

**SOQUEL CREEK WATER DISTRICT
MEETING MINUTES
MARCH 2, 2004**

1. ROLL CALL AND TELECONFERENCE

President Daniels called the regular meeting to order at 7:06 p.m.

Board Members Present:

Bruce Daniels, President

Thomas LaHue, Vice President

Bruce Jaffe

Daniel Kriege, teleconferencing from Kailua-Kona, Hawaii

Jack Beebe

Staff Members Present:

Laura Brown, General Manager

Robert Stevens, Assistant General Manager

Bob Bosso, District Counsel

Jeff Gailey, Engineering Manager

Denise Alexander, Executive Assistant/Board Clerk

Others Present:

Roy Sikes, Vaidehi Campbell, District staff members

Ron Duncan

Jackie Millet and Eric Zigas, Environmental Science Associates

Brook Kraeger, Linsley, Kraeger Associates, Ltd.

Dave McCabe

Mike Cloud, Santa Cruz County Hydrologist

2 unidentified members of the public

2. APPROVAL OF MINUTES

The revised minutes of February 17, 2004 were presented for approval.

Revisions were reviewed and approved.

MOTION: Director Beebe, Director LaHue: To approve the revised minutes of February 17, 2004 as presented. The motion passed unanimously by a roll call vote.
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3. ORAL COMMUNICATIONS

General Manager Laura Brown introduced the District's new Water Conservation Coordinator Ron Duncan.

Director Jaffe stated that the signage at the water wise garden project in the Rio Del Mar Blvd. traffic island can only be seen from one direction and requested having signage installed that was visible from all directions. The District's Water Conservation Specialist Roy Sikes stated he would contact the Rio Del Mar Improvement Association.

President Daniels and Director Beebe stated they had attended the Pajaro Valley Water Management Agency (PVWMA) meeting on February 18th and commended Ms. Brown on the excellent presentation she gave on the District's Integrated Resources Plan with potential for partnership with PVWMA.

Director Jaffe advised the Board he had assisted the District's Groundwater Consultant Nick Johnson with contacting the USGS scientist who had done research on the offshore Purisima outcrops.

L. Brown stated she had spoken with Bill Kocher, the City of Santa Cruz Water Director, regarding Board inquiries on the Beltz Wells information provided in the February 17th Board packet. A brief discussion ensued and by consensus, the Board agreed to agendize an item to discuss the Board's position prior to the next Integrated Water Plan pEIR Advisory Committee meeting.

Director LaHue noted it has been one year since he became a Director, and stated it has been a privilege to serve on the Board.

4. **REPORT FROM CLOSED SESSION**

None

5. **PUBLIC HEARINGS**

None

6. **ADMINISTRATIVE BUSINESS**

- 6.1 Approvals - "Will Serve" Water Service Application for Kevin Shackell, San Andreas Road, La Selva Beach, APN 045-132-31

Engineering Manager Jeff Gailey provided a brief overview of the staff report.

MOTION: Director Kriege, Director Jaffe: To authorize the District's standard letter indicating that the District will conditionally serve the lot located between 1565 & 1575 San Andreas Road near Altivo Drive in LaSelva Beach, APN 045-132-31. The motion passed unanimously by a roll call vote.

6.2 Presentation on Conservation Analysis and Associated Revisions to Demand Projections for the Integrated Resources Plan by Environmental Science Associates

L. Brown introduced the District's consulting team, Eric Zigas and Jackie Millet with Environmental Science Associates who have been working on the conservation component of the District's Integrated Resources Plan (IRP) Update. Ms. Brown stated that the purpose for revisiting the conservation analysis component of the IRP is to reevaluate the conservation savings the District could achieve and adjust the projected demand accordingly.

J. Millet provided a presentation that addressed questions from her previous Board presentation on interior residential savings, and discussed the potential for exterior residential savings, nonresidential interior and exterior savings, and how these potential savings would revise the demand projections. A copy of her presentation is attached as **Exhibit A**.

J. Millet responded to Board inquiries and stated she had conferred with the District's Water Conservation Specialist Roy Sikes regarding the toilet retrofit program; the retrofit upon resale impact is included in both the demand offset numbers and the rebate program.

Discussions ensued regarding implementing conservation requirements for remodels; identifying the top 20% water users and separately tracking interior and exterior usage amount from the Purisima and Aromas aquifers.

L. Brown clarified that the District is trying to formulate a number to use for planning purposes in the projected demand component of the IRP, which will be a component used to evaluate the District's supplemental supply options. New technology and conservation opportunities will continually be evaluated to reduce the demand even further, and it is recommended that there be ongoing audits of savings to evaluate the success of the conservation program.

