

**SOQUEL CREEK WATER DISTRICT  
MEETING MINUTES  
March 3, 2015**

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**1. ROLL CALL**

President Daniels called the meeting to order at 7:00 p.m. at the Capitola City Council Chambers.

President Daniels indicated a change in the Agenda order. Item 6.3 will be heard earlier in the meeting to accommodate those who are here for the presentation to the poster contest winners.

**Board Members Present:**

Dr. Bruce Daniels, President  
Dr. Thomas LaHue, Vice President  
Dr. Bruce Jaffe  
Rick Meyer  
Carla Christensen

**Staff Members Present:**

Kim Adamson, General Manager  
Taj Dufour, Engineering Manager/Chief Engineer  
Ron Duncan, Conservation & Customer Service Field (CCSF) Manager  
Christine Mead, Operations and Maintenance Manager  
Vaidehi Campbell, Water Conservation and Engineering  
Traci Hart, Human Resources Manager  
Leslie Strohm, Supervising Accountant  
Melanie Schumacher, Special Projects Engineer  
Bob Bosso, District Counsel  
Karen Reese, Executive Assistant/Board Clerk

**Others Present:**

10 Members of the public

**2. PUBLIC HEARING – None**

**3. CONSENT AGENDA**

MOTION: Director LaHue; Second; Director Meyer: To approve Consent Agenda item 3.1. Motion passed unanimously.
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3.1 Approval of Minutes – January 20, 2015

***Action: Approved***

**4. ORAL COMMUNICATIONS (*items not on the Agenda*)**

Becky Steinbruner expressed concerns about the size of the Aptos Village Plan. She feels the water demand offsets required by the District will not be helpful in saving water in such a dense development. Ms. Steinbruner noted the plan shows the District drilling a new well.

Mr. Dufour responded to Ms. Steinbruner's question about the well. It will be a replacement for an old well. The premise is to shift pumping inland rather than to add new pumping.

Randa Solick spoke about recycled water concerns and the serious contaminants that are present and that recycled water should not be used for drinking, irrigating food crops, or put into the aquifers. She represents a group called People Against Unsafe Water Reuse. They are working on a document discussing contaminants of emerging concern and the shortfalls of regulations. She will send it to the Board when it is complete.

Ms. Adamson shared that a discussion of contaminants of emerging concern in all water sources will be held at an upcoming meeting and will focus on the technology for removing contaminants from any water source.

Director LaHue noted there will be a run-off vote for the LAFCO membership seat between himself and Mr. Hammer.

Director Meyer asked President Daniels if he would give a presentation of his doctoral thesis on climate change for water needs for the future. This will be agendaized.

President Daniels reported the 3<sup>rd</sup> webinar for the GRA conference was held last week. They talked about the Chino basin which is an adjudicated basin. Orange County, in the Groundwater Sustainability Act, was decreed as the GSA for that area, and the northern area of Sacramento has a JPA that manages their groundwater supply. These are examples of how a GSA can be formed.

President Daniels discussed desal as an alternative. Would it be viable? There has been no discussion with the city to see if the District could use their sewer outfall for the brine output. Other alternatives for outfall have not been studied. Director Jaffe asked that discussion for outfall feasibility be agendaized for a future meeting.

Director Meyer discussed water recycling and expressed concerns about not moving too far along without public acceptance. He stated that public acceptance is initially low, and public education achieves an acceptance rate of around 60%. Director Meyer reported that, in the Public Outreach Committee, Director LaHue expressed concern that the District withhold doing outreach until they have more information. President Daniels asked that discussion of a plan about how to proceed be agendaized for a future meeting.

Director Christensen agreed that the ideas are pretty general, but the Board made the decision to further explore the idea of desalination and recycling by moving forward and gathering information. She felt the review by Black and Veatch at the last meeting highlighted too many uncertainties to make a decision. Director Christensen recommends that anyone that is interested take the Silicon Valley Tour; she felt there was a lot of good information given there.

