Public Outreach Coordinator

Mackenzie Morris, Communications Specialist

Valerie Spaugh, Utility Billing and Customer Service Supervisor

Emma Western, Executive Assistant/Board Clerk

Public Members – None

SUMMARY NOTES

2.0 Oral Communications – None

3.1 District Update

- Mr. Duncan provided a District update. Discussion topics included:
 - Bureau of Reclamation’s \$30 million grant award to the District for the Pure Water Soquel (PWS) Project.
 - The Mid-County Groundwater Agency (MGA) is working on a plan to meter the larger pumpers (e.g., pumping above 5 acre-feet per year) in the basin. There are approximately 45 identified larger pumpers in the basin.
 - The State Water Resources Control Board’s regulations to make “Conservation a California Way of Life” for each Urban Retail Water Supplier in California.

3.2 Water Rates, Water Capacity Charge Study, and Prop 218 Outreach Update

- Mr. Duncan and Ms. Mow Schumacher shared a presentation on the Water Rates Study and the related outreach efforts.
- Discussion ensued, and committee members provided feedback and asked questions regarding the water rate study and outreach plan.

3.3 Pure Water Soquel (PWS) Project Update

- Ms. Rubin provided a brief update on the PWS Project. She stated that the three screens at the Water Treatment Facility will be installed soon – the screens depict a surfer, an otter, and an octopus.

3.4 Future Outreach Activities and Events

- Ms. Morris and Ms. Rubin discussed the Water Harvest Festival, which is scheduled for Saturday, October 14, 2023.
- Ms. Morris shared that she has been hosting many construction tours at the PWS Treatment Facility.

3.5 Report or Information from Committee Members and Requests for Future Items to Discuss – None

The meeting started at 10:30 am. The meeting adjourned at 11:42 am. Presentations/correspondence (if any) are available on the District’s website: <https://www.soquelcreekwater.org/AgendaCenter>

**SOQUEL CREEK WATER DISTRICT
WATER RESOURCES MANAGEMENT AND INFRASTRUCTURE COMMITTEE MEETING SUMMARY
TUESDAY, OCTOBER 10, 2023, 4:00 – 5:00 PM**

MEETING LOCATION

Soquel Creek Water District, 5180 Soquel Drive, Soquel, CA 95073

ATTENDANCE

Water Resources Management and Infrastructure (WRMI) Committee

Jennifer Balboni, Vice-Chair

Meryl Abramson, Public Member

Staff

Melanie Mow Schumacher, Special Projects-Communications Manager / Assistant General Manager

Taj Dufour, Engineering Manager

Shelley Flock, Water Resources Manager

Emma Western, Executive Assistant/Board Clerk

Public Members

1 member of the public

SUMMARY NOTES

2.0 Oral Communications

- 1 public comment was heard.

3.1 District Update

- Ms. Mow Schumacher shared that the Bureau of Reclamation awarded the District a \$30 million grant for the Pure Water Soquel (PWS) Project.
- Ms. Flock discussed the State Water Resources Control Board's regulations to make "Conservation a California Way of Life" for each Urban Retail Water Supplier in California.

3.2 Water Rates and Water Capacity Charge Study Update

- Ms. Mow Schumacher provided an update on the 2023 Water Rate Study. She discussed the Board's priority objectives of financial sustainability, social equitability, and legal defensibility, the overall rate study process, and the related outreach efforts.
- Ms. Abramson suggested that outreach materials refer to water consumption in terms of gallons (instead of acre-feet).

3.3 Update on Current and Future Projects

- Mr. Dufour stated that staff is busy coordinating with the City/County on various projects throughout the community.
- Staff provided updates on several different projects, including: Soquel Ave./Soquel Dr. main replacement, O'Neill Ranch Treatment Plant, County/Caltrans Capitola Bridge Project, Country Club Well, Cunnison Well, and the Chromium VI Treatment Project.

3.4 Report or Information from Committee Members and Requests for Future Items to Discuss

None

The meeting started at 4:05 pm. The meeting adjourned at 4:46 pm. Presentations/correspondence (if any) are available on the District's website: <https://www.soquelcreekwater.org/AgendaCenter>

December 5, 2023

MEMO TO THE BOARD OF DIRECTORS

Subject: Consent Agenda Item No. 4.6

Title: Annual Reporting of Exempt and Non-Exempt Surplus Land

Attachment(s):

- 1. Resolution No. 23-12

In accordance with California Government Code §50569, this memo serves as the District’s annual reporting of surplus land. California Government Code §50569 states:

On or before December 31 of each year, each local agency as defined in Section 54951 shall make an inventory of all lands held, owned or controlled by it or any of its departments, agencies or authorities to determine what land, including air rights, if any, is in excess of its foreseeable needs. A description of each parcel found to be so in excess of needs shall be made a matter of public record. Any citizen, limited dividend corporation, housing corporation or nonprofit corporation, shall upon request be provided with a list of said parcels without charge.

Staff maintains an inventory of all District-owned properties. This inventory was reviewed, and the parcels included in Exhibit A of the attached Resolution 23-12 were determined to be in excess of the District’s foreseeable needs. These parcels are small, former well or tank sites, plus the ~150 acres of Glenwood properties that the District acquired in 1980 for use as a potential surface water reservoir.

Exhibit A also identifies whether the parcels are exempt or non-exempt surplus land, as defined in California Government Code §54221(b) and (f). Prior to disposing of non-exempt surplus land, the District is required by law to offer to sell the land to certain government agencies for low/moderate income housing and/or open space.

POSSIBLE BOARD ACTION(S):

- 1. By MOTION, adopt Resolution 23-12 declaring the District’s exempt and non-exempt surplus land and adopting the inventory report of the exempt and non-exempt surplus land.



By _____
 Nicholas Emmert
 Interim Operations and Maintenance Manager

RESOLUTION NO. 23-12

**BEFORE THE BOARD OF DIRECTORS OF THE
SOQUEL CREEK WATER DISTRICT**

**A RESOLUTION OF THE BOARD OF THE SOQUEL CREEK WATER DISTRICT DECLARING THE
DISTRICT'S EXEMPT AND NON-EXEMPT SURPLUS LAND, PURSUANT TO GOVERNMENT CODE
§ 54221(b), AND ADOPTING INVENTORY REPORT OF THE SAME, PURSUANT TO
GOVERNMENT CODE § 50569**

WHEREAS, the Soquel Creek Water District ("District") is a County Water District organized pursuant to California Water Code section 30000 *et seq.*, and is a "local agency" within the meaning of the Surplus Land Act, Government Code sections 54220 *et seq.* (as amended, the "Act"); and

WHEREAS, the Act requires, among other things, that on or before December 31 each year, a local agency must make an inventory of all lands held, owned, or controlled by it or any of its departments, agencies or authorities to determine what land, including air rights, if any, is in excess of its foreseeable needs (the "Inventory List"), and that such Inventory List must be made a matter of public record and made available to any citizen, limited dividend corporation, housing corporation, or nonprofit corporation at no charge; and

WHEREAS, "surplus land" is defined in the Act as "land owned in fee simple by any local agency for which the local agency's governing body takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for the agency's use"; and

WHEREAS, based on the definition of "surplus land" and the several categories of "exempt surplus land" that are set forth in Government Code section 54221(f), the District has determined that it owns 11 parcels of land that should be included on the Inventory List; and

WHEREAS, the Act does not specify what information must be included in the Inventory List, but the District will include at least the following information: (1) the street address or similar location information; (2) the assessor's parcel number; (3) the existing use; (4) whether the site is surplus land or exempt surplus land; and (5) the size of the site in acres; and

WHEREAS, the Inventory List, in compliance with Government Code section 50569, is attached hereto as Exhibit A and incorporated herein by reference.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOQUEL
CREEK WATER DISTRICT AS FOLLOWS:**

SECTION 1. The above recitals are true and correct and are a substantive part of this Resolution.

SECTION 2. Each of the 10 parcels on the Inventory List (the "Surplus Properties") are not necessary for the District's use, are currently not being put to any use by the District, and there is no planned use by the District of these Surplus Properties.

SECTION 3. Five of the Surplus Properties are non-exempt surplus land, as defined in Government Code section 54221(b), and five of the Surplus Properties are exempt surplus land, as

defined in Government Code section 54221(f). The exempt status of one Surplus Property is unknown pending further investigation.

SECTION 4. Based on the true and correct written findings in this Resolution and incorporated herein by reference, the Board of Directors hereby authorizes the listing of the Surplus Properties on the Inventory List created by District staff pursuant to and in compliance with Government Code section 50569.

SECTION 5. The declaration of the Surplus Properties as surplus and listing of such Surplus Properties on the Inventory List are actions that are exempt from environmental review under the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines § 15378, because they have no potential for resulting in physical change in the environment, directly or indirectly. If and when one of the Surplus Properties is sold to a purchaser, and that purchaser proposes a use for the Property that requires CEQA review, that future use and project will be analyzed at the appropriate time in accordance with CEQA. Alternatively, even if the above-described actions are a "project" within the meaning of CEQA Guidelines section 15378, such actions would be exempt from CEQA review under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. (State CEQA Guidelines, Section 15061(b)(3)).

