

**SOQUEL CREEK WATER DISTRICT
REGULAR MEETING MINUTES
September 15, 2009**

1. Roll Call & Teleconference

Teleconference Location: Director Kriege, 78-6302 Mahuahua Place, Kailua Kona, HI, 96740-2224, (808) 329-5087

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

Board Members Present:

Dr. Thomas LaHue, President
Bruce Daniels, Vice President
Dan Kriege
Dr. Bruce Jaffe
Dr. Don Hoernschemeyer

Staff Members Present:

Laura Brown, General Manager
John Gallagher, Bosso Williams District Counsel
Jeff Gailey, Engineering Manager/Chief Engineer
Ron Duncan, Conservation & Customer Service Field (CCSF) Manager
Michelle Boisen, Financial/Business Services Manager
Taj Dufour, Operations & Maintenance Manager
Denise Alexander, Executive Assistant/Board Clerk
Felipe Luevano, Operations Supervisor
Christine Mead, Water Quality Technician
Melanie Schumacher, Special Projects Engineer

Others Present:

Derrick Williams and Cameron Tana with HydroMetrics LLC
John Ricker and Mike Cloud, Santa Cruz County Environmental Health Services
3 members of the public

2. APPROVAL OF MINUTES

September 1, 2009

Page 9 – Closed Session: Minor corrections were noted.

MOTION: Director Kriege; Second: Director Hoernschemeyer: To approve the September 1, 2009 minutes as modified. The motion passed by a unanimous roll call vote.
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3. ORAL COMMUNICATIONS

Director Daniels stated he will be attending a National Groundwater Association conference on Climate Change and Groundwater from October 2-5. He spoke with the General Manager Laura Brown regarding the Surfrider meeting last week on desalination.

President LaHue stated he attended Surfrider's monthly meeting last Tuesday. A desalination presentation was given by a member of the local chapter and he wanted to be present to provide clarification if needed. He and Heidi Luckenbach, scwd² Desalination Program Coordinator also spoke. He focused on the issues specifically related to the District and encouraged everyone to be involved in the environmental review process.

4. REPORT FROM CLOSED SESSION – September 1, 2009

- 4.1 Conference with District Labor Negotiator to give direction regarding Memorandum of Understanding with Mid-Management Employees

President LaHue stated that the Board gave direction to the labor negotiator regarding the MOU with mid-management employees.

Ms. Brown introduced John Gallagher with the Bosso Williams Law Firm who is attending on behalf of our legal counsel Bob Bosso.

5. PUBLIC HEARING

None

6. ADMINISTRATIVE BUSINESS

- 6.1 New Water Service Connections for Nicholson Construction Inc., 200 Kennedy Drive, Capitola, APN 036-031-01

Engineering Manager Jeff Gailey noted that the project's plans were on the wall. He responded to questions from the Board.

MOTION: Director Hoernschemeyer; Second: Director Daniels: To authorize the District's standard water connections to be installed for Nicholson Construction, Inc., 200 Kennedy Drive in Capitola, APN 036-031-01. The motion passed by a unanimous roll call vote.

6.2 New Water Service Connection for Sandra & William Champin, 180 Dan's Drive, La Selva Beach, APN 046-011-64

A motion was made by Director Daniels to approve a standard water service connection that was subsequently withdrawn due to a question that arose regarding assigning the water use factor for "apartment added in complex"(0.174) instead of "apartment added to site"(0.116) to determine the Water Demand Offset (WDO) requirement. Staff will confirm that the water use factor selected was accurate and define "added to site."

MOTION: Director Daniels; Second: Director Jaffe: To authorize the District's standard water connection to be installed for Sandra & William Champin at 180 Dan's Drive, La Selva Beach, APN 046-011-64 contingent upon the applicant recording a low water pressure waiver against the property and return a copy to the District. An adjustment will be made to the WDO requirement if needed. The motion passed by a unanimous roll call vote.

