



**MEETING MINUTES
REGULAR MEETING – 6:00 PM
TUESDAY, JULY 19, 2022**

In response to COVID-19 (coronavirus), Soquel Creek Water District's July 19, 2022 Board Meeting was held remotely via Zoom.

Recorded Meetings: Recorded meetings are available on the District's website:
<https://www.soquelcreekwater.org/AgendaCenter>

President LaHue called the meeting to order at 6:00 pm via Zoom.

0. CALL TO ORDER AND ROLL CALL

Board Members Present:

Dr. Thomas LaHue, President
Carla Christensen, Vice-President
Dr. Bruce Daniels
Dr. Bruce Jaffe
Rachél Lather

District Counsel

Joshua Nelson, District Counsel

Staff Members Present:

Ron Duncan, General Manager
Shelley Flock, Conservation and Customer Service Field Manager
Taj Dufour, Engineering Manager
Leslie Strohm, Finance Manager
Traci Hart, Human Resources Manager
Nate Gillespie, Operations & Maintenance Manager
Melanie Mow Schumacher, Special Projects-Communications Manager
Emma Western, Executive Assistant/Board Clerk
Michael Wilson, Assistant Engineer II (*retired*)
Connor Pollard, Assistant Engineer II

Others Present:

Martin Mills, PureSource Water, Inc., Owner

1. CLOSED SESSION

- 1.1 Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section §54956.9(d)(1)
Steinbruner vs. Soquel Creek Water District et al., Santa Cruz County Superior Court Case Nos. 19AP00031 19AP00030 19CV00181; CA Sixth District Court of Appeals Case No. H047733
Steinbruner vs. California Coastal Commission, et al., San Francisco County Superior Court Case No. CPF-20517119; CA First District Court of Appeals Case Nos. A163079, A163199
Steinbruner vs. Soquel Creek Water District et al., Santa Cruz County Superior Court Case No. 21CV00537
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

- 1.2 Conference With Labor Negotiators
Agency designated representative(s): Traci Hart
Employee Organization: Management Group

At 6:01 pm, President LaHue announced that the Board will meet in closed session to discuss Items 1.1 and 1.2.

CONVENE TO CLOSED SESSION – 6:01 pm

RETURN TO OPEN SESSION – 6:20 pm

President LaHue adjourned the closed session and returned to open session at 6:20 pm.

President LaHue reported that the Board discussed Items 1.1 and 1.2 in closed session. No reportable action was taken.

2. **PUBLIC HEARING** – *None*

3. **BOARD MEMBERS’ OPPORTUNITY TO REMOVE ITEMS FROM CONSENT AGENDA**

None removed.

4. **CONSENT AGENDA**

MOTION: Director Daniels; Second: Director Lather; To approve Consent Agenda Items 4.2, 4.3, 4.4 and 4.5. Motion passed by unanimous roll call vote.

- 4.1 Approval of Minutes – *None*

- 4.2 Extend Resolution 21-21 and Re-Authorize Virtual Public Meetings in Accordance with AB 361
Action: Approved

- 4.3 Production Reports
Action: Approved

- 4.4 Management Update
Action: Approved

- 4.5 Review Annual Disclosure (Govt. Code Section 53065.5), Fiscal Year 2021-22 Director & Employee Reimbursements of at Least \$100
Action: Approved

5. **ORAL AND WRITTEN COMMUNICATIONS** (*items not on the Agenda*)

Written communications addressed to the Board are available on the District’s website:

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

Vice-President Christensen provided an update on the ad hoc committee with Scott's Valley Water District, which currently meets at least once a month to explore possible collaborative activities between agencies.

6. **REPORTS**

6.1 District Counsel – Oral Report

General Counsel Nelson provided an update on two proposed bills, Assembly Bill (AB) 1944 and Assembly Bill (AB) 2449, which advocate for changes to the Brown Act and remote public meetings.

- AB 1944 did not make it through the Senate and is no longer under consideration.
- AB 2449 is still under review, and he will continue to monitor its status; however, there have been significant changes limiting the flexibility of remote public meetings.

General Counsel Nelson stated that although there may be no permanent changes to the Brown Act during this legislative cycle, there could be future changes during the legislative cycle next year.

7. **ADMINISTRATIVE BUSINESS**

7.1 Conditional and Unconditional Will Serve Letters – *None*

7.2 Consider Agreement Renewal for PureSource Water Emergency Water Service

Mr. Gillespie requested that the Board consider renewal of the PureSource water emergency agreement. He explained that an intertie between the District and PureSource's distribution systems was installed in 2007 to provide emergency water service to PureSource.