SECTION 5. If any section, subsection, paragraph, sentence, clause, or phrase of this Resolution is declared by a court of competent jurisdiction to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this Resolution.

SECTION 6. This Resolution shall take effect immediately upon its adoption by the Board of Directors.

PASSED AND ADOPTED by the Board of Directors of the SOQUEL CREEK WATER DISTRICT this _____ day of _____, _____ by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Carla Christensen, President

ATTEST:

Emma Western, Board Clerk

APPROVED AS TO FORM:

Joshua Nelson, District Counsel

EXHIBIT A

INVENTORY LIST

| NAME | PARCEL NO. | SIZE (acres) | STREET | UNINCORPORATED AREA | COUNTY | ZIP | EXISTING USE | EXEMPT? |
|--|-------------------|-------------------------|----------------|--------------------------------|---------------|------------|-------------------------|----------------------|
| Former Vienna Woods Well 2 | 040-091-31 | 0.0093 | Mesa Grande Rd | Aptos | Santa Cruz | 95003 | Vacant | Yes |
| Former Vienna Woods Well 1 | 040-091-32 | 0.0059 | Mesa Grande Rd | Aptos | Santa Cruz | 95003 | Vacant | Yes |
| Former Vienna Woods Well 3 | 040-091-33 | 0.0059 | Mesa Grande Rd | Aptos | Santa Cruz | 95003 | Vacant | Yes |
| Former Monterey Bay Country Club Tank and Boosters | 040-351-04 | 0.14 | Fairway Dr | Soquel | Santa Cruz | 95073 | Vacant | Yes - Status Pending |
| Glenwood Reservoir Site | 095-181-01 | 14.46 | Glenwood Area | Los Gatos | Santa Cruz | 95033 | Vacant | No |
| Glenwood Reservoir Site | 095-181-08 | 4.62 | Glenwood Area | Los Gatos | Santa Cruz | 95033 | Vacant | No |
| Glenwood Reservoir Site | 097-211-10 | 4.92 | Glenwood Area | Los Gatos | Santa Cruz | 95033 | Vacant | No |
| Glenwood Reservoir Site | 097-222-07 | 2.50 | Glenwood Area | Los Gatos | Santa Cruz | 95033 | Vacant | No |
| Glenwood Reservoir Site | 097-241-02 | 112.56 | Glenwood Area | Los Gatos | Santa Cruz | 95033 | Vacant | No |
| Former Rio Del Mar Lodge Tank | 105-102-03 | 0.093 | Redwood Dr | Aptos | Santa Cruz | 95003 | Vacant | Yes |

December 5, 2023

MEMO TO THE BOARD OF DIRECTORS

Subject: Consent Agenda Item No. 4.7

Title: Approve Cancellations of the Designated 2024 Board Meetings

Background

As part of the District’s commitment to efficiency, the Board reviewed the frequency and schedule of regular Board Meetings in September 2019. There was consensus to continue holding two meetings each month and to cancel meetings when appropriate. Staff has reviewed the 2024 calendar, and this item is presented for the Board to consider four cancellations to the 2024 Board Meeting schedule.

Discussion


Staff requests that the Board consider the following Board Meeting schedule modifications:

1. **Cancel the January 2, 2024 Board Meeting:** The first meeting in January is typically cancelled to allow for holiday vacations and therefore a natural reduced need for Board action.
2. **Cancel the July 2, 2024 Board Meeting:** The first meeting in July is typically cancelled to allow for summer vacations and therefore a natural reduced need for Board action.
3. **Cancel the August 6, 2024 Board Meeting:** The first meeting in August typically cancelled to allow for summer vacations and therefore a natural reduced need for Board action.
4. **Cancel the November 5, 2024 Board Meeting:** Staff recommends cancelling this meeting as it conflicts with the general election.

For any future cancellations/modifications, the General Manager will work with the Board President (and potentially the Board Vice-President) to cancel or modify the Board Meeting schedule when appropriate.

POSSIBLE BOARD ACTION(S):

1. By MOTION, cancel the following Board Meetings in 2024: January 2, July 2, August 6, and November 5.

By 

Ron Duncan
General Manager

December 5, 2023

BOARD OF DIRECTORS

Subject: Consent Agenda Item No. 4.8

Title: Approve and Publish 2024 Employee Salary Schedules: SEIU, Mid-Management and Management

Attachment(s):

1. 2024 Salary Schedule – Field & Office SEIU Local #521 Represented Employees
2. 2024 Salary Schedule – Mid-Management Employee Group
3. 2024 Salary Schedule – Management Employee Group

Information

California Public Employees’ Retirement System requirements under California Code of Regulations (CCR) 570.5, outlines required elements necessary to meet the definition for a publicly available pay schedule as follows:

(a) For purposes of determining the amount of “compensation earnable” pursuant to Government Code Sections 20630, 20636, and 20636.1, pay rate shall be limited to the amount listed on a pay schedule that meets all the following requirements:

- (1) Has been duly approved and adopted by the employer’s governing body in accordance with requirements of applicable public meeting laws;**
- (2) Identifies the position title for every employee position;
- (3) Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer’s internet website;
- (6) Indicates an effective date and date of any revisions;
- (7) Is retained by the employer and available for public inspection for not less than five years; and
- (8) Does not reference another document in lieu of disclosing the pay rate.

Each of the three employee bargaining groups negotiates the terms of its [Memoranda of Understanding](#) (MOU), and contained within each is a section on wages, salary and pay practices. Wage adjustment criteria are set by the terms of each employee group. Each of the three District MOUs currently in effect specifically identify the terms below:

Field & Office SEIU Local #521 Represented Employees – Article 8.1.B - Wages

“Effective the first pay period in January 2024, a 5% increase to the salary schedule.”

Mid-Management Employee Group – Article 7.1.A - Wages

“Effective the first pay period in January 2024, a 5% increase to the salary schedule.”

Management Employee Group – Article 3.2 - Salary

“Effective the first pay period in January in the years 2023 and 2024 salaries shall be increased by the amount of the “San Francisco/Oakland/San Jose All Urban Consumers” Consumer Price Index from October to October, with a minimum of 0% and a maximum of 5%.”

Board of Directors
December 5, 2023
Page 2 of 2

The San Francisco Area Consumers Price Index (CPI) from October to October, effective the first pay period in January 2024 was published on November 14, 2023 at an increase of 2.8% over the prior year: https://www.bls.gov/regions/west/news-release/consumerpriceindex_sanfrancisco.htm

General Manager Employment Agreement - 6. Compensation (b) Annual Salary Adjustments.

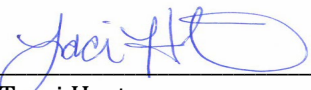
“The Board of Directors may provide for a salary adjustment to Employee at any time in its discretion. In addition, Employee shall receive the same basic salary cost of living adjustment provided to other management employees during the term of this Agreement as part of their Memorandum of Understanding between SqCWD and management employees.”

Therefore, District employee 2024 salary schedules are being presented for approval by the Board, reflecting the increase identified for each group. The proposed adjusted salary schedules are attached for your review and approval.

(Note: the management employee group salary schedule reflects the separately noted May 18, 2021, Board approved special compensation for three management classifications. Those approved rates are not subject to the 2024 pay schedule increase.)

POSSIBLE BOARD ACTION(S):

1. By MOTION, approve the 2024 District Employee Salary Schedules.

By  _____
Traci Hart
Human Resources Manager

SOQUEL CREEK WATER DISTRICT
 SALARY SCHEDULE - MONTHLY
 FIELD & OFFICE NON-MANAGEMENT EMPLOYEES
 EFFECTIVE: DECEMBER 24, 2023 (1st Pay Period 2024)
 PROPOSED 12/5/2023