L. Brown noted that the 900 acre-feet savings to build-out was based on the assumption that development occurred; a customer base would have to be established to produce that kind of savings.

President Daniels stated that toilet retrofits provide most of the conservation savings and that only depends on existing customers, not future development.

E. Zigas stated that the water use factor used in the growth projections applies to both existing and future homes.

Director Jaffe asked if additional analysis had been done on the projected growth. L. Brown stated that E. Zigas had reevaluated the growth projections based on actual demand from 1997 to present. L. Brown further stated that the General Plans for both the City of Capitola and the County of Santa Cruz have not been changed and the original IRP is a parcel based assessment on potential development using existing land use policies. The amount of water used and the growth rates are lower/slower than the original projections and getting to build-out will take longer.

E. Zigas added that the current expectations as to how build-out will look has not changed; the only change is when it would occur.

E. Zigas stated that trend lines and AMBAG projections for the region were used to develop long-term estimates because the land use projections stop at 2020.

Discussion ensued regarding growth versus no growth.

6.3 Soquel Creek Diversion Conceptual Supplemental Water Supply Project – Presentation of Yield Estimates by Linsley, Kraeger Associates, Ltd.

L. Brown provided a brief overview of the staff report and introduced Brook Kraeger with Linsley, Kraeger Associates who provided a presentation on the information included in the Board packet regarding descriptions and assumptions used in the development and operation of the diversion model for Soquel Creek.

B. Kraeger responded to Board inquiries and discussion ensued regarding the Total Annual Demand graph and the residential interior conservation calculations that were used; whether the duration of water storage capacity in the off-stream reservoir was included in the model; settling of sediment; meeting quality standards for injection use; projected low demand numbers and how the daily time step was chosen.

President Daniels stated that presentations on bypass flows and injection would be given at the March 16, 2004 meeting.

- 6.4 Approval/Authorization: Revised Budget for Linsley, Kraeger Associates, Ltd. to provide Professional Service with regard to the Supplemental Water Supply Alternatives Evaluation and Screening

J. Gailey provided a brief overview of the staff report.

MOTION: Director Jaffe, Director Kriege: To approve an appropriation not to exceed \$15,000 from Operating Contingency Reserves for Linsley, Kraeger Associates, Ltd. to provide professional services with regard to the Supplemental Water Supply Alternatives Evaluation and Screening. The motion passed unanimously by a roll call vote.

- 6.5 Approvals/Authorizations: Approve Aqua View Tank No. 1 Interior and Aqua View Tank Nos. 1 & 2 Exterior Recoat and Repair Project, Adopt Plans & Specifications and Call for Bids

J. Gailey provided a brief overview of the staff report and responded to Board inquiries regarding the calculations listed in the staff report and encapsulating the existing paint with a urethane coating.

MOTION: Director Beebe, Director LaHue: To approve **Resolution No. 04-05** for plans and specifications and **Resolution No. 04-06** setting prevailing wages and calling for bids for the Aqua View Tank No. 1 Interior and Aqua View Tank Nos. 1 & 2 Exterior Recoat and Repair Project, CWO 04-33. The motion passed unanimously by a roll call vote.

- 6.6 Approvals/Authorizations: Well Destruction at Aptos Par 3, Park Wilshire Nos. 1 & 2 Project, Adopt Plans & Specifications and Call for Bids

J. Gailey provided an overview of the staff report and responded to Board inquires.

Discussion ensued regarding the destruction process and the potential conduit for contamination caused by failure to rip the casing and drop the gravel pack. The Board stipulated they wanted the casing ripped, the gravel dropped and to evaluate each well to make sure the process being used by the contractor will result in no conduit being left as a prevention measure against contamination with a report on the process to be used at the time of bid award.

MOTION: Director LaHue, Director Jaffe: To approve **Resolution No. 04-07** for plans and specifications and **Resolution No. 04-08** setting prevailing wages and calling for bids for the Well Destruction at Aptos Par 3 and Park Wilshire Nos. 1 & 2, CWO 04-35. The motion passed unanimously by a roll call vote.

- 6.7 Schedule Special Meeting for Presentation by Groundwater Consultants of the Hydrogeological Conceptual Model Analysis of the Soquel-Aptos Groundwater Basin - Technical Memorandum No. 2

A discussion ensued regarding availability.