6.3 Seawater Intrusion Analyses Performed by HydroMetrics LLC – Accept Letter Report Titled "Modeled Outflow to Achieve Protective Water Levels" dated September 9, 2009

Ms. Brown introduced Derrik Williams and Cameron Tana with HydroMetrics LLC. Ms. Brown stated that staff's recommendation is to accept the report with the understanding that HydroMetrics will perform an analysis of rates and depths of seawater intrusion in the Aromas area when the results of the USGS' Pajaro Valley Groundwater Model are available for review and evaluation. John Ricker and Mike Cloud with Santa Cruz County Environmental Health Services accepted staff's invitation to be present to participate in the discussion.

Mr. Tana and Mr. Williams provided an overview of the report and responded to questions from the Board.

Director Jaffe complimented the report stating it was very specific on the assumptions; however, he felt the overall picture was portrayed a bit too rosy.

Director Hoernschemeyer complimented the clarity of the report but was shocked when he saw the non-district pumping figure on Table 4 that must be better defined.

Discussion ensued.

Recommended suggestions were: acknowledge in the report that long term drought conditions would affect the amount of average recharge and quantification of the sustainable yield; Page 8, Table 3: quantify whether the coastal plains area, Hwy 1 to Coast (West), is in fact a **viable** recharge area, e.g., install piezometers on Brommer near 41st Avenue to measure recharge; the 20% reduction in sustainable yield warrants revisiting the Integrated Resources Plan and updating the demand projections and action plan; what percentage of pumping is consumptive use - important to study how much septic/irrigation goes back into the aquifers; Page 8, Table 4 shows that *SqCWD's share of sustainable yield is likely at least several hundred acre-feet per year less than the current pumping goal of 3,000 acre-feet per year* and on Page 11, *Our calculations show that current pumping goals for the Purisima area and Aromas area are likely at least hundreds of acre-feet per year too high to protect the basin against seawater intrusion...*

MOTION: Director Hoernschemeyer; Second: Director Kriege: To accept the letter report titled "Modeled Outflow to Achieve Protective Water Levels", CWO 09-148 with acknowledgement of the suggestions stated. The motion passed by a unanimous roll call vote.
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Director Daniels stated that adaptive management to maintain protective levels would get the District farther along faster than developing a groundwater model. He suggested spending time on surface water modeling and evapotranspiration with regard to recharge.

Ms. Brown stated that staff will have HydroMetrics develop a scope of work and proposal to better quantify the actual amount of recharge including rainfall-recharge relationships, evapotranspiration and a surface water model; evaluate whether the 85% consumptive use factor is appropriate for non-district pumpers; and, when the results of the USGS' Pajaro Valley Groundwater Model are available for review, an analysis of rates and depths of seawater intrusion in the Aromas area will be performed.

Mr. Ricker noted the importance of distinguishing between non-district pumping along the coastal plain area versus inland. Ms. Brown stated that discussions are ongoing with several coastal mutuals, Seascape Golf Course and Cabrillo College to include them in the dialog and share information regarding pumping and hopefully to obtain data on their wells and consumption.

By consensus the Board requested agendaing the following items:

- develop a recommendation/proposal for project(s) with the \$50,000 previously budgeted, to determine whether the coastal plains area is a viable recharge area
- update the Integrated Resources Plan to include the revised demand projections and action plan

Director Jaffe requested that the modified report be put on the District's website.

6.4 Groundwater Monitoring Program – Assessment and Informational Update

Ms. Brown noted that the District's Operations Supervisor Felipe Luevano, Water Quality Technician Christine Mead and Special Projects Engineer Melanie Schumacher were present.

Operations & Maintenance Manager Taj Dufour provided a brief overview of the staff report. Derrik Williams with HydroMetrics provided a presentation and responded to questions on the status of the groundwater level monitoring system and what improvements could be made, attached as **Exhibit A**.