| Compensation Steps | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Accounting Specialist | \$ 5,761 | \$ 6,049 | \$ 6,351 | \$ 6,669 | \$ 7,002 | \$ 7,352 | \$ 7,720 | \$ 7,990 | \$ 8,150 |
| Assistant Staff Analyst | \$ 5,761 | \$ 6,049 | \$ 6,351 | \$ 6,669 | \$ 7,002 | \$ 7,352 | \$ 7,720 | \$ 7,990 | \$ 8,150 |
| Communications Specialist | \$ 5,761 | \$ 6,049 | \$ 6,351 | \$ 6,669 | \$ 7,002 | \$ 7,352 | \$ 7,720 | \$ 7,990 | \$ 8,150 |
| Contracts and Customer Billing Specialist | \$ 5,761 | \$ 6,049 | \$ 6,351 | \$ 6,669 | \$ 7,002 | \$ 7,352 | \$ 7,720 | \$ 7,990 | \$ 8,150 |
| Construction Inspector | \$ 6,670 | \$ 7,003 | \$ 7,354 | \$ 7,721 | \$ 8,107 | \$ 8,513 | \$ 8,938 | \$ 9,251 | \$ 9,436 |
| Customer Service Field Technician I | \$ 4,974 | \$ 5,223 | \$ 5,484 | \$ 5,758 | \$ 6,046 | \$ 6,348 | \$ 6,665 | \$ 6,899 | \$ 7,037 |
| Customer Service Field Technician II | \$ 5,223 | \$ 5,484 | \$ 5,758 | \$ 6,046 | \$ 6,349 | \$ 6,666 | \$ 6,999 | \$ 7,244 | \$ 7,389 |
| Customer Service Field Crew Leader | \$ 6,254 | \$ 6,567 | \$ 6,895 | \$ 7,240 | \$ 7,602 | \$ 7,982 | \$ 8,381 | \$ 8,674 | \$ 8,848 |
| Customer Service and Billing Technician I | \$ 4,974 | \$ 5,223 | \$ 5,484 | \$ 5,758 | \$ 6,046 | \$ 6,348 | \$ 6,665 | \$ 6,899 | \$ 7,037 |
| Customer Service and Billing Technician II | \$ 5,223 | \$ 5,484 | \$ 5,758 | \$ 6,046 | \$ 6,349 | \$ 6,666 | \$ 6,999 | \$ 7,244 | \$ 7,389 |
| Electrical Technician | \$ 6,579 | \$ 6,908 | \$ 7,253 | \$ 7,616 | \$ 7,997 | \$ 8,397 | \$ 8,816 | \$ 9,125 | \$ 9,308 |
| Engineering Technician | \$ 6,670 | \$ 7,003 | \$ 7,354 | \$ 7,721 | \$ 8,107 | \$ 8,513 | \$ 8,938 | \$ 9,251 | \$ 9,436 |
| Equipment Mechanic | \$ 5,722 | \$ 6,008 | \$ 6,308 | \$ 6,624 | \$ 6,955 | \$ 7,302 | \$ 7,668 | \$ 7,936 | \$ 8,095 |
| Equipment/Utilities Mechanic | \$ 6,459 | \$ 6,782 | \$ 7,121 | \$ 7,478 | \$ 7,851 | \$ 8,244 | \$ 8,656 | \$ 8,959 | \$ 9,138 |
| Instrumentation Tech/Water System Operator | \$ 6,809 | \$ 7,150 | \$ 7,507 | \$ 7,883 | \$ 8,277 | \$ 8,691 | \$ 9,125 | \$ 9,444 | \$ 9,633 |
| Lead Electrical Instrumentation Technician | \$ 7,142 | \$ 7,499 | \$ 7,874 | \$ 8,268 | \$ 8,681 | \$ 9,115 | \$ 9,571 | \$ 9,906 | \$ 10,104 |
| Lead Water Distribution Operator | \$ 6,633 | \$ 6,965 | \$ 7,313 | \$ 7,679 | \$ 8,063 | \$ 8,466 | \$ 8,889 | \$ 9,201 | \$ 9,385 |
| Lead Water System Operator | \$ 7,142 | \$ 7,499 | \$ 7,874 | \$ 8,268 | \$ 8,681 | \$ 9,115 | \$ 9,571 | \$ 9,906 | \$ 10,104 |
| Operations & Maintenance Worker | \$ 5,223 | \$ 5,484 | \$ 5,758 | \$ 6,046 | \$ 6,349 | \$ 6,666 | \$ 6,999 | \$ 7,244 | \$ 7,389 |
| Public Outreach Coordinator | \$ 6,670 | \$ 7,003 | \$ 7,354 | \$ 7,721 | \$ 8,107 | \$ 8,513 | \$ 8,938 | \$ 9,251 | \$ 9,436 |
| Senior Water Distribution Operator | \$ 5,845 | \$ 6,137 | \$ 6,444 | \$ 6,766 | \$ 7,104 | \$ 7,459 | \$ 7,832 | \$ 8,106 | \$ 8,269 |
| Staff Analyst | \$ 6,670 | \$ 7,003 | \$ 7,354 | \$ 7,721 | \$ 8,107 | \$ 8,513 | \$ 8,938 | \$ 9,251 | \$ 9,436 |
| Water Conservation Specialist | \$ 6,254 | \$ 6,567 | \$ 6,895 | \$ 7,240 | \$ 7,602 | \$ 7,982 | \$ 8,381 | \$ 8,674 | \$ 8,848 |
| Water Distribution Operator I | \$ 4,541 | \$ 4,768 | \$ 5,006 | \$ 5,257 | \$ 5,520 | \$ 5,796 | \$ 6,085 | \$ 6,298 | \$ 6,424 |
| Water Distribution Operator II | \$ 5,223 | \$ 5,484 | \$ 5,758 | \$ 6,046 | \$ 6,349 | \$ 6,666 | \$ 6,999 | \$ 7,244 | \$ 7,389 |
| Water Quality Program Coordinator | \$ 6,670 | \$ 7,003 | \$ 7,354 | \$ 7,721 | \$ 8,107 | \$ 8,513 | \$ 8,938 | \$ 9,251 | \$ 9,436 |
| Water Sampling Technician | \$ 6,459 | \$ 6,782 | \$ 7,121 | \$ 7,478 | \$ 7,851 | \$ 8,244 | \$ 8,656 | \$ 8,959 | \$ 9,138 |
| Water System Operator I | \$ 5,617 | \$ 5,898 | \$ 6,193 | \$ 6,503 | \$ 6,828 | \$ 7,169 | \$ 7,528 | \$ 7,791 | \$ 7,947 |
| Water System Operator II | \$ 6,459 | \$ 6,782 | \$ 7,121 | \$ 7,478 | \$ 7,851 | \$ 8,244 | \$ 8,656 | \$ 8,959 | \$ 9,138 |

Effective 12/24/23 - (1st PP 2024) COLA 5% increase over prior year

1.05

SOQUEL CREEK WATER DISTRICT
 SALARY SCHEDULE - MONTHLY
 MID MANAGEMENT EMPLOYEES
 EFFECTIVE DECEMBER 24, 2023 (1st Pay Period 2024)
 PROPOSED 12/5/2023

| Compensation Steps | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Assistant Engineer I | \$ 7,149 | \$ 7,506 | \$ 7,882 | \$ 8,276 | \$ 8,690 | \$ 9,124 | \$ 9,580 | \$ 9,916 | \$ 10,114 |
| Assistant Engineer II | \$ 8,216 | \$ 8,627 | \$ 9,058 | \$ 9,511 | \$ 9,986 | \$ 10,486 | \$ 11,010 | \$ 11,395 | \$ 11,623 |
| Associate Civil Engineer | \$ 10,103 | \$ 10,608 | \$ 11,138 | \$ 11,695 | \$ 12,280 | \$ 12,894 | \$ 13,539 | \$ 14,012 | \$ 14,293 |
| Associate Manager-Water Resources | \$ 10,103 | \$ 10,608 | \$ 11,139 | \$ 11,695 | \$ 12,279 | \$ 12,894 | \$ 13,539 | \$ 14,012 | \$ 14,293 |
| Customer Service Supervisor | \$ 8,134 | \$ 8,541 | \$ 8,968 | \$ 9,417 | \$ 9,887 | \$ 10,382 | \$ 10,901 | \$ 11,282 | \$ 11,508 |
| Customer Service Field Supervisor | \$ 7,583 | \$ 7,962 | \$ 8,360 | \$ 8,778 | \$ 9,217 | \$ 9,678 | \$ 10,162 | \$ 10,517 | \$ 10,728 |
| Executive Secretary/Board Clerk | \$ 6,678 | \$ 7,012 | \$ 7,362 | \$ 7,731 | \$ 8,117 | \$ 8,523 | \$ 8,949 | \$ 9,262 | \$ 9,448 |
| GIS Analyst | \$ 7,533 | \$ 7,910 | \$ 8,305 | \$ 8,720 | \$ 9,156 | \$ 9,614 | \$ 10,095 | \$ 10,448 | \$ 10,657 |
| Human Resources Technician | \$ 6,215 | \$ 6,526 | \$ 6,852 | \$ 7,195 | \$ 7,555 | \$ 7,933 | \$ 8,329 | \$ 8,621 | \$ 8,793 |
| Management Analyst | \$ 7,533 | \$ 7,910 | \$ 8,305 | \$ 8,720 | \$ 9,156 | \$ 9,614 | \$ 10,095 | \$ 10,448 | \$ 10,657 |
| Operations & Maintenance Supervisor | \$ 8,843 | \$ 9,285 | \$ 9,749 | \$ 10,237 | \$ 10,749 | \$ 11,286 | \$ 11,850 | \$ 12,265 | \$ 12,510 |
| Supervising Accountant | \$ 8,795 | \$ 9,235 | \$ 9,697 | \$ 10,182 | \$ 10,691 | \$ 11,225 | \$ 11,787 | \$ 12,199 | \$ 12,443 |
| Water Resources Planner-Limited Term | \$ 7,533 | \$ 7,910 | \$ 8,305 | \$ 8,720 | \$ 9,156 | \$ 9,614 | \$ 10,095 | \$ 10,448 | \$ 10,657 |

