

**SOQUEL CREEK WATER DISTRICT
MEETING MINUTES
May 3, 2005**

1. ROLL CALL

President Daniels called the Regular Session to order at 7:02 p.m.

Board Members Present:

Bruce Daniels, President
Thomas LaHue, Vice President
Dan Kriege
Jack Beebe
Bruce Jaffe

Staff Members Present:

Laura Brown, General Manager
Robert Stevens, Assistant General Manager
Bob Bosso, District Counsel
Jeff Gailey, Engineering Manager
Gary Lamprecht, Operations & Maintenance Manager
Ron Duncan, Conservation Coordinator
Denise Alexander, Executive Assistant/Board Clerk

Others Present:

Vaidehi Campbell, District Conservation/GIS Assistant
Melanie Schumacher, District Special Associate Engineer (temp)
Tom Burns, Santa Cruz County Planning Director
Julianne Ward, Santa Cruz County Planning Policy Division
John Ricker, Santa Cruz County Land Use & Water Resources Program
Coordinator
Ellen Pirie and Jan Beautz, Santa Cruz County Supervisors
Clark Wales, Central Water District General Manager
Jim Washington, Central Water District Board Director
3 members of the public

2. APPROVAL OF MINUTES

The draft minutes of April 19, 2005 were presented for approval. A revision to the motion on page 5, Item 6.6 of the draft minutes made subsequent to packet delivery was distributed to the Board as follows:

<p>MOTION: Director Beebe; Second: Director Kriege: To authorize the District's standard letter indicating that the District will conditionally serve the lots located in Items 6.1 through 6.5 water connection to be installed for Nick Slingerland at 109 San Jose Avenue in Capitola, APN 035-221-17. The motion passed unanimously.</p>

MOTION: Director Kriege, Director Beebe: To approve the April 19, 2005 minutes as modified. The motion passed by unanimous vote with Director Jaffe abstaining.

3. ORAL COMMUNICATIONS

Director LaHue noted an email he received from District customer Phillip Frandler asking whether the work to upgrade Margarita Road in La Selva Beach, currently scheduled to commence in 2007, could be done sooner because the road association would like to repair the road after the upgrades have been completed. A copy of the email was distributed to the Board, attached as **Exhibit A**.

President Daniels welcomed Director Jaffe back from Sumatra.

4. REPORT FROM CLOSED SESSION 4-19-05

4.a. Conference Regarding Employee Request for an Appeal Hearing Concerning Ongoing Personnel Matters

General Manager Laura Brown stated the Board granted the request for an appeal hearing and delegated District Counsel Bosso to select a hearing officer. John Barisone, attorney for Santa Cruz and Capitola cities, was selected to act as the hearing officer; the hearing has been scheduled for May 23, 2005.

5. PUBLIC HEARINGS

None

6. ADMINISTRATIVE BUSINESS

6.1 Coordination between Santa Cruz County and the District Regarding Development Projects within the District's Service Area and the Impact on Limited Water Supplies – Presentation by Tom Burns, Santa Cruz County Planning Director

General Manager Laura Brown stated that Tom Burns, Santa Cruz County Planning Director had been invited by the Board to provide clarification about County land use policies with respect to limited water supplies. Tom Burns was introduced along with Clarke Wales, General Manager with Central Water District, John Ricker, Santa Cruz County Land Use and Water Resources Program Coordinator and Santa Cruz Board Supervisors Jan Beautz & Ellen Pirie.

T. Burns provided background on the goals and objectives when developing the County's Housing Element, the Housing Overlay District and the designated sites located within the District's service area and clarification of the state law requirement on prioritizing water for affordable housing. He responded to questions and concerns from the Board regarding the pace of development and the impact on water supply within the District. He expressed support for improving inter-agency communication and coordination of land use policy implementation with the District's water supply limits and for groundwater management of the basin.

The following documents were distributed to the Board: Candidate Housing Overlay Sites; Review of Possible Overlay Sites within the Soquel Creek Water District Area and Number of Building Permits Issued for New Construction by year within Soquel Creek Water District, attached as **Exhibit B**.

Director Kriege asked the County to consider implementing a water demand offset requirement for all new well applications located within the sensitive areas being over-pumped. He noted the City of Santa Cruz's proposed seawater desalination plant and Pajaro Valley Water Management Agency's Basin Management Plan and asked the County's Board of Supervisors to lend their support for these two critical supplemental water supply projects. He further stated he would be willing for the District to provide financial assistance to support the County in mitigating impairments to groundwater recharge such as Arana Gulch erosion and other areas that could enhance recharge in the Soquel-Aptos basin.

President Daniels concurred stating he recently toured the Arana Gulch area as a member of the Regional Water Quality Control Board and saw the devastating effects impervious surfaces, and simply clearing vegetation, has had on the fragile condition of the soil and groundwater recharge. Supervisor Jan Beautz stated that resources are needed to restore Arana Gulch and to support the residents in that area.