Mr. Williams noted support for staff's recommended tasks to supplement the District's database, including data sharing with the City of Santa Cruz and PVWMA; verify water level relationships using data loggers; analyze 1987 Seascope and Sells Well pump tests and construct new monitoring well clusters between SC-A1 and SC-A2. Additionally, to postpone an analysis for groundwater age and isotopes until mid-March when specifications and cost estimates can be developed to have the additional testing added to the USGS GAMA project and included in the fiscal year 2005-2006 budget.

Director Daniels noted that both graphical and analytical analysis processes are acceptable; however, the data in an analytical program can be automated. Mr. Williams stated that both types of analyses will be presented for review after the data loggers are installed and a preference can be made at that time.

Director Daniels suggested contacting the Applied Math and Statistics Department at UCSC to inquire if they have anything to contribute or if any graduate student would be interested in working on this project. Mr. Williams stated he had recently spoken with Dr. Andy Fisher at UCSC who was very supportive about the same possibility. President

LaHue stated that the information obtained must be able to be understood by all and useful.

Director Jaffe noted several types of instrumentation that could be used to measure water levels, other than pressure sensors, if there are existing wells where the equipment won't fit.

MOTION: President LaHue; Second: Director Jaffe: To approve the actions recommended by staff. The motion passed by a unanimous roll call vote.

MOTION: Director Daniels; Second: Director Jaffe: To contact the appropriate individuals at the university to explore whether anyone would be interested in contributing their analytical expertise to this project. The motion passed by a unanimous roll call vote.

6.5 Accept Final Report for Depth Discrete Modeling for Chromium 6 (Cr.6) by HydroMetrics, LLC

Mr. Williams and Mr. Tana responded to questions from the Board. Discussion ensued.

Director Daniels stated that when the Public Health Goal (PHG) for Cr6 in drinking water is established, he would like to evaluate treatment options to remove Cr6 to as close to the PHG as possible. Additionally, with several monitoring wells in both the Purisima and Aromas Red Sands aquifers, the flow data information can be used to better distribute pumping in the aquifers. Mr. Williams concurred.

MOTION: Director Daniels; Second: Director Hoernschemeyer: To accept the report titled "Depth Discrete Flow and Chromium Testing at Aromas Wells" by HydroMetrics, LLC dated September 2009. The motion passed by a unanimous roll call vote.

The Board thanked John Ricker and Mike Cloud for attending.

6.6 Tier Rate Classification for Parcels with Two Residential Units Served by One Water Meter

CCSF Manager Ron Duncan provided an overview of the staff report. Discussion ensued.

MOTION: Director Jaffe; Second: Director Daniels: To reclassify parcels with one meter serving two residential units from commercial to the residential multi-tier rate category; to direct staff to incorporate the subject rate reclassification into the proposed Rates and Charges Proposition 218 Notice and Public Hearing on November 17, 2009 and, if the policy change is approved on November 17, 2009, to authorize staff to offer a free meter (meter only, no other associated fees such as installation) to customers who want to install a second meter at parcels with two units served by one meter through December 31, 2012 and direct staff to notify affected customers by letter of the reclassification and the free meter incentive offer. The motion passed by a unanimous roll call vote.

6.7 Proposed Bulk Water Fee Modification

MOTION: Director Daniels; Second: Director Hoernschemeyer: To include increases to the bulk water rates as recommended on the agenda for the public hearing on rates and charges to be held on November 17, 2009, and direct staff to publish a legal notice of the proposed increase to the bulk water rate at least ten days prior to the public hearing. The motion passed by a unanimous roll call vote.

6.8 Consideration of a Service Set Up and Change Fee

By consensus, a decision was made not to increase the Service Set Up Fee.

6.9 Vienna Woods Main Replacements Project, Aptos, Bid Award

Engineering Manager Jeff Gailey stated that Robert Enz Construction was the qualified low bidder at \$574,480.00.