**Item 6.3 was heard at this time.**

6.3 Presentation of “Groundwater Awareness Day” Posters

Vaidehi Campbell introduced Marco Lucadano, graphic design teacher with the Regional Occupational Program at Soquel High School. At the Board’s suggestion, staff reached out to have students design the posters for the public event and tour for groundwater awareness. Jim Howes, assistant director of the ROP, thanked the District for allowing their students to participate in the project. It was very relevant to the students as they will be dealing with the groundwater issues that have been made by previous generations. He thanked the students for working on this project.

A letter of appreciation was presented to Mr. Lucadano by President Daniels. The contest winners were presented with awards and certificates of appreciation.

1<sup>st</sup> place: Poster by Kalina Stephani and Addy Hayes

2<sup>nd</sup> place: Poster by Hannah Frankel

3<sup>rd</sup> place: Poster by Ezra Cohen

The winning poster is featured in advertisement for the upcoming groundwater awareness day event and tours.

**5. REPORTS**

5.1 Meeting with Department of Water Resources to Discuss Local Issues Pertaining to Implementing the Sustainable Groundwater Management Act

Ms. Adamson updated the Board on the meeting with DWR. They are conducting field assessments for the Groundwater Management Act and how best to implement it. Basin boundaries and the facilitation process for the formation of the GSA were discussed. The next step is to write a letter to DWR proposing an arrangement and requesting they help the District with a grant of approximately \$50,000 for the facilitation process.

5.2 Board Agenda Planning Calendar

Director Jaffe asked what happens to items that are crossed off the planning calendar.

Ms. Adamson reviewed how and why items are moved around and possibly cancelled. Some items are being presented by others and if they are not ready, it may be moved to another meeting.

Director Jaffe asked that there be a standing item to discuss supplemental supply. He also asked that discussion of televising meetings be agendaized.

Ms. Adamson noted that the policy process for supplemental supply will be part of a discussion of the outreach process for any type of project.

**6. ADMINISTRATIVE BUSINESS**

- 6.1 Conditional Will Serve Letter for Accessory Dwelling Unit at 1815 44<sup>th</sup> Ave., Capitola, Michael Achkar, APN 034-12-224

No discussion was held.

MOTION: Director Meyer; Second; Director LaHue: To authorize the District's Conditional Will Serve Letter indicating that the District will conditionally serve the proposed ADU at 1815 44<sup>th</sup> Ave in Capitola, APN 034-12-224. Director Meyer, Director LaHue, Director Jaffe and Director Christensen voted in favor of the motion. Director Daniels voted against the motion. Motion passed.

- 6.2 Unconditional Will Serve Letters – None

- 6.3 Presentation of “Groundwater Awareness Day” Posters  
*Heard earlier in the meeting*

- 6.4 Adopt Resolution Declaring March 8-14 as Groundwater Awareness Week and March 16-22 as Fix a Leak Week

No discussion was held.

MOTION: Director Jaffe; Second: Director LaHue: To adopt Resolution No. 15-03 to commemorate March 8-14 as Groundwater Awareness Week and March 16-22 as Fix a Leak Week. Motion passed unanimously.

- 6.5 Discussion of Silicon Valley Advanced Water Purification Center Tour (SVAWPD)

Ms. Adamson provided the presentation in the Board Packet that was given on the tour. In addition, materials were handed out to the Board. The process of public outreach was discussed. Ms. Schumacher noted they are in their fifth year of outreach, and education is geared toward demonstration.

Director LaHue observed that SVAWPD is doing a very soft launch, is using recycled water for irrigation, and are slowly introducing the idea of potable reuse.

Ms. Adamson discussed that SVAWPD is weighing what support is out there and where they need to focus their education efforts.

Director Meyer noted that their outreach plan may benefit our District. He had heard that SVAWPD was doing testing for 400-500 contaminants. President Daniels indicated this was correct. We will be able to obtain a copy of their results. In addition, the EPA has a sample of our groundwater so we will receive a report.

For those who missed the tour, ACWA will be having a tour on Sunday, March 22<sup>nd</sup>. The District can take advantage of the closeness of the facility by taking others who are interested on scheduled tours in the future.

President Daniels suggested that outreach for recycled water be started now. Director Jaffe and Director Meyer supported this idea. Ms. Schumacher noted this is incorporated in the general messaging for the District on the website.