Effective 12/24/23 - (1st PP 2024) COLA 5% increase over prior year
 1.05

SOQUEL CREEK WATER DISTRICT
 SALARY SCHEDULE - MONTHLY
 MANAGEMENT EMPLOYEES
 EFFECTIVE DECEMBER 24, 2023 (1st Pay Period 2024)
 PROPOSED 12/5/2023

| Compensation Steps | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Water Resources Manager | \$ 10,994 | \$ 11,544 | \$ 12,121 | \$ 12,727 | \$ 13,364 | \$ 14,032 | \$ 14,733 | \$ 15,249 | \$ 15,554 |
| Engineering Manager/Chief Engineer | \$ 12,094 | \$ 12,698 | \$ 13,333 | \$ 14,000 | \$ 14,700 | \$ 15,435 | \$ 16,207 | \$ 16,774 | \$ 17,110 |
| Financial/Business Services Mgr | \$ 10,994 | \$ 11,544 | \$ 12,121 | \$ 12,727 | \$ 13,364 | \$ 14,032 | \$ 14,733 | \$ 15,249 | \$ 15,554 |
| Human Resources Mgr | \$ 10,994 | \$ 11,544 | \$ 12,121 | \$ 12,727 | \$ 13,364 | \$ 14,032 | \$ 14,733 | \$ 15,249 | \$ 15,554 |
| Operations & Maintenance Manager | \$ 10,994 | \$ 11,544 | \$ 12,121 | \$ 12,727 | \$ 13,364 | \$ 14,032 | \$ 14,733 | \$ 15,249 | \$ 15,554 |
| Special Projects-Comms/Asst. General Manager | \$ 12,094 | \$ 12,698 | \$ 13,333 | \$ 14,000 | \$ 14,700 | \$ 15,435 | \$ 16,207 | \$ 16,774 | \$ 17,110 |

1.028

Effective 12/24/24 - (1st PP 2024) COLA 2.8% increase over prior year

| | |
|------------------------|---------------------|
| General Manager | \$ 23,926.66 |
|------------------------|---------------------|

Board Approved* Special Compensation (Effective 1/1/2021)

- Special Projects/Outreach Manager - \$1,600 per month
- Engineering Manager - \$1,000 per month
- Finance and Business Services Manager - \$1,000 per month

ORAL AND WRITTEN COMMUNICATIONS

PUBLIC COMMENT

Public members are encouraged to provide thoughtful oral comments during Board Meetings. Those wishing to provide public comment should come to the podium and be recognized by the Board President. The maximum time set aside for public comment will be set at 15 minutes unless extended by the Board President. Speakers must address the entire Board and will not be permitted to engage in dialogue with Board Members (or other members of the public), while making their public comment. To encourage the efficient use of time, speakers are encouraged not to be repetitive, and simply to acknowledge support of positions already stated.

Public members may address the Board while adhering to the following procedures:

- **Consent/Regular Agenda**
Public members may address the Board on a specific agenda item during the District's consideration of it. Public members may provide comment for up to two (2) minutes per item, or the length of time established by the Board President. Individuals may speak only once per item.
- **Oral Communications – Item 5.0 (Items not on the Agenda)**
Oral Communications provides the opportunity for public members to speak on any item of interest (for items not on the Agenda), within the jurisdiction of the District. Public members may provide comment for up to three (3) minutes, or the length of time established by the Board President. Individuals may speak only once during Oral Communications. The Board may not take action on Oral Communications but may direct that the issue discussed be agendized for a future meeting.

Organized groups wishing to make a presentation are asked to contact the Board Clerk prior to the Board Meeting.

WRITTEN COMMUNICATIONS

Written communications addressed to the Board (if any) are available on the District's website by clicking on the meeting date and associated correspondence link:

<https://www.soquelcreekwater.org/AgendaCenter>

Written communications to the Board can be submitted by the following:

- Email: bod@soquelcreekwater.org
- Mail: Board of Directors, P.O. Box 1550, Capitola, CA 95010
- District Office: Board of Directors, 5180 Soquel Drive, Soquel, CA 95073

Deadlines for Submittal:

- Written correspondence received by 4:00 pm, on the Wednesday prior to a regular Board Meeting, will be distributed to the Board and made available on the District's [website](#) at the time the Agenda is posted.
- Written correspondence received after 4:00 pm, on the Wednesday prior to a regular Board Meeting, will be distributed to the Board and made available on the District's [website](#) at the earliest opportunity. Please note that written correspondence received after 9:00 am on the Monday immediately preceding a Board Meeting may not have time to reach Board members, nor be read by them prior to consideration of an item.
- Written correspondence received at the Board Meeting will be distributed to the Board and made available on the District's [website](#) at the earliest opportunity.

Please note that all correspondence addressed to the Board becomes a public record. Please do not include any private information in your correspondence that you do not want made available to the public.

December 5, 2023

MEMO TO THE BOARD OF DIRECTORS

Subject: Agenda Item No. 7.2

Title: Annual Election of Vice-President by Board of Directors

Purpose

This item is presented for the Board to consider nominating and electing the incoming Soquel Creek Water District Board Vice-President.

Background


At the July 21, 1992 Board Meeting, the Board of Directors voted to hold the election of Board Officers (President and Vice-President) at the first meeting in December of each year. Over the years, this schedule has been modified to accommodate several meeting changes. On December 20, 2016, the Board adopted the policy that the Vice-President becomes the Board President for the following year. This means that there is only an election each year for the Vice-President, and the current Vice-President automatically becomes the Board President. The nominations and subsequent vote for the incoming Vice-President must be conducted in an open meeting by voice vote (Brown Act).

Discussion

As the current Vice-President, Dr. Bruce Jaffe will automatically become the Board President. Therefore, this item is presented for the Board to consider nominating and electing the incoming Vice-President. Staff suggests this change of Board Officers be effective at the end of this Board Meeting. Thus, the current Board President (Carla Christensen) will finish leading this December 5, 2023 Board Meeting as Board President.

POSSIBLE BOARD ACTION(S):

1. Nominate and call for a vote for the Vice-President of the Board of Directors of the Soquel Creek Water District; or
2. Take no action.

By 
 Emma Western
 Executive Assistant/Board Clerk

By 
 Ron Duncan
 General Manager

December 5, 2023

BOARD OF DIRECTORS

Subject: Agenda Item No. 7.3

Title: Review and Consider Compensation for District Directors According to Ordinance No. 20-01

Attachment(s):

1. District Ordinance 20-01
2. History of Directors Annual Compensation Adjustments

In accordance with Soquel Creek Water District Ordinance No. 20-01 (**Attachment 1**), the Board of Directors annually reviews Board compensation. In compliance with Section 20200 *et seq.* of the California Water Code, and the District Ordinance, any increase does not exceed an amount equal to five percent (5%) for each calendar year since the date of the last adjustment.

Board members may receive compensation paid as a daily stipend for services rendered in their capacity as Directors. If two meetings are attended on the same day, only one stipend is paid. In accordance with Section 20202 of the California Water Code, no member of the Board of Directors shall receive the compensation set forth in Section 1 of this Ordinance for more than ten (10) days in any calendar month.

In accordance with Ordinance No. 20-01, compensation for Board Member service is defined below:

Current 2023 Board Member Compensation:

- a) \$200.00 per day for each day's attendance at regular meetings of the Board
- b) \$200.00 per day for each day's attendance at standing committee meetings
- c) \$200.00 per day for each day's service rendered that involves out of town travel
- d) \$100.00 per day for authorized service within Santa Cruz County

(NOTE: Figures shown are "maximum," as a sitting Board member opted to personally waive a previously approved increase.)

Based on Ordinance No. 20-01, the maximum allowable increase adjustment for 2023-24 is 113.43% (or \$113.43 since the base is \$100.00). If the maximum allowance is approved by the Board, the increased daily compensation for regular Board meetings, standing committee meetings and services rendered involving out of town travel would total \$313.43 (\$200.00 + \$113.43 = \$313.43).

The daily compensation of \$100.00 for local meetings cited above is a limitation voluntarily set by the District's Board and is not mandated by the California Water Code. The value was set by the Board at a lower daily rate based on the general assumption that authorized service in the County does not require as much time as a typical Board meeting or meetings requiring out-of-county travel. As such, that value may be changed to reflect compensation levels of other meetings.

Board members may individually elect a lesser amount or waive compensation entirely. **Attachment 2** shows the annual adjustments since 1992 and the unused adjustments available.

The "Board Reimbursement Policy" is a separate document relative to Ordinance 20-01, but it includes compensation values for Board members. Thus, if any compensation adjustments are made then those changes should be reflected in the "Board Reimbursement Policy." Staff would return at a subsequent meeting to show those incorporated changes into an updated policy.

POSSIBLE BOARD ACTION(S):

1. By MOTION, adjust the current Board of Directors compensation of \$200.00 per day for a.) regular Board meetings, b.) standing committee meetings and for c.) services rendered as a Director involving out of town travel to an amount not to exceed \$313.43, and
2. By MOTION, adjust the current Board of Directors compensation of \$100.00 per day for d.) authorized service within Santa Cruz County to an amount not to exceed \$313.43, and
3. By MOTION, if compensation modifications are made, direct staff to incorporate those changes into the "Board Reimbursement Policy" and return at a subsequent meeting for review and approval of those modifications, or
4. Take no action.