MOTION: Director Kriege; Second: Director Daniels: To accept Robert Enz Construction as lowest qualified bidder and adopt **Resolution No. 09-37** for award of contract to the lowest responsible bidder for the Vienna Woods Main Replacements Project, CWO 09-107. The motion passed by a unanimous roll call vote.

6.10 Memorandum of Understanding (MOU) between Soquel Creek Water District & Mid-Management Employees Bargaining Unit

Financial Business Services Manager Michelle Boisen stated that the MOU attachment in the Board packet should have included the following revisions to *Section 7.1 Wages*.

B. Eighth Step. As indicated in 7.0 above, the District will add an eighth step at 3.5% above the seventh step effective August 1, 2009. Employees will be eligible for the eighth step based upon the same merit system used to determine advancement to the other steps. Employees who have been at the seventh step of the salary range for 2080 hours as of August 1, 2009 will be placed at the eighth step ***effective August 1, 2009 and will advance to the ninth step on their service anniversary dates in 2011 provided they were in fully paid status during this time.***

MOTION: Director Jaffe; Second: Director Daniels: To adopt **Resolution No. 09-36** ratifying the Memorandum of Understanding between Soquel Creek Water District and Mid-Management Employees, with a term of August 1, 2009 through July 31, 2013 with the revisions presented. The motion passed by a unanimous roll call vote.

The Board thanked Ms. Boisen for acting as labor negotiator on behalf of the Board. Ms. Brown concurred stating Ms. Boisen has done an incredible job throughout negotiations to reach an amicable outcome with Mid-Management staff without the benefit of a professional negotiator.

6.11 Desalination Task Force and Energy Issues (oral report)

Director Daniels noted that the task force meeting originally scheduled for tomorrow night was cancelled due to lack of quorum. Director Jaffe will be taking over his position as District representative when the next meeting is scheduled in October.

Ms. Brown reminded the Board of the public information meeting on the Integrated Water Plan and Desalination Program to be held on September 24 at New Brighton Middle School Performing Arts Center. Any Director not present will be given a copy of the materials. Directors Daniels and Hoernschemeyer plan to attend. Director Jaffe stated he will do his best.

7. **INFORMATION ITEMS**

None

8. **STATUS REPORTS**

8.1 Engineering – Mr. Gailey reported that Granite Construction has completed the main replacement on Barrett Way; a third Stop Notice

was filed on the contractor for the Seacliff Main Replacement project; Jarrod Sweat, who recently graduated from Cal Poly, San Luis Obispo, was hired on September 17 as the District's new Assistant Engineer.

- 8.2 Operations & Maintenance – Mr. Dufour reported that the Vista Del Mar Booster Station was successfully tested using the District's backup generator. Staff is expecting PG&E to complete the electrical upgrade soon. Staff is attempting to research a way to receive notification of leaks in a more timely manner. An overview of the status report was given.
- 8.3 District Counsel – John Gallagher with Bosso Williams stated he had nothing to report.
- 8.4 General Manager – Ms. Brown stated that staff is still in the process of reviewing the Administrative Draft Well Master Plan EIR. Final interviews and reference checks are underway to fill the Staff Analyst and Water Systems Operator I positions.

9. WRITTEN COMMUNICATIONS AND CORRESPONDENCE

None

10. REPORT OF PAYMENT OF THE BILLS

- 10.1 August Warrants and July/August Credit Card Analysis

MOTION: Director Kriege; Second: Director Hoernschemeyer: To accept the August Warrants and July/August Credit Card Analysis as paid. The motion passed by a unanimous roll call vote.
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11. **ADJOURNMENT** - There being no further business, President LaHue adjourned the meeting at 9:36 p.m. to the next regularly scheduled meeting on October 6, 2009.

SUBMITTED BY:

APPROVED BY:

Denise Alexander, Board Clerk

Thomas LaHue, President