

**SOQUEL CREEK WATER DISTRICT  
REGULAR MEETING MINUTES  
September 20, 2011**

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**1. Roll Call**

President LaHue called the Regular Session to order at 7:01 p.m.

**Board Members Present:**

Dr. Thomas LaHue, President  
Bruce Daniels, Vice President  
Dr. Don Hoernschemeyer

**Board Members Absent:**

Dr. Bruce Jaffe  
Dan Kriege

**Staff Members Present:**

Laura Brown, General Manager  
Bob Bosso, District Counsel  
Taj Dufour, Engineering Manager  
Ron Duncan, Conservation & Customer Service Field (CCSF) Manager  
Michelle Boisen, Financial/Business Services Manager  
Felipe Luevano, Operations & Maintenance Manager  
Shelley Flock, Staff Analyst  
Denise Alexander, Executive Assistant/Board Clerk

**Others Present:**

John Ricker, Santa Cruz County Water Resources Division Director  
Andy Sterbenz with Schaaf & Wheeler  
2 members of the public

**2. APPROVAL OF MINUTES - September 6, 2011**

MOTION: Director Daniels; Second: Director Hoernschemeyer: To approve the September 6, 2011 minutes as presented. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.
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**3. ORAL COMMUNICATIONS**

Don Heichel, a Soquel resident stated he heard that the Well Master Plan had not been mentioned at the “invitation-only” September 19<sup>th</sup> meeting held by the Sustainable Water Coalition. He asked if minutes were taken of that meeting to disseminate on line to members of the public and water district customers.

Director Daniels reported on the Basin Implementation Group meeting he attended last week: HydroMetrics WRI's scope of work and budget for the 2011 Soquel-Aptos Area Groundwater Management Annual Basin Review and Report was approved and the Estimation of Deep Groundwater Recharge Using a Precipitation-Runoff Watershed Model report was accepted. New information presented by the HydroMetrics' consultant Cameron Tana at the meeting indicated that outflow from the Aromas within the District to the Pajaro Valley is less than previously estimated. Results of HydroMetrics' analysis of the Aromas yield will be provided sometime late October.

President LaHue stated he rode his bike around Aptos, including the Polo Grounds Park. He noticed that the road around the soccer field was re-paved and the construction going on looks good so far.

In response to an inquiry from Director Jaffe who had called into the meeting by phone, Engineering Manager Taj Dufour stated that the consultants have been collaborating with the county to provide notification to the various teams about possible interruption of use of the playing fields at the Polo Grounds Park.

**4. REPORT FROM CLOSED SESSION –September 6, 2011**

4.1 Conference with Real Property Negotiators (Government Code Section 5496.8) - Property: Portion of APN 036-341-02 known as the McGregor Drive Pump Station Site; Agency Negotiator: Taj Dufour, Engineering Manager; Negotiating Parties: Soquel Creek Water District and City of Capitola; Under Negotiation: Instruct the negotiator concerning price and terms of payment for purchase.

President LaHue announced that the Board had provided direction to the negotiator concerning the price and terms of payment for purchase.

**5. PUBLIC HEARING**

5.1 Public Hearing on the 2010 Urban Water Management Plan (UWMP), Board Adoption

CCSF Manager Ron Duncan introduced the District's Staff Analyst Shelley Flock who provided a presentation of the revisions that were made to the draft UWMP at the recommendation of the Board from previous meetings on July 19 and August 9, 2011, attached as **Exhibit A**. A copy of a generic Model Resolution Establishing the Criteria to Declare a Water Shortage Emergency (un-numbered) was distributed, attached as **Exhibit B**. Mr. Duncan and Ms. Flock responded to questions from the Board.

President LaHue opened the public hearing.

Mr. Heichel stated that the preferred supplemental supply option stated in the UWMP is desalination. 100% of the cost for that plant will be paid for by district customers yet the district only pumps approximately 60% of the ground water coming out of the aquifers. This is unfair to district customers. The County should also be paying for that plant. Two discrepancies he felt that should be justified are: a prior statement made by the District's hydrologist that the current yield may increase, and a letter in the appendix of the Well Mater Plan EIR from the City of Santa Cruz Water Department which states that the city would not like it if the district increased its yield because it would take water from the city. Mr. Heichel further stated there's no way to know what the sustainable yield is until completion of the Well Master Plan. Don't push desal until you know what that number is. The district's Groundwater Management Plan states that 85% of rainfall in our watershed disappears annually. The Soquel Creek diversion project was "killed" not because of not enough rainfall; there's plenty of water in the watershed. Dr. Andy Fisher at UCSC told the Board he envisioned a string of injection wells to harvest rain that was ignored by the Board who since has spent millions on desal.