By



Traci Hart
Human Resources Manager

ORDINANCE NO. 20-01

AN ORDINANCE OF THE SOQUEL CREEK WATER DISTRICT TO INCREASE THE AMOUNT OF COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS

WHEREAS, Water Code Section 20200 *et seq.* sets forth the authority and procedure for establishing compensation for the Board of Directors of the Soquel Creek Water District (“District”); and

WHEREAS, the District adopted Ordinance No. 15-01 (“Prior Ordinance”) in accordance with the above provisions of the Water Code; and

WHEREAS, the Prior Ordinance requires the Board to consider annual compensation adjustments and the Board previously moved to increase its compensation as permitted by the Prior Ordinance on December 17, 2019; and

WHEREAS, while not required, the District wishes to ratify this prior adjustment by ordinance adopted in accordance with Water Code Section 20200 *et seq.*; and

WHEREAS, in accordance with Section 20203 of the Water Code and Section 6066 of the Government Code, a public hearing was held on February 4, 2020, at 6:00 p.m., or soon thereafter as practicable, at the meeting room of the Board of Directors of the District at the Capitola City Council Chambers, 420 Capitola Avenue, Capitola, CA 95010 and a notice of said hearing was duly published in the *Santa Cruz Sentinel*, a newspaper of general circulation, once a week for two weeks as follows: on January 21, 2020 and February 1, 2020.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE SOQUEL CREEK WATER DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

Section 1 The amount of compensation to be received by members of the Board of Directors for each day’s attendance at regular meetings of the Board and standing committee meetings or for each day’s service rendered as a Director that involves out of town travel, shall be increased by the amount of \$40.00, not to exceed \$200.00. The amount of compensation to be received for service authorized within the County of Santa Cruz shall be increased by the amount of \$20.00, not to exceed \$100.00. Said increases do not exceed an amount equal to five percent (5%) for each calendar year since the date of the last adjustment.

Section 2 In accordance with Section 20202 of the California Water Code, no member of the Board of Directors shall receive the compensation set forth in Section 1 of this Ordinance for more than ten (10) days in any calendar month.

Section 3 Any actual expenses incurred by members of the Board with respect to services rendered as a Director shall be reimbursed by the District upon presentation of satisfactory evidence thereof and compliance with the applicable rules and regulations of the District including, without limitation, the Soquel Creek Water District Board Reimbursement Policy (“Policy”) set forth in Exhibit “A,” attached hereto and incorporated herein by reference.

Section 4 The Policy hereby specifies the only meetings, service and events for which compensation shall be paid. Additionally, the Policy specifies the types of occurrences that qualify a Director to receive reimbursement of and reasonable reimbursement rates for expenses relating to travel, meals, lodging, and other actual and necessary expenses. The Policy is intended to comply with the requirements set forth in Government Code Sections 53232.2 and 53232.3.

Section 5 All ordinances, resolutions, or administrative actions by the Board of Directors, or parts thereof, that are inconsistent with any provision of this Ordinance are hereby superseded only to the extent of such inconsistency. For example, and not by way of limitation, the applicable provisions of Ordinance No. 15-01 are hereby superseded and shall be of no further force or effect.

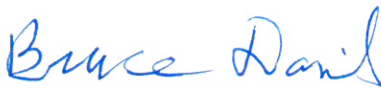
Section 6 If any section, subsection, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of this Ordinance shall not be affected thereby. The Board hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

Section 7 All of the foregoing Recitals are true and correct and the Board so finds and determines. The Recitals set forth above are incorporated herein and made an operative part of this Ordinance.

Section 8 The President of the Board of Directors shall sign this Ordinance and the Secretary of the Board of Directors shall attest thereto, and pursuant to Section 20204 of the Water Code, this Ordinance shall take effect sixty (60) days from the date of adoption. The adjustment in compensation adopted by the Prior Ordinance is hereby ratified as of the effective date of this Ordinance.


ADOPTED this 4th day of February, 2020, by the Board of Directors of the Soquel Creek Water District, by the following vote:

- AYES: Directors Daniels, Lather, Jaffe and Christensen
- NOES: None
- ABSENT: Director LaHue
- ABSTAIN: None



 Dr. Bruce Daniels,
 President of the Board of Directors

ATTEST:



 Emma Olin,
 Clerk of the Board of Directors

History of Directors Annual Compensation Adjustments*

| | Fiscal Year | Annual Entitlement % | Board Approved Adjustment % | Carryover % | Cumulative % Available |
|-----------|--------------------|-----------------------------|------------------------------------|--------------------|-------------------------------|
| 1 | 1992-93 | 5.00 | 5.00 | - | - |
| 2 | 1993-94 | 5.00 | - | 5.00 | 5.00 |
| 3 | 1994-95 | 5.00 | 1.75 | 3.25 | 8.25 |
| 4 | 1995-96 | 5.00 | 2.00 | 3.00 | 11.25 |
| 5 | 1996-97 | 5.00 | - | 5.00 | 16.25 |
| 6 | 1997-98 | 5.00 | 8.33 | (3.33) | 12.92 |
| 7 | 1998-99 | 5.00 | - | 5.00 | 17.92 |
| 8 | 1999-00 | 5.00 | - | 5.00 | 22.92 |
| 9 | 2000-01 | 5.00 | - | 5.00 | 27.92 |
| 10 | 2001-02 | 5.00 | 7.69 | (2.69) | 25.23 |
| 11 | 2002-03 | 5.00 | - | 5.00 | 30.23 |
| 12 | 2003-04 | 5.00 | - | 5.00 | 35.23 |
| 13 | 2004-05 | 5.00 | 7.14 | (2.14) | 33.09 |
| 14 | 2005-06 | 5.00 | - | 5.00 | 38.09 |
| 15 | 2006-07 | 5.00 | - | 5.00 | 43.09 |
| 16 | 2007-08 | 5.00 | 6.66 | (1.66) | 41.43 |
| 17 | 2008-09 | 5.00 | - | 5.00 | 46.43 |
| 18 | 2009-10 | 5.00 | - | 5.00 | 51.43 |
| 19 | 2010-11** | 5.00 | - | 5.00 | 56.43 |
| 20 | 2011-12 | 5.00 | - | 5.00 | 61.43 |
| 21 | 2012-13 | 5.00 | - | 5.00 | 66.43 |
| 22 | 2013-14 | 5.00 | - | 5.00 | 71.43 |
| 23 | 2014-15 | 5.00 | - | 5.00 | 76.43 |
| 24 | 2015-16 | 5.00 | - | 5.00 | 81.43 |
| 25 | 2016-17 | 5.00 | - | 5.00 | 86.43 |
| 26 | 2017-18 | 5.00 | - | 5.00 | 91.43 |
| 27 | 2018-19 | 5.00 | - | 5.00 | 96.43 |
| 28 | 2019-20 | 5.00 | 8.00 | (3.00) | 101.43 |
| 29 | 2020-21 | 5.00 | - | 5.00 | 98.43 |
| 30 | 2021-22 | 5.00 | - | 5.00 | 103.43 |
| 31 | 2022-23 | 5.00 | - | 5.00 | 108.43 |
| 32 | 2023-24 | 5.00 | ? | - | 113.43 |

*The above entitlements and approved adjustments could be/were added to base compensation amount \$100, which was defined at the adoption date.

**The Board did not increase base compensation but did extend the base compensation rate per meeting to include standing committee meetings.

December 5, 2023

MEMO TO THE BOARD OF DIRECTORS

Subject: Agenda Item No. 7.4

Title: Request Board Direction Regarding the 2023 Water Rate Study Proposed Rate Structures

Attachment(s):

1. Rate Presentation by Raftelis

Purpose

The Soquel Creek Water District Board of Directors requested staff return with modifications to the rate structures presented by Raftelis at the November 20, 2023, meeting. The rate structures presented at that time included a modified two-tier structure and a three-tier rate structure, with the amount of revenue recovered from the fixed service charge established at 50% and the remaining 50% recovered from the variable charge for water use. The Board requested the focus remain on the modified two-tier and three-tier structures, but the revenue recovered from fixed rates be modeled at 40%, 50% and 60% respectively.

Discussion

The District remains dedicated to delivering high-quality and dependable water services to our community. We are actively addressing the critical overdraft of our groundwater basin in the region and taking measures to safeguard against seawater intrusion, which poses a threat to our fresh-water supplies. In 2014, the Santa Cruz Mid-County Groundwater Basin, the exclusive source of water for District customers, was labeled as 'critically overdrafted,' necessitating sustainability by 2040 under California mandate. Should the basin remain in unsustainable overdraft the State regulatory agencies would step in and resolve the issue to their satisfaction, perhaps overlooking local interests in the process.

In our ongoing commitment to ensure the sustainability of our water supply, operations and infrastructure, we are conducting a comprehensive Water Rate Study to ensure compliance with Proposition 218 and other applicable legal requirements. Led by Raftelis, an independent third-party financial expert, the District's Water Rate Study is a transparent public process. It involves a thorough examination of the District's existing revenues, operation and maintenance costs, capital investment plan, debt obligations, and reserves. The study also proposes any required rate adjustments, subject to review and consideration by the District's Board of Directors.