6.6 Revisions to and Discussion of Ethics Policy

Ms. Adamson gave a PowerPoint presentation (**Attached as Exhibit A**) and answered questions from the Board. The changes apply to Board compensation in Section 12. Discussion of changes to the entire policy will be agendized for a future meeting. Ms. Adamson asked that suggested changes be emailed to her.

It should be noted that Ms. Adamson sent an email to President Daniels informing him that the District would no longer be paying her Rotary Club dues.

MOTION: Director Meyer; Second; President Daniels: To adopt revisions to the Ethics Policy for Board Members, Section 12, Director Compensation and Expense Reimbursement. Motion passed unanimously.

6.7 Legislative Bill Monitoring and ACWA State Legislative Activities

Ms. Adamson reviewed the legislative activities as highlighted in the Board Packet. Three items were of interest; AB 149 is a change to the UWMP update schedule, SB 127 is related to CEQA and projects funded by Prop 1 monies, and SB 173 relates to de minimus pumpers.

SB 127 requires concurrent preparation of the administrative record while doing a CEQA. Also of concern is the public comment period. ACWA is recommending this bill be not favored unless amended.

SB 173 changes the definition a de minimus pumper from someone pumping two acre-feet per year for domestic purposes to 10 acre-feet and does not mention domestic purposes. This would mean 30% of our basin would fall into this category. ACWA recommends this bill be not favored unless amended. The amendment would address the ability to charge de minimus pumpers. Ms. Adamson is requesting the Board take action to oppose this bill.

MOTION: Director LaHue; Second: Director Jaffe: To oppose SB173, as currently proposed, that proposes the definition of de minimus pumpers be changed from two acre-feet or less per year to 10 acre-feet per year or less for domestic purposes. Motion passed unanimously.

Additional discussion was held regarding di minimus pumping.

Ms. Schumacher noted that the groundwater model effort has created a subcommittee to look at private well data. This includes Cameron Tana, John Ricker, Jon Kennedy, Taj Dufour, and Ms. Schumacher.

Brief discussion was held about AB 243, Medical marijuana cultivation bill, and the amount of water being pulled out of streams. It's likely that the State of California will move towards legalization and this will affect water agencies.

**7. STATUS REPORTS**

7. General Manager – Oral

Ms. Adamson reported that the District received the grant from the State of California for the feasibility study for recycled water. Ms. Schumacher was thanked for her work on the grant application.

Ms. Adamson reported that the budget process is starting for next year.

Ms. Adamson reported that an employee was put on administrative leave. She will provide more information in closed session at the next meeting.

**8. WRITTEN COMMUNICATIONS AND CORRESPONDENCE – None**

**President Daniels adjourned the meeting to Closed Session at 8:55 p.m.**

**9. CLOSED SESSION**

9.1 Closed Session pursuant to California Government Code Section 54597(b) Personnel Session to Evaluate Performance of General Manager

**The meeting was reconvened to Open Session at 10:15 p.m.**

President Daniels reported that a motion was made by Director Christensen, seconded by President Daniels to give the District Manager four months notice of termination of her contract, not for cause. The motion failed on a three to two vote with President Daniels and Director Meyer voting aye and Directors LaHue, Jaffe and Christensen voting no.

**10. ADJOURNMENT**

President Daniels adjourned the meeting at 10:16 p.m. to the next scheduled Regular Meeting on Tuesday, March 17, 2015.

SUBMITTED BY:

APPROVED BY:

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Karen Reese, Board Clerk

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Bruce Daniels, President

# Board Ethics Policy Review

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# Good Governance

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# Ethics Policy

## WHO IS PROTECTED BY A GOOD ETHICS POLICY

- Public
- Agency
- Employees
- Directors

*Divorced from ethics, leadership is reduced to management and politics to mere technique.*

*James MacGregor Burns*

### Three Important Questions

1. Is it legal?
2. Is it ethical?
3. How will it look in the front page of the newspaper?

# Ethics Policy

## SECTION HIGHLIGHTS

### Section 1 - Purpose and Scope

1. Guidance for ethical issues.
2. Awareness of ethics and their importance in Board member conduct.
3. Provide for ethical decision making and values-based management.