MOTION: Director Jaffe, Director Kriege: To schedule a special meeting subsequent to confirming consultant availability, on either March 24 or March 25, 2004 with an alternate date of March 23, 2004, to present a final draft of the Technical Memorandum No. 2 by the groundwater basin assessment consulting team and for a Board discussion on the Beltz Wells data and the City of Santa Cruz Desalination Supplemental Supply Option. The motion passed unanimously by a roll call vote.

7. INFORMATION ITEMS

7.1 Chromium 6 Status Report

L. Brown provided an overview of the staff report that included an update on the reason for the Department of Health Services' delay in establishing a maximum contaminant level for chromium 6, and the District's ongoing interest in the possibility of obtaining grant funding for a pilot treatment project for chromium 6 in District wells under Proposition 50 (Water Bond).

Several Board members commented that the information provided in the staff report and attachments was very informative. L. Brown stated that credit should be given to the Interim Operations & Maintenance Manager and Supervisor who provided most of the information.

Discussion ensued and L. Brown responded to Board inquiries/comments.

President Daniels commended staff and the former Operations & Maintenance Manager for being pro-active with the District's blending of water from service area 3 into service area 4 to reduce chromium levels.

Director Beebe stated he felt the customer telephone survey should provide the District with opinions regarding water quality.

Director Jaffe requested that a chromium 6 update be provided in six months.

MOTION: Director Jaffe, Director Beebe: To provide the Board with an update on chromium 6 as new information is available, or at least every six months. The motion passed unanimously by a roll call vote.

8. **STATUS REPORTS**

1. **Engineering**

J. Gailey provided an update on the outstanding zero impact agreements.

2. **Operations & Maintenance**

The Interim Operations and Maintenance Manager Gary Lamprecht was not present. President Daniels commended G.Lamprecht on an extremely thorough report.

J. Gailey provided a brief update on the Cathedral Drive Fire Hydrant repairs.

3. **Conservation & Communications**

L. Brown presented artwork by students who had participated in the Soquel Creek Water Education Program and thank you notes to the District's School Education Assistant Vaidehi Campbell and the SPECTRA artist, Carolyn Setsko, for an excellent program.

Director Jaffe asked how the District's water demand offset program is being promoted to the public. Roy Sikes, the District's Water Conservation Specialist, stated that everyone he speaks to regarding water demand surveys is told about the toilet rebate program. He provided an update on the number of available retrofits currently on the list. President Daniels thought it would be important to monitor the list to make sure enough retrofits are always available.

4. **District Counsel**

District Counsel Bob Bosso provided an update on the Shasta County Supreme Court ruling whereby it was decided that Proposition 218 (land base fees) did not apply to capacity charges, and, the Metropolitan Water District (Cargill case) which involved use of labor contractors to provide employees. It was found that the contractors were employees and entitled to benefits. He further stated that the agent for Robison-Prezioso is in the process of being served a complaint in the Austrian Tank Recoat and Repair case.

B. Bosso stated he would be happy to answer any questions the Board might have on the information provided to Board members regarding his contract for services with the District.

He commented on a conference being held in Santa Barbara on desalination that he thought would be informative.

5. General Manager

L. Brown provided answers she received from Bill Kocher, City of Santa Cruz Water Director, to Board inquiries on the Beltz Wells information contained in the February 17, 2004 Board packet.

President Daniels stated he would like to know the average expected pumpage of water at the Beltz Wells using 2010 demand. L. Brown stated she would speak with B. Kocher.

B. Bosso added to his status report that a video/audio tape was available on desalination and that ACWA has finalized the ethical guidelines for Directors, a model to be used by water agencies. Director Kriege suggested agendizing a presentation on this topic sometime in the future.

L. Brown stated she had consolidated the information she received from the two committee members plus Board discussion on the Public Opinion Survey topics and the outline had been provided to the consultant and two committee members.

6. Major Projects, Priorities and Special Assignments

L. Brown noted that the format had been changed to facilitate following a work plan to address the issues raised at the Board retreat and to also organize the report by department priorities.

L. Brown noted that the 700 Form - Statement of Economic Interests are due by April 1, 2004.

9. WRITTEN COMMUNICATIONS AND CORRESPONDENCE

L. Brown noted she received a fax from Pajaro Valley Water Management Agency of a column in the newspaper regarding the proposed joint project with Soquel Creek Water District (attached as **Exhibit B**), and noted an invitation to the AMBAG Annual Dinner on March 12th at the Monterey Beach Resort.

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10. **ADJOURNMENT** – There being no further business, President Daniels adjourned the meeting at approximately 9:20 p.m. to the next regularly scheduled meeting on March 16, 2004.

SUBMITTED BY:

APPROVED BY:

Denise Alexander, Board Clerk

Bruce Daniels, President