Initiated in April 2023, the Water Rate Study aims for inclusivity by incorporating diverse customer perspectives. To achieve this, the Board established an ad-hoc Water Rates Advisory Committee (WRAC) of two board members. The WRAC invited ten District customers to participate in their discussions and deliberations. All participants in the process are ratepayers and represent the interests of the community. The WRAC and public participants have played a crucial role by offering valuable input, posing questions, sharing ideas, and providing oversight to shape water rate recommendations.

Rate Structure Modifications

Typically, rate structures consist of a fixed service charge and a variable commodity charge (water use rate). In response to the Board's request for adjustments, we have refined the rate structures presented during the November 20, 2023, meeting. The specific modifications involve modeling both the modified two-tier and a three-tier structure, with fixed service charges set to recover 40%, 50%, or 60% of the revenue required to sustain District operations (cost of service).

Board of Directors
December 5, 2023
Page 2 of 3

For the purpose of these calculations, the revenue need is projected to increase by 12% annually over a four-year period. This increment is designed to ensure full recovery of operating costs and capital investments while concurrently maintaining adequate debt coverage and emergency reserves at satisfactory levels.

The proposed fixed service charge includes the cost components associated with basin-wide sustainability, meter maintenance, customer support, a portion of peaking costs, and public fire protection costs. These fixed service charges are based on the size of the service meter or, in the absence of a physical meter, the size of the service line. The basin-wide sustainability benefit is recovered from the fixed service charges to acknowledge the proportional benefit to all customers in protecting the existing water supply from further seawater intrusion. The water use charge recovers costs associated with supply (including supplemental supply provided by the Pure Water Soquel project), base delivery, a portion of peaking costs, and conservation. As the percentage of revenue recovered from the fixed service charge decreases, more revenue recovery is shifted to the variable commodity charge, reducing financial stability. The 2018 rate study was calculated to recover 40% of the revenue from the fixed service charge.

Modified Two-Tier Alternative

In the modified two-tier structure, Tier 1 would still encompass all water use below 6 units per month, which equates to the District's previously established sustainable pumping goal of 2,300 acre feet a year (afy). Water use in excess of the sustainable pumping goal would fall in Tier 2. Correspondingly, the supply cost in Tier 2 reflects the higher cost supplemental supply provided by the Pure Water Soquel project. The modified two-tier structure relies on supply costs, calculated peaking costs for each tier, and conservation costs to further differentiate between Tier 1 and Tier 2. In the modified two-tier alternative, non-residential water use is charged a uniform water use rate, by class, that encapsulates all the costs described above.

Three-Tier Alternative

Under the three-tier rate structure, Tier 1 would encompass all water use below 4 units per month, Tier 2 would include water use from 4 to 8 units, and Tier 3 would include all water use above 8 units. These tier breakpoints were determined based on analyzing the District's actual Single Family Residential seasonal demands patterns and levels of efficient indoor and outdoor use for a typical household in our service area. Other than having a third tier, the rate design approach for the three-tier option is the same as the modified two-tier. In addition to graduated supply costs allocated across the residential tiers, the three-tier alternative relies on calculated peaking costs for each tier to further differentiate the tiered rates, with conservation costs allocated to Tier 3. In the three-tier alternative, non-residential water use is also charged a uniform water use rate, by class, that encapsulates all the costs described above. The uniform non-residential rate is the same between the modified two-tier and three-tier options, as the tiered options only effect the residential rates.

Customer Bill Impacts

After allocating the revenue increase to the modified two-tier and three-tier rate structures assessed by Raftelis, there is a moderate bill increase for water use under 7 units per month. In contrast, large families consistently falling within the existing Tier 2 are expected to experience a decrease in their bills. This bill increase to lower water users is caused by reallocating more basin sustainability costs, previously recovered primarily from Tier 2, to all users, which ensures that all properties, regardless of their water consumption levels, contribute their fair share to basin sustainability and the assurance of future water reliability. This approach ensures equitable distribution of the responsibility for sustaining the water basin among all customers. The other factor impacting bills under 7 units per month is the fixed service charge allocation. Since the vast majority of the District's costs are fixed, recovering more revenue from the fixed service charge promotes financial sustainability, however it also increases the bill impact to lower water users and vacant properties as a greater majority of their bill becomes independent of how much water is

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used. The Board's request to evaluate the bill impacts of a fixed service charge at 40%, 50% and 60% of revenue recovery demonstrates this effect.

Legal Requirements

Lastly, it is important to note that while Proposition 218 requires that rates be based on cost of service and meet other applicable requirements, there is not one single rate structure that would meet these requirements. Rather, there are multiple or a range of options that would do so. The alternatives outlined in this memo offer potential, non-exclusive alternatives within this range.

POSSIBLE BOARD ACTION(S):

1. BY MOTION OR CONSENSUS, provide staff with direction regarding the proposed rate structures and return at the December 19th board meeting to review the Draft Rate Study Report; or
2. Take no action.

By 

Leslie Strohm
Finance and Business Services Manager



Soquel Creek Water District

**Board of Directors
Rate Structure Alternatives**

Item 7.4

December 5, 2023





Leslie Strohm
Financial/Business Manager
Soquel Creek Water District



Melanie Mow Schumacher
Special Projects-Communications
Manager/Asst. GM
Soquel Creek Water District



Kevin Kostiuk
Senior Manager
Raftelis Financial
Consultants, Inc.



Presentation Overview

- Rate Study Recap
- Rate Alternatives
- Bill Impacts
- Schedule and Next Steps



Rate Study Recap

- Policy Objectives
 - › 2023 Board of Directors policy statement prioritizing: financial sustainability, social equitability, and legal defensibility
- Financial Plan
 - › 10-year projection of estimated revenues and expenses
 - › Result: 12% overall rate revenue increases required each year of four-year rate plan
- Cost of Service Analysis
 - › All cost allocations, including basin sustainability, updated to reflect up-to-date revenue needs, cost structure, and user characteristics
- Rate Structure Modifications
 - › Revised two-tier and three-tier options for Residential customers
 - › Fixed revenue recovery options between 40% and 60%

Rate Design Summary

- Both Residential rate alternatives differentiate Basin Sustainability costs between supplemental supply and basinwide benefit
- Impacts between the Revised Two Tier and Three Tier options are similar at the same level of use
- Impacts across users are driven by:
 - › The modification of the Residential rate structure and
 - › Higher or lower fixed revenue recovery
 - Lower fixed revenue recovery = lower impacts to low water
 - Higher fixed revenue recovery = higher impacts to low water

Rate Design Alternatives



Rate Design Options

- Water Rate Structure Alternatives:
 - › Revised Two-Tier rate structure
 - › Three-Tier rate structure
- Both alternatives are shown at three levels of fixed revenue recovery
 - › 40%
 - › 50%
 - › 60%
- ***All rates shown include a year-one 12% revenue increase***

Revised Two-Tier Volumetric Rates (Including 12% Revenue Increase to Proposed Rates)

| Customer Class | Current Rate (\$/HCF) | Proposed Rate 40% Fixed (\$/HCF) | Proposed Rate 50% Fixed (\$/HCF) | Proposed Rate 60% Fixed (\$/HCF) |
|--------------------|--------------------------|--|--|--|
| Residential | | | | |
| Tier 1 (0-5.99) | \$9.10 | \$14.43 | \$12.54 | \$9.41 |
| Tier 2 (6+) | \$41.23 | \$20.51 | \$17.99 | \$14.69 |
| Commercial | \$15.25 | \$17.97 | \$15.88 | \$12.70 |
| Irrigation | \$15.25 | \$19.80 | \$16.49 | \$12.96 |

HCF = hundred cubic feet = 748 gals

Three-Tier Volumetric Rates (Including 12% Revenue Increase to Proposed Rates)

| Customer Class | Current Rate (\$/HCF) | Proposed Rate 40% Fixed (\$/HCF) | Proposed Rate 50% Fixed (\$/HCF) | Proposed Rate 60% Fixed (\$/HCF) |
|--------------------|--------------------------|--|--|--|
| Residential | | | | |
| Tier 1 (0-3.99) | \$9.10 | \$14.24 | \$12.50 | \$9.41 |
| Tier 2 (4-7.99) | \$41.23 | \$16.05 | \$13.73 | \$10.48 |
| Tier 3 (8+) | N/A | \$23.06 | \$19.83 | \$16.33 |
| Commercial | \$15.25 | \$17.97 | \$15.88 | \$12.70 |
| Irrigation | \$15.25 | \$19.80 | \$16.49 | \$12.96 |

HCF = hundred cubic feet = 748 gallons

Monthly Fixed Charges for Residential & Commercial (Including 12% Revenue Increase)

| Meter Size | Current Charge | Proposed Charge 40% Fixed | Proposed Charge 50% Fixed | Proposed Charge 60% Fixed |
|-----------------|----------------|------------------------------|------------------------------|------------------------------|
| 5/8" Restricted | \$30.43 | \$31.75 | \$37.15 | \$45.39 |
| 5/8" | \$52.34 | \$54.47 | \$65.26 | \$81.74 |
| 3/4" | \$52.34 | \$54.47 | \$65.26 | \$81.74 |
| 1" | \$118.04 | \$122.61 | \$149.58 | \$190.78 |
| 1.5" | \$227.53 | \$236.18 | \$290.12 | \$372.52 |
| 2" | \$556.00 | \$576.88 | \$711.74 | \$917.75 |
| 3" | \$1,103.48 | \$1,144.72 | \$1,414.44 | \$1,826.45 |
| 4" | \$2,198.45 | \$2,280.39 | \$2,819.83 | \$3,643.86 |
| 6" | \$3,512.39 | \$3,643.20 | \$4,506.31 | \$5,824.76 |
| 8" | \$6,140.29 | \$6,368.82 | \$7,879.26 | \$10,186.54 |