Scott Mc Gilvray, a Live Oak resident commended the Board and staff on producing a very solid plan that actually projects decreasing water use over the next twenty years. He appreciates that staff has noticed the comments submitted by Rick Longinotti regarding water transfer opportunities with Santa Cruz. Specifically, he asked that the Board take notice of the amount of water that could be captured by Santa Cruz and put back into the aquifer from the San Lorenzo River in the winter; an excess of approximately 800 acre feet of water a year. He had a landscaping business in Santa Clara for thirty years and was on an advisory committee for the Santa Clara Valley Water District. Santa Clara did an extraordinary job rebuilding their aquifer. In 1989, the city was sinking and twenty years later it's now stable and has put approximately 150,000 acre-feet back into the aquifer. We don't know enough about our aquifers. Too much money is being spent on desalination and not learning more about recharging our aquifers. Please revisit the projected demand numbers that may have changed since graduated rate structures and conservation practices were put in place.

John Ricker, Santa Cruz County Water Resources Division Director complimented staff on the plan that he felt was great with good information. He appreciated the downward projection of demand that appears to be based on good assumptions and reality. He referred to the groundwater emergency section on page 5-27 and stated that the County does not currently have a source of funding that would allow for an extensive metering installation/ monitoring program. It's also unclear as

to what extent the county can restrict usage with the exception of water wasting. The County's current Groundwater Emergency Policy exempts agricultural water use. He supported the District's idea of forming a groundwater replenishment district for private well users within the District's boundaries, and it would make sense to ask the County to come on board at some point to participate in that, specifically along the coastal areas; going up far into the hills would not be a good idea.

MOTION: Director Daniels; Second: President LaHue: To close the public hearing. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.

Additional revisions to the 2010 UWMP were recommended by individual Board members.

General Manager Laura Brown referred to page 5-27 that was referenced by Mr. Ricker stating that the Board may want to consider an amendment to delete the reference to meters and monitoring and to replace with, *Request the County to require water conservation measures and use restrictions by private well owners within the impacted area consistent with those actions taken by the SqCWD to the extent legally feasible.* Also, in the next paragraph state, *Request the County to enact additional restrictions on agricultural water use within the affected area in its groundwater emergency policy.*

Ms. Brown mentioned drafting a letter to the County Board of Supervisors subsequent to adoption of the UWMP, which would provide an update on water supply issues and could include a proposed collaboration on certain District issues.

A brief discussion ensued regarding language in the UWMP that would require the County to meter and monitor private wells or to consider that all new wells be required to install a meter as a condition of permit approval.

MOTION: Director Daniels; Second: President LaHue: To approve **Resolution No. 11-26** adopting the 2010 UWMP with all the changes recommended by the Board, District Counsel and staff and to authorize filing and implementation in accordance with Assembly Bill 797. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.

President LaHue stated he felt that the response to comments letters were very well done.

MOTION: Director Daniels; Second: President LaHue: To approve the letters responding to comments. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.

The Board congratulated staff on the UWMP.

Mr. Duncan distributed "Over the UWMP - thankfully" coffee mugs to Ms. Flock, Ms. Brown and the Board Clerk Ms. Alexander in recognition of their contributions.

**6. ADMINISTRATIVE BUSINESS**

6.1 *this item was pulled from the agenda*

6.2 Approve Scope of Work for Engineering Design Services for Oakhill Drive and Poplar Street Main Replacement Project

Engineering Manager Taj Dufour stated that Andy Sterbenz with Schaaf & Wheeler was present to answer any questions regarding their proposal.

Mr. Dufour responded to questions from the Board regarding the project.

MOTION: Director Hoernschemeyer; Second: Director Daniels:  
1) To approve the scope of work for Schaaf & Wheeler to perform design services for Oakhill Dr. and Poplar St. Main Replacement Project for a not to exceed amount of \$65,800, CWO 11-123  
2) To authorize the Board President to execute the standard District consulting agreement with Schaaf & Wheeler  
3) To authorize the General Manager to sign a purchase order for Tasks 1, 2 & 3 as stated in the scope of work. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.

6.3 Approve Conservation Public Outreach Coordinator Job Description and Pay Range and Authorize One Regular Part Time (50%) Position

MOTION: Director Daniels; Second: President LaHue: To approve the job description and pay range for the Conservation Public Outreach Coordinator classification and authorize the half-time position contingent upon completion of the Union notification process in accordance with the Memorandum of Understanding with SEIU Local 521. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.

Mr. Duncan responded to an inquiry regarding the District's Geographic Information System.

- 6.4 Soquel-Aptos Basin Groundwater Management Annual Review and Report Water Year 2011 – Approve Soquel Creek Water District’s Funding Share and Authorize the Board President to Execute an Agreement with HydroMetrics WRI

MOTION: President LaHue; Second: Director Daniels: To authorize the Board President to execute the standard consulting agreement with HydroMetrics WRI to prepare the 2011 Annual Review and Report at a total cost not to exceed \$33,460. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.

- 6.5 Approve Attendance at the Association of California Water Agencies Fall Conference, November 29 – December 2, 2011 in Anaheim

MOTION: Director Daniels; Second: Director Hoernschemeyer: To authorize attendance at the ACWA Fall Conference, November 29-December 2, 2011 in Anaheim. The motion passed by a unanimous vote. Directors Kriege and Jaffe absent.