Discussion ensued regarding the number of Will Serve Letter Applications the District is receiving, the conditions outlined in the Will Serve Letter, the District's Water Demand Offset (WDO) process and to expand management of the Soquel-Aptos Area Groundwater Basin under to include the County.

John Ricker provided a brief overview of the County's Well Ordinance that prohibits drilling of new wells within 200 feet of a service line and stated that a committee is being set up to specifically review the well ordinance and the District's issues of water use and supply.

President Daniels stated that he would like the County to support a requirement that major construction re-models be subject to the same water use efficiency requirements as new construction.

Director LaHue stated he felt agreement had been reached to proceed with the following actions (3-5) as proposed in the staff report and actions 1-2 regarding the District's WDO policy, will require further discussion at a subsequent meeting.

- Action 3. Adopt a practice of semi-annual meetings between County Planning Staff and District Staff to review the status of pending development projects within Soquel Creek Water District and discuss any potential water demand issues.
- Action 4. Encourage the County to pursue policies relating to water demand impacts and water conservation throughout the Soquel-Aptos Area Groundwater Basin that are consistent with those adopted by Soquel Creek Water District.
- Action 5. Encourage the County to adopt updated policies related to impacts on groundwater recharge

MOTION: Director LaHue, Director Jaffe: To develop actions 3-5 as proposed to respond to the issue of the impact of development on limited groundwater supplies with the County of Santa Cruz and to agendaize further discussion of actions 1-2 regarding the District's WDO policy. The motion passed by unanimous vote.
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The Board thanked everyone who had participated in the discussion for attending the meeting and stated they were looking forward to working with the County.

John Ricker stated that updating policies related to impacts on groundwater recharge is a high priority for the County and is a key part of their erosion control and storm water programs. He mentioned the proposed Prop 50 grant projects in this area and asked if the District would consider sharing in the cost of retrofits in the future.

President Daniels stated that the County currently has an impervious surface impact fee and, to the extent that we could show that impervious surfaces decrease recharge, possibly an additional impact offset fee could be developed to encourage restoration and recharge protection.

Several Board members stated that the Will Serve letter is primarily used to initiate the County's development permit process and expressed concern with the retrofits being completed in the early stages of a project when the Will Serve letter is not a guarantee that service will be available to the project in the future. By consensus, the Board requested revisiting this issue when the District's WDO program is next reviewed.

Items 6.2 through 6.4 were heard simultaneously.

- 6.2 "Will Serve" Water Service Application for Silver Oaks Subdivision, Tract 1502, Corte Cabrillo & Soquel Drive, Holcomb Corporation, Aptos, APN 037-151-12 & 13
- 6.3 "Will Serve" Water Service Application for Gerald Hurlbert, Sequoia Way and Cathedral Drive, Aptos, APN 040-141-09
- 6.4 "Will Serve" Water Service Application for Diana Peters, 3201 Fairway Drive, Soquel, APN 037-082-11

MOTION: Director Beebe; Second: Director Kriege: To authorize the District's standard letter indicating that the District will conditionally serve the lots located in items 6.2 through 6.4. The motion passed by unanimous vote.
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Director Jaffe stated he was hoping to have gotten more information from our reports on the state of the aquifer to gauge whether the District's conservation efforts have had a beneficial effect. L. Brown stated that hydrographs from the spring and fall will be produced by Engineering staff and compared to prior years. Director Jaffe asked that rainfall levels be included and to agendaize review and discussion at a future date.

- 6.5 Accept Final Report for Comparison of Juvenile Steelhead Densities, Population Estimates and Habitat Conditions in Soquel Creek 1997-2004 by D.W. Alley & Associates

MOTION: Director Kriege; Second: Director LaHue: To accept the report titled "Comparison of Juvenile Steelhead Densities, Population Estimates and Habitat Conditions in Soquel Creek, Santa Cruz County, California; 1997-2004; with an Index of Expected Adult Returns" prepared by D.W. Alley & Associates, CWO 05-111. The motion passed by unanimous vote.

John Ricker stated that the County is currently compiling information on fisheries monitoring efforts and techniques on local streams and summarizing it into a single report that will include all the monitoring completed to date. He further stated that the County's focus is to protect the habitat and to monitor fish production from year to year comparing trends and that Aptos and Corralitos Creeks would be included with San Lorenzo and Soquel Creek when funds are available.

6.6 Purchase of Ultrasonic Flowmeter

MOTION: Director Beebe; Second: Director Jaffe: To approve the purchase of a TransPort PT878 Portable Ultrasonic Liquid Flowmeter package, not to exceed \$6,795, excluding tax. The motion passed by unanimous vote.

6.7 Claim of Damage: Steve Hudson, 9755 Monroe Avenue, Clogged Plumbing from Construction

Assistant General Manager Bob Stevens stated that the claim form did not include a date of loss and he was advised by JPIA to pull the item from the agenda until the required information is received from the claimant.