2 HCF Monthly Bill Impacts (Including 12% Revenue Increase to Proposed Rates)

| Revised Two-Tier | Current Bill | Proposed Bill | Difference (\$) |
|------------------|--------------|---------------|-----------------|
| Current Bill | \$70.54 | - | - |
| 40% Fixed | - | \$83.33 | \$12.79 |
| 50% Fixed | - | \$90.34 | \$19.80 |
| 60% Fixed | - | \$100.56 | \$30.02 |

| Three-Tier | Current Bill | Proposed Bill | Difference (\$) |
|--------------|--------------|---------------|-----------------|
| Current Bill | \$70.54 | - | - |
| 40% Fixed | - | \$82.95 | \$12.41 |
| 50% Fixed | - | \$90.26 | \$19.72 |
| 60% Fixed | - | \$100.56 | \$30.02 |

HCF = hundred cubic feet = 748 gallons

5 HCF Monthly Bill Impacts

(Including 12% Revenue Increase to Proposed Rates)

| Revised Two-Tier | Current Bill | Proposed Bill | Difference (\$) |
|------------------|--------------|---------------|-----------------|
| Current Bill | \$97.84 | - | - |
| 40% Fixed | - | \$126.62 | \$28.78 |
| 50% Fixed | - | \$127.96 | \$30.12 |
| 60% Fixed | - | \$128.79 | \$30.95 |

| Three-Tier | Current Bill | Proposed Bill | Difference (\$) |
|--------------|--------------|---------------|-----------------|
| Current Bill | \$97.84 | - | - |
| 40% Fixed | - | \$127.50 | \$29.66 |
| 50% Fixed | - | \$129.00 | \$31.16 |
| 60% Fixed | - | \$129.87 | \$32.03 |

HCF = hundred cubic feet = 748 gallons

9 HCF Monthly Bill Impacts (Including 12% Revenue Increase to Proposed Rates)

| Revised Two-Tier | Current Bill | Proposed Bill | Difference (\$) |
|------------------|--------------|---------------|-----------------|
| Current Bill | \$230.95 | - | - |
| 40% Fixed | - | \$202.64 | -\$28.31 |
| 50% Fixed | - | \$194.52 | -\$36.43 |
| 60% Fixed | - | \$182.32 | -\$48.63 |

| Three-Tier | Current Bill | Proposed Bill | Difference (\$) |
|--------------|--------------|---------------|-----------------|
| Current Bill | \$230.95 | - | - |
| 40% Fixed | - | \$198.78 | -\$32.17 |
| 50% Fixed | - | \$190.08 | -\$40.87 |
| 60% Fixed | - | \$177.70 | -\$53.25 |

HCF = hundred cubic feet = 748 gallons

Comparison of Monthly Bill Impacts

| Revised Two-Tier | 2 HCF | 5 HCF | 9 HCF |
|------------------|---------|---------|----------|
| 40% Fixed | \$12.79 | \$28.78 | -\$28.31 |
| 50% Fixed | \$19.80 | \$30.12 | -\$36.43 |
| 60% Fixed | \$30.02 | \$30.95 | -\$48.63 |

| Three-Tier | 2 HCF | 5 HCF | 9 HCF |
|------------|---------|---------|----------|
| 40% Fixed | \$12.41 | \$29.66 | -\$32.17 |
| 50% Fixed | \$19.72 | \$31.16 | -\$40.87 |
| 60% Fixed | \$30.02 | \$32.03 | -\$53.25 |

Proposed SFR Bills – Dollar per Day Impact at 2 HCF per Month

| Revised Two-Tier | Current Bill | Year 1 Impact (\$ per day) | Year 2 Impact (\$ per day) | Year 3 Impact (\$ per day) | Year 4 Impact (\$ per day) |
|------------------|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Current Bill | \$70.54 | | | | |
| 40% Fixed | | \$0.43 | \$0.33 | \$0.37 | \$0.42 |
| 50% Fixed | | \$0.66 | \$0.36 | \$0.40 | \$0.45 |
| 60% Fixed | | \$1.00 | \$0.40 | \$0.45 | \$0.50 |

| Three-Tier | Current Bill | Year 1 Impact (\$ per day) | Year 2 Impact (\$ per day) | Year 3 Impact (\$ per day) | Year 4 Impact (\$ per day) |
|--------------|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Current Bill | \$70.54 | | | | |
| 40% Fixed | | \$0.41 | \$0.33 | \$0.37 | \$0.42 |
| 50% Fixed | | \$0.66 | \$0.36 | \$0.40 | \$0.45 |
| 60% Fixed | | \$1.00 | \$0.40 | \$0.45 | \$0.50 |

- Bills shown assume a 5/8” meter

HCF = hundred cubic feet = 748 gallons

SFR = single family residential

Proposed SFR Bills – Dollar per Day Impact at 5 HCF per Month

| Revised Two-Tier | Current Bill | Year 1 Impact (\$ per day) | Year 2 Impact (\$ per day) | Year 3 Impact (\$ per day) | Year 4 Impact (\$ per day) |
|------------------|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Current Bill | \$97.84 | | | | |
| 40% Fixed | | \$0.96 | \$0.51 | \$0.57 | \$0.64 |
| 50% Fixed | | \$1.00 | \$0.51 | \$0.57 | \$0.64 |
| 60% Fixed | | \$1.03 | \$0.52 | \$0.58 | \$0.65 |

| Three-Tier | Current Bill | Year 1 Impact (\$ per day) | Year 2 Impact (\$ per day) | Year 3 Impact (\$ per day) | Year 4 Impact (\$ per day) |
|--------------|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Current Bill | \$97.84 | | | | |
| 40% Fixed | | \$0.99 | \$0.51 | \$0.57 | \$0.64 |
| 50% Fixed | | \$1.04 | \$0.52 | \$0.58 | \$0.65 |
| 60% Fixed | | \$1.07 | \$0.52 | \$0.58 | \$0.65 |

- Bills shown assume a 5/8” meter

HCF = hundred cubic feet = 748 gallons

SFR = single family residential

Proposed SFR Bills – Dollar per Day Impact at 9 HCF per Month

| Revised Two-Tier | Current Bill | Year 1 Impact (\$ per day) | Year 2 Impact (\$ per day) | Year 3 Impact (\$ per day) | Year 4 Impact (\$ per day) |
|------------------|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Current Bill | \$230.95 | | | | |
| 40% Fixed | | -\$0.94 | \$0.81 | \$0.91 | \$1.02 |
| 50% Fixed | | -\$1.21 | \$0.78 | \$0.87 | \$0.98 |
| 60% Fixed | | -\$1.62 | \$0.73 | \$0.82 | \$0.91 |

| Three-Tier | Current Bill | Year 1 Impact (\$ per day) | Year 2 Impact (\$ per day) | Year 3 Impact (\$ per day) | Year 4 Impact (\$ per day) |
|--------------|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Current Bill | \$230.95 | | | | |
| 40% Fixed | | -\$1.07 | \$0.80 | \$0.89 | \$1.00 |
| 50% Fixed | | -\$1.36 | \$0.76 | \$0.85 | \$0.95 |
| 60% Fixed | | -\$1.78 | \$0.71 | \$0.80 | \$0.89 |

- Bills shown assume a 5/8" meter

Rate Design Summary

- Both Residential rate alternatives differentiate Basin Sustainability costs between supplemental supply and basinwide benefit
- Impacts between the Revised Two Tier and Three Tier options are similar at the same level of use
- Impacts across users are driven by:
 - › The modification of the Residential rate structure and
 - › Higher or lower fixed revenue recovery
 - Lower fixed revenue recovery = lower impacts to low water users
 - Higher fixed revenue recovery = higher impacts to low water users

Public Meeting Schedule

| Meeting | Date | Time | Location |
|-----------------------------------|------------------------|---------------|---------------------------------------|
| Board of Directors Meeting | Tues. Oct. 17 | 6 p.m. | Capitola City Council Chambers |
| Rate Study Informational Webinar | Thurs. Nov. 16 | 6-7 p.m. | Virtual |
| Board of Directors Meeting | Mon. Nov. 20 | 6 p.m. | Capitola City Council Chambers |
| Board of Directors Meeting | Tues. Dec. 5 | 6 p.m. | Capitola City Council Chambers |
| Board of Directors Meeting | Tues. Dec. 19 | 6 p.m. | Capitola City Council Chambers |
| Notice to Customers | To be determined (TBD) | | |
| Open House | TBD | | |
| Public Hearing | TBD | | |

Today →



Possible Board Actions

- Provide staff with direction regarding the proposed rate structures and return to the Board Meeting on December 19 to review the Draft Rate Study Report; or
- Take no action.