- 6.6 Claim of Damage:

- a. Larry, Amber and Natalie Machado, 426 Capitola Avenue, Capitola - Property Damage at Pacific Cove Mobile Home #62
- b. Larry Machado, Carol Lerno, Nancy Petersen and Marlene Cooper, 426 Capitola Avenue, Capitola - Property Damage at Pacific Cove Mobile Home #56

MOTION: President LaHue; Second: Director Hoernschemeyer: To deny claims (a) and (b). The motion passed by a unanimous vote. Directors Kriege and Jaffe absent

- 6.7 Desalination Task Force and Energy Issues – Give Direction to SqCWD Representatives on Action Items Coming Before the Task Force

General Manager Laura Brown noted an error on the September 21, 2011 scwd<sup>2</sup> Desalination Task Force Agenda. Ms. Brown briefly spoke on agenda Item 1 - Amendments to Memorandum of Agreement to create a Joint Task Force to pursue the feasibility of construction and operation of a Seawater Desalination Facility, and to the Agreement endorsing recommendations of Joint Task Force on Seawater Desalination Facility, noting that the Amendments to the Agreement will be agendized for Board and Santa Cruz City Council approval at a later date. She asked whether the Board had any comments/concerns for her to relay to the scwd<sup>2</sup> force members tomorrow night.

Director Hoernschemeyer commented he had seen a great video that would be beneficial for the public to see on Community television that demonstrated how a fine screened open ocean intake system operates.

Ms. Brown stated that the presentation she and the City of Santa Cruz Water Director, Bill Kocher gave at the Sustainable Water Coalition meeting last night was videotaped by Community Television and will be aired on a recurring basis.

7. **INFORMATION ITEMS**

None

8. **STATUS REPORTS**

- 8.1 Engineering – Mr. Dufour provided an update on the progress being made thus far on the Polo Grounds Well and Treatment Plant project. The State Water Resources Control Board grant administrator will be making a site visit next Tuesday. The project is on schedule. The Potbelly Beach Club Main Extension is underway. Directional drilling down the hillside was finished today and the main line was successfully pulled through. Anticipated completion time is approximately one month. Installation of the Pearson Court and Silver Oaks subdivision pipeline installation were completed last week. Design/landscaping screening approval for the Quail Run Tank will be before the Board in October.
- 8.2 Operations and Maintenance – Operations & Maintenance Manager Felipe Luevano distributed a memorandum he felt was very comprehensive from the District's Water Quality Program Coordinator Christine Mead summarizing two ACWA events she attended, Quarterly Safe Drinking Water Subcommittee meeting and a 2011 Regulatory Summit and WRF's Cr 6 Information Exchange Forum, attached as **Exhibit C**.
- 8.3 District Counsel – Bob Bosso reported that the City of Palmdale vs. Palmdale Water District case has been published and now has precedent value. The Palmdale Water District has until October 15 to seek a Supreme Court hearing. The decision does not address all the Proposition 218 issues because of the way it was framed and ACWA's Legal Affairs Committee has concerns. He will be attending the ACWA Attorney's Conference in San Diego tomorrow and will most likely have more information to report at the next meeting.

Mr. Bosso noted a request by the Legal Affairs Committee for the District to join in support of the Mission Springs Water District who are facing an initiative to role back water rates to 2003 and to allow no more than a 2%

increase each year and any year thereafter. No action by the Board is needed at this time.

- 8.4 General Manager – Ms. Brown stated that subsequent to the Board approval of nominees of representatives for consideration on ACWA committees for the 2012-2013 term, she was contacted by the District's Construction Management consultant Gary Skrel, with the Covello Group, asking if the District would nominate him for ACWA's Communications Committee. Ms. Brown will add Mr. Skrel to the District's list of nominees to be submitted to ACWA.

9. **WRITTEN COMMUNICATIONS AND CORRESPONDENCE**

Email from Steven Gibbs to Customer Service dated August 30 regarding an article in the District's What's On Tap Newsletter titled The Reasons Behind the Rising Cost of Water and staff's response.

**President LaHue recessed the Open Session to convene the Closed Session at 8:39 p.m.**

10. **CLOSED SESSION**

- 10.1 Conference with Real Property Negotiators (Government Code Section 5496.8) - Property: Portion of APN 036-341-02 known as the McGregor Drive Pump Station Site; Agency Negotiator: Taj Dufour, Engineering Manager; Negotiating Parties: Soquel Creek Water District and City of Capitola; Under Negotiation: Instruct the negotiator concerning price and terms of payment for purchase.

**President LaHue reconvened to Open Session at 9:00 p.m.**

President LaHue announced that the Board had instructed the negotiator concerning price and terms of payment for purchase.

11. **ADJOURNMENT** - There being no further business, President LaHue adjourned the meeting at 9:01 p.m. to the next regularly scheduled meeting on October 4, 2011.

SUBMITTED BY:

APPROVED BY:

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Denise Alexander, Board Clerk

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Thomas LaHue, President