6.8 Opal Cliffs Center Commercial Subdivision Agreement, 41st Avenue & Portola Drive, Santa Cruz, Grant Final Acceptance

MOTION: Director LaHue; Second: Director Kriege: To accept the Opal Cliffs Commercial Center as complete, APN's 033-141-55 & 033-161-10 & 32, CWO 04-12. The motion passed by unanimous vote.

6.9 Rescheduling May 24, 2005 Budget Workshop and Board Meeting

Subsequent to discussion regarding availability, by consensus, the Budget Workshop and Board meeting was rescheduled to May 31, 2005.

7. **INFORMATION ITEMS**

None

8. **STATUS REPORTS**

- 8.1 Operations & Maintenance – Operations & Maintenance Manager Gary Lamprecht provided a brief overview of the status report. April production graphs were distributed, **Exhibit C**.
- 8.2 Communications & Conservation – Conservation Coordinator Ron Duncan provided a brief overview of the status report and added that District staff is planning to install a hot water re-circulating system at a half-way house and will monitor water savings. He attended a “water broom” demonstration that proposes to reduce water usage by 50-60% when used instead of a hose to clean sidewalks etc. in heavily trafficked commercial areas. Conservation Specialist Roy Sikes performed an indoor/outdoor water conservation analysis for District customer Mr. Hansen and a leaking toilet was found and sprinkler heads were adjusted. An article regarding the irrigation controller device study done by the District that was published in the *Santa Cruz Sentinel* generated a lot of feedback and he thanked the Board for the suggestion. An update was given on the retrofitting done at the Pacific Manor Convalescent Home a year ago that has resulted in a water savings of 32% when compared to a prior four-year average.
- 8.3 District Counsel – Bob Bosso stated he has been working on setting up the District employee’s appeal hearing and the Robison Prezioso case is moving along slowly.
- 8.4 General Manager – L. Brown commended R. Duncan on his efforts to locate another public relations firm named TRG who will be making a presentation to the Board on June 7, 2005. Another firm located in the Bay area named MIG has been contacted. These two firms, along with Machado and Associates, will provide a wide range of size and experience to choosing a public outreach consulting firm for the District. She reported that the application filed by the District to receive grant funding under the AB303 local groundwater assistance program for Soquel-Aptos coastal modeling and expanded groundwater management plan did not receive enough points to qualify. She reported on the outcome of a meeting she and Jill Duerig, General Manager with Scotts Valley Water District, had in Sacramento with the State Water Resources Control Board’s Water Rights (SWRCB) Division Chief and the subsequent discussions with District attorney

Bosso and the District's water rights firm, Ellison, Schneider & Harris, on how to respond to SWRCB's proposed action to cancel the districts' joint petition for assignment of water rights and supplemental application for Soquel Creek. Discussion ensued.

Ms. Brown stated that besides performing a Spinner Log test on the Main St. Well, District consultant Derrik Williams attended a meeting with USGS on the GAMA project and will be providing a letter report with recommendations on the District's participation. Mr. Williams had previously met with the City of Santa Cruz to develop a cooperative plan for managing the Purisima A unit and responded to other requests from District staff. Consequently he is close to exceeding the \$5,000 purchase order limit and Board authorization for an additional amount will be presented for Board approval at the next meeting.

Engineering Manager Jeff Gailey and R. Duncan met with representatives of Seascape Greens to discuss ways to reduce their water usage and interest was shown for reducing their turf area and re-landscaping. Staff expects a proposal will be forthcoming. A brief discussion ensued.

Ms. Brown stated she was just informed that Oases West will not be prepared at their May 10th presentation to the EIR Committee on the feasibility of using the County's sewer pump station on New Brighton Beach as a future desalination facility, to address the potential fatal flaw topics of intake, brine discharge and beach access requested by the District. She requested the EIR committee remain after the meeting to give direction on whether to proceed with the presentation as scheduled.

Ms. Brown stated the groundwater workshop she attended at the ACWA Spring Conference in San Jose on May 3rd was very informative and worthwhile.

- 8.5 Major Projects, Priorities and Special Assignments – L. Brown stated she had nothing further to report.

9. WRITTEN COMMUNICATIONS AND CORRESPONDENCE

The following handouts were distributed to the Board: President Daniels' response to an email from Phillip Frandler (Exhibit A), ACWA alert that letters opposing Senator Ortiz's proposed amendment to SB393 are still needed, and an email from Skip Howland to President Daniels regarding a

slide along Fairway Drive. G. Lamprecht distributed photographs of the Fairway site. A letter from Bill Kocher, City of Santa Cruz Water Director, thanking the District for endorsing its successful desalination pilot plant grant application and an article from the Register Pajaronian on Café Bittersweet's actions to be a Green Business that included installing low-flow spray nozzles was also distributed, attached as **Exhibit D.**

10. CLOSED SESSION

None

- 11. ADJOURNMENT** - There being no further business, President Daniels adjourned the meeting at approximately 9:31 p.m. to the next scheduled meeting on May 31, 2005.

SUBMITTED BY:

APPROVED BY:

Denise Alexander, Board Clerk

Bruce Daniels, President