Thank you

Contacts:

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Lindsay Roth – 213.262.9313 / lroth@raftelis.com

December 5, 2023

MEMO TO THE BOARD OF DIRECTORS

Subject: Agenda Item No. 7.5

Title: Consider Board Member Appointments on Various Standing Committees/Boards

Attachment(s):

1. 2023 Standing Committees (updated September 19, 2023)

Purpose and Background

The purpose of this item is to provide current information on various standing committees/boards and for the Board to select and appoint Directors as desired. This year, due to vacancies and term expirations, the Board needs to consider appointments (or reappointments) for the Finance and Administrative Services Committee and the Santa Cruz Mid-County Groundwater Agency (MGA). In addition, a discussion to consolidate the standing committees is presented. The Board may also consider new appointments for the District's Water Resources Management and Infrastructure Committee, Public Outreach Committee, Association of California Water Agency (ACWA) Joint Powers Insurance Authority (JPIA) Board, and the Zone 5 Santa Cruz County Flood Control and Conservation District Board; however, it is not needed at this time.

District Standing Committees

There are three District standing committees: (1) Water Resources Management and Infrastructure (WRMI) Committee, (2) Public Outreach (PO) Committee, and (3) Finance and Administrative Services (FAS) Committee. These committees are tasked to review, study, and discuss proposals, reports, issues, and opportunities. The term for Board Members of a standing committee is two years (with no term limits).

District Directors currently serving on the standing committees are listed below. These appointments were last updated on September 19, 2023 (following Director Balboni's appointment to the Board) and are current through December 2025. A vacant seat remains on the Finance and Administrative Services Committee. In addition to FAS Committee appointments, the Board may also make changes to the PO and WRMI committees if that is desired.

In an effort to increase efficiency, staff has been discussing the possibility of combining the three standing committees – Water Resources Management and Infrastructure (WRMI), Public Outreach (PO), and Finance and Administrative Services (FAS) – into one or two standing committees. Current public members would all be asked to serve on the committee(s). If Directors are supportive of this idea and/or would like additional discussion, then staff recommends not making appointments to the District standing committees tonight. Instead, staff will present an item with additional details of this proposal at the next Board Meeting to facilitate discussion of this idea.

Water Resources Management and Infrastructure Committee

Second Tuesday every other month, 4:00 – 5:00 pm

- Rachél Lather, Chair
- Jennifer Balboni, Vice-Chair
- Carla Christensen, Alternate

Public Outreach Committee

Second Tuesday every other month, 10:30 – 11:30 am

- Carla Christensen, Chair

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- Dr. Tom LaHue, Vice-Chair
- Dr. Bruce Jaffe, Alternate

Finance and Administrative Services Committee

Fourth Monday quarterly, 4:00 – 5:00 pm

- Carla Christensen, Chair
- [VACANT SEAT](#)
- Rachél Lather, Alternate

Note that the public members serving on standing committees are active through July 2025.

Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) Board

The Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) Board traditionally holds meetings prior to the ACWA spring and fall conferences. The fall conference is generally in southern California and the spring conference is typically in northern California. Pursuant to Article 7 of the JPIA bylaws, the governing Board of each member District must appoint a representative and at least one alternate representative to the JPIA Board. The primary representative must be a District Board Member. The alternate representative may be a staff member.

President Christensen currently serves on the ACWA JPIA Board. The General Manager, Human Resources Manager and the Finance and Business Services Manager serve as the alternate representatives. Since there are no term limits, President Christensen and the alternates may continue to represent the District, or the Board may appoint new representatives.

Santa Cruz Local Agency Formation Commission (LAFCO)

The Santa Cruz Local Agency Formation Commission (LAFCO) is a 7-member board comprised of two city council members, two County supervisors, two special district members and one public member. LAFCO addresses issues such as urban sprawl, open-space and agricultural lands, governmental services, and local agencies. Meetings are generally scheduled for the first Wednesday of the month at 9:00 am.

Director Lather was elected and serves on the Local Agency Formation Commission (LAFCO) through May 2027. Since this is an elected position, no change to this appointment can be made.

Santa Cruz Mid-County Groundwater Agency (MGA)

The Santa Cruz Mid-County Groundwater Agency (MGA) is an 11-member board, comprised of two elected officials from Central Water District, City of Santa Cruz, County of Santa Cruz, and Soquel Creek Water District and three private well representatives, who oversee the groundwater management activities of the Santa Cruz Mid-County Basin.

District Directors currently serving on the MGA Board are listed below. These appointments were made on December 20, 2022, and are current through December 2023.

Santa Cruz Mid-County Groundwater Agency (SCMGA)

Tentative Schedule: Second or Third Thursdays of the Month, Quarterly, 6:00 pm

- Dr. Tom LaHue, MGA Vice-Chair
- Carla Christensen
- Rachél Lather, Alternate

Since the above MGA appointments are current through December 2023, it is requested that the Board appoint or reappoint Board Members to serve on the MGA for 2024.

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Zone 5 Santa Cruz County Flood Control and Conservation District

The Zone 5 Santa Cruz County Flood Control and Conservation District is a 7-member board comprised of five County supervisors, one Capitola City Council Board Member and one Soquel Creek Water District Board Member. The Zone 5 Board generally meets on the fourth Tuesday of the month when the Board of Supervisors is in session at 10:45 am. There are no term limits.

Vice-President Jaffe currently serves on the Zone 5 Santa Cruz County Flood Control and Conservation District. Since there are no term limits, Vice-President Jaffe may continue to represent the District, or the Board may appoint a new Board Member.

POSSIBLE BOARD ACTION(S):

1. By MOTION, direct staff to return at the next Board Meeting with a proposal to consolidate the District’s standing committees for Board consideration; or
2. By MOTION, appoint or reappoint Board Members to the District’s Water Resources Management and Infrastructure (WRMI) Committee (January 2024 – December 2025); and
3. By MOTION, appoint or reappoint Board Members to the District’s Public Outreach (PO) Committee (January 2024 – December 2025); and
4. By MOTION, appoint or reappoint Board Members to the District’s Finance and Administrative Services (FAS) Committee (January 2024 – December 2025).
5. By MOTION, appoint or reappoint a Board Member to serve as the primary representative for the District on the ACWA JPIA Board (January 2024 – December 2024); and
6. By MOTION, appoint or reappoint Board Members to the Santa Cruz Mid-County Groundwater Agency (MGA) Board (January 2024 – December 2024); and
7. By MOTION, appoint or reappoint a Board Member to the Zone 5 Santa Cruz County Flood Control and Conservation District (January 2024 – December 2024); or
8. Take no action.

By Emma Western
 Emma Western
 Executive Assistant/Board Clerk

By Ron Duncan
 Ron Duncan
 General Manager

2023 Standing Committees

District Standing Committees

The District has three standing committees that are tasked to review, study, and discuss proposals, reports, and issues. The committees advise and recommend actions to the Board of Directors on these topics, and provide feedback to the General Manager and staff. Standing Committee Meetings are publicly noticed at least 72 hours in advance.

| Committee | Meeting Date/Time | Board Members & Lead Staff | Public Members |
|--|--|--|---|
| Water Resources Management and Infrastructure Committee | 2nd Tuesday every other month 4:00 – 5:00 pm <ul style="list-style-type: none"> • February 14 • April 11 • June 13 • August 8 • October 10 • December 12 | Rachél Lather, Chair Jennifer Balboni, Vice Chair Carla Christensen, Alternate General Manager | Garrett Goto James Zachos Meryl Abramson |
| Public Outreach Committee | 2nd Tuesday every other month 10:30 – 11:30 am <ul style="list-style-type: none"> • February 14 • April 11 • June 13 • August 8 • October 10 • December 12 | Carla Christensen, Chair Dr. Tom LaHue, Vice Chair Dr. Bruce Jaffe, Alternate Special Projects- Communications Manager | Michael Gutierrez Steven Graff |
| Finance and Administrative Services Committee | 4th Monday quarterly 4:00 – 5:00 pm <ul style="list-style-type: none"> • January 23 • April 24 • July 24 • October 23 | Carla Christensen, Chair Rachél Lather, Alternate Finance Manager Human Resources Manager | Joseph Morici Karen McCarty Kellie Guerra |

Board Member appointments will be reconsidered in December 2023.

Public member appointments will be reconsidered in July 2025.

Other Standing Committees/Boards/Commissions:

- **Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) Board** – Carla Christensen (General Manager, Finance Manager and Human Resources Manager are alternates), *no term limits, appointment usually considered at the first Board Meeting in December*
- **Santa Cruz Local Agency Formation Commission (LAFCO)** – Rachél Lather, *term valid through May 2023*
- **Santa Cruz Mid-County Groundwater Agency (MGA)** – Dr. Tom LaHue and Carla Christensen (Rachél Lather is alternate), *appointments usually considered at the first Board Meeting in December*
- **Zone 5 Santa Cruz County Flood Control and Conservation District** – Dr. Bruce Jaffe, *no term limits, appointment usually considered at the first Board Meeting in December*