Mr. Gillespie reviewed the three possible action items presented in the memo:

1. Execute the agreement for emergency water service to PureSource Water, Inc.
2. Change the terms of the agreement to include the appropriate monthly service fee for emergency water service to PureSource Water, Inc. and execute the amended agreement.
3. Execute the agreement for emergency water service to PureSource Water, Inc. and return in two years with a recommendation to include a monthly service fee for the PureSource and Trout Gulch connections.

Mr. Gillespie stated that staff recommends Option 3, which suggests executing the attached agreement for 2 years and then conduct an evaluation for an equitable monthly service charge before the 2024 renewal period (to coincide with the Trout Gulch emergency interconnection agreement expiration and potential renewal).

Martin Mills, the owner of PureSource Water, Inc., addressed the Board.

Board discussion ensued, and Directors expressed a variety of viewpoints. Mr. Gillespie and Mr. Mills responded to a variety of Board questions.

President LaHue recognized that other District customers pay a monthly service charge for the ability to have water when desired. President LaHue emphasized the importance of metering for monitoring water use. He noted that PureSource customers' average consumption is approximately 94 gallons per person per day, while District customers' average consumption is approximately 50 gallons per person per day.

Director Daniels stated that he believes charging PureSource a monthly service fee is fair. He suggested that the Board move forward with Option 2 to amend the agreement and then use the funds collected from the monthly service fee to help PureSource purchase meters.

Director Lather discussed potential infrastructure grant funding opportunities to support metering PureSource's system. Mr. Mills stated that many of the grant opportunities are not available to PureSource because it is technically a private corporation and not a disadvantaged community.

Director Jaffe referenced the Table on page 33 of the board packet, which shows that PureSource has not activated the intertie often and only in emergency situations. He stated that he does not support charging a monthly service fee at this time.

Director Christensen explored Dr. Daniels suggestion of using the funds collected from the monthly service fee to help purchase meters for PureSource's system. Further discussion ensued, and Mr. Mills confirmed that PureSource's system will be metered by 2025 to comply with State regulations.

President LaHue stated that he is willing to execute the agreement tonight and then reconsider the monthly service fee in two years.

Mr. Duncan added that if the Board elects to move forward with Option 3, then there will be ample notification time about the monthly service fee for PureSource. He noted that that the fee will be incorporated in the District's next rate study.

MOTION: President LaHue; Second: Director Jaffe; To authorize the General Manager to execute the agreement in Attachment 2 for emergency water service to PureSource Water, Inc. and return in two years with a recommendation to include a monthly service fee for PureSource and the Trout Gulch connections. Motion passed (4:1). Director Daniels voted no.

7.3 Review District Strategies to Meet Primary Organizational Goals

Ms. Hart reviewed Item 7.3, explaining that this item is presented to provide the Board an opportunity to review and provide feedback on the strategies developed to meet the District's Primary Organizational Goals. She stated that the executive team met several times to discuss and develop the strategies, and they are designed to provide another level of guidance to help set priorities and focus staff efforts and decision-making.

Staff's next steps are to develop a workplan of sub-strategies, metrics and tactics needed to accomplish its higher-level strategies, continually aligned with the District's Strategic Plan. This work has already started and is anticipated to take 4-8 more weeks.

The Board recognized that the strategies are comprehensive and ambitious. Vice-President Christensen stated that staff is performing many of the identified strategies already.

Director Jaffe asked for additional information regarding Strategy 5.3, "Seek and promote opportunities to promote the value of water within our service model." Ms. Hart explained that the "value of water" was a consistent theme throughout the informational gathering and appreciative inquiry process; therefore, this strategy was identified as a goal within our service model.

There was consensus among the Board to move forward with the strategies identified by staff. Directors recognized the dynamic nature of a strategic plan, so there may be a need to revise the strategies to respond to changing conditions in the future.

7.4 Retirement Resolution In Appreciation of Michael Wilson – 16 Years of Service to the District

Mr. Dufour stated that Michael Wilson, Assistant Engineer II, is retiring after 16 years of service to the District. He stated that he has been involved with at least 56 engineering projects during his time at the District.

Mr. Dufour shared a slideshow recognizing Mike Wilson (presentation available on the District's website: <https://www.soquelcreekwater.org/AgendaCenter>).

President LaHue read aloud Resolution 22-15, honoring Michael Wilson.

Directors expressed appreciation for Mr. Wilson's hard work and dedication.

Mr. Wilson thanked the Board and expressed gratitude for his time at the District.

MOTION: Director Lather; Second: Director Daniels; To adopt Resolution No. 22-15 in appreciation of Mike Wilson, Associate Engineer. Motion passed by unanimous roll call vote.

8. **ADJOURNMENT**

President LaHue adjourned the meeting at 7:28 pm.

SUBMITTED:



Emma Western, Board Clerk

APPROVED:



Dr. Tom LaHue, President