### Section 2 - Responsibilities

1. U.S Constitution
2. California Constitution
3. Laws, including policies required by law.
4. Strive to work in cooperation with other government officials.

# Ethics Policy

## SECTION HIGHLIGHTS

### Section 3 – Fair and Equal Treatment

1. No discrimination.
2. No special treatment.

### Section 4 – Proper Use of District Property

1. No gift of public funds.
2. No special treatment.
3. No requests of staff that aren't available to other citizens.

### Section 5 – Use of Confidential Information

1. Do not share confidential information.
  1. Closed Session
  2. Attorney/Client
  3. Exempt from PRA
2. Does not prohibit:
  1. District Attorney/Grand Jury
  2. Express Opinion on Legality of Actions Taken in Closed Session
  3. Disclosing Non-Confidential Information from Closed Session
3. Misdemeanor

# Ethics Policy

## SECTION HIGHLIGHTS

### Section 6 – Conflict of Interest

1. No financial interest in contracts or purchases from District.
2. For agenda items in which there is a conflict:
  1. Disclose to General Manager and Legal Council
  2. Don't Take Part in Discussion
  3. Leave Room During Agenda Item Unless it is on Consent Agenda
3. Don't accept gifts for promise of official act.

### Section 7 – Soliciting Political Contributions

1. Don't solicit from the following:
  1. Officers/Employees  
Consultants/Contractors/Vendors
  2. Don't Solicit Using District Materials or While Representing the District
2. No use of District identifying information for solicitation.

# Ethics Policy

## SECTION HIGHLIGHTS

### Section 8 – Incompatible Offices

1. If Director accepts an incompatible public office, they forfeit their Director position.
2. Incompatible offices include:
  1. Either Office May Audit or Overrule the Other
  2. Possibility of Clash of Duties
  3. Public Policy Considerations Make It Improper

### Section 9 – Board Member/General Manager

1. Board sets policy.
2. GM has full charge and control of:
  1. Construction, Maintenance and Operations
  2. Employment and Discharge of Employees
  3. Employee Duties and Compensation (within budget)
  4. Treasurer Duties
3. Board provides direction to GM through majority vote.
4. Board deals with District issues through GM and not other employees.
5. Board may request non-confidential, factual information that doesn't require analyses through District employees.

# Ethics Policy

## SECTION HIGHLIGHTS

### Section 10 – Whistle Blowers

1. GM has responsibility for:
  1. Ensuring Employee Compliance With District Policies and Procedures
  2. Investigating Improper Activity
  3. Taking Disciplinary Action
2. The Board has responsibility to ensure GM is operating district according to law and District policies.
3. Board Members Should Disclose Improper Activities Within Their Knowledge
4. Board members won't directly or indirectly interfere with investigations.
5. No use of intimidation, threats, coercion, or influencing either directly or indirectly.
6. No use of official authority to effect reprisal against a Board Member or employee who reports improper activities.

# Ethics Policy

## SECTION HIGHLIGHTS

### Section 11 – Brown Act

1. Board members will fully comply with the Brown Act.

### Section 12 – Compensation and Expenses

1. Revised – Must comply with Board Reimbursement Policy – Resolution 15-01

### Section 13 – Changes in Compensation

1. Revised – Must comply with Board Reimbursement Policy – Resolution 15-01

### Section 14 – Candidates Statements

1. Do not include false or misleading information in a candidate statement.

# Ethics Policy

## SECTION HIGHLIGHTS

### Section 15 – Violation of Ethics Policy

1. Actual or Perceived violations are referred to the Board President or the full Board of Directors.
2. Remedies for violations include:
  1. Adoption of Resolution Expressing Disapproval of Violation
  2. Injunctive Relief
  3. Referral of Violation to District Attorney/Grand Jury

### From Section 12 - Questions

*Actions of Directors and Staff have a direct impact on the reputation and trust worthiness of the District. Ask yourself:*

- *Is it legal?*
- *Does it benefit public interest rather than personal interest?*
- *Is motivation a desire to personally curry favor with someone?*
- *How will it look in the newspaper?*
- *How will it look to citizens?*
- *Even if it is not a conflict of interest, is there an appearance of conflict that will damage the reputation of the District?*