

**SOQUEL CREEK WATER DISTRICT
MEETING MINUTES
March 17, 2015**

1. ROLL CALL

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

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
Traci Hart, Human Resources Manager
Leslie Strohm, Supervising Accountant
Michelle Boisen, Financial/Business Manager
Melanie Schumacher, Special Projects/Community Dialogue Manager
Carla James, Water Quality Program Coordinator
Bob Bosso, District Counsel
Karen Reese, Executive Assistant/Board Clerk

Others Present:

Todd Reynolds, Kennedy/Jenks via conference call
Sunny Wang, Black & Veatch
Dave Carlson, Black & Veatch
Melanie Carrido, Covello Group
Stephanie Harlan, City of Capitola Council member
Rachel Lather, Santa Cruz County Sanitation District
2 Members of the public

2. PUBLIC HEARING – None

3. CONSENT AGENDA

Director LaHue requested Item 3.4 be pulled for discussion.
Director Jaffe requested Item 3.5 be pulled for discussion.

MOTION: Director Meyer; Second; Director LaHue: To approve Consent Agenda items 3.2, 3.3, 3.6, and 3.7 Motion passed unanimously.

3.1 Approval of Minutes – None

3.2 Report of Expenditures over \$25,000
Action: Approved

3.3 February Warrants and January/February Credit Card Analysis

Action: Approved

3.4 District Quarterly Newsletter for April – June 2015

Action: Removed from Consent; Discussed; Approved

Several concerns were discussed and changes were suggested.

3.5 Accept Peer Review Assessment of Back-Up Water Supply Options Evaluation by Black and Veatch Corporation

Action: Removed from Consent; Discussed; Approved

Director Jaffe asked for discussion of this item.

Ms. Schumacher answered questions about items that would be addressed in the work plan as it's formulate. Information from other agencies would be used where applicable to save resources.

MOTION: Director LaHue; Second; Director Christensen: To accept the Peer Review Report by Black and Veatch with changes in language regarding Deep Water Desal as noted in the Board memo. Motion passed unanimously.

3.6 Surplus Property Sale Authorization, Generator Truck

Action: Approved

3.7 Service Area 3 to Service Area 4 Intertie Project, Approve in Concept and Approve Preliminary Environmental Assessment & Categorical Exemption

Action: Approved

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

Becky Steinbruner expressed concerns over the Aptos Village Plan and requested that the Board ask Barry Swenson Builders to stop the project until a supplemental source is found. She also expressed concern over potential contamination of any new well by building materials that are being used.

Director Jaffe felt that the issues discussed in closed session at the March 3, 2015 meeting were not resolved, a motion was made that did not pass, and he felt the session ended without any real course of action. He asked that a closed session be agendized at the next meeting with just the directors present to continue discussion with regard to the performance evaluation of the General Manager.

President Daniels brought up the fact that restricted irrigation days is not currently in the UWMP and should be incorporated. Ms. Adamson will be reporting more later in the meeting, but stated that per State regulations it will be a requirement for agencies within the next 45 days to limit irrigation days.

Director Christensen asked Mr. Bosso if there has been a time in the history of the District where a developer has been asked to defer a project because of lack of water supply. She referenced concern by others in the community about the Aptos Village project.

Mr. Bosso responded that he is unaware of any individual developer or resident having been asked to do so. In the 80's there was a moratorium passed for a short period of time and all projects were stopped.

President Daniels reported that precipitation is at 25% below normal for the area.

President Daniels reported on a meeting he had this week with Management Partners who are working with MIG for public outreach. He also met with MIG and felt it was a good discussion. Having a poll would be a good way to get information to the customers as well as getting feedback from the customers to the District.

5. **REPORTS**

5.1 Work Plan Status Report

Discussion was held on several of the items listed in the work plan.

5.2 Production Graphs

Ms. Adamson noted that the graph for the 12-month production volume looks unusual because February of 2014 was the first month of major conservation. Up to this month, comparison was being made to usage prior to that date. Reports to the State continue to be compared to 2013 use. Ms. Adamson was asked to include a graph showing what data is being sent to the State and a graph comparing last year's use.

5.3 Board Agenda Planning Calendar

President Daniels will give his report on climate change at the last meeting in April.

Ms. Adamson noted the ethics policy revision will be moved to May after the strategic planning meeting.

CEC's in source water has been removed and not rescheduled yet. The City of Santa Cruz is interested in possibly partnering with SqCWD to hold a public meeting on CEC's.

President Daniels reminded the Board that the first meeting in May falls during the ACWA Conference and will most likely be cancelled.

5.4 Water Audit 2014

Ms. Mead reviewed the memo that was provided in the Board packet and answered questions from the Board. She noted there was no maintenance flushing of the lines in 2014. The system on a whole has not been flushed in 3 years and the dead ends have not been flushed in 2 years.

5.5 Quarterly Monitoring Reports

Ms. Adamson reviewed the report provided by HydroMetrics and discussion ensued.

6. ADMINISTRATIVE BUSINESS

- 6.1 Conditional Will Serve Letter for Accessory Dwelling Unit at 3430 Maplethorpe Lane, Soquel, Bill Lindeke, APN 037-131-06

Brief discussion was held.

MOTION: Director Jaffe; Second; Director LaHue: To approve conditional water service for ADU at 3430 Maplethorpe Plane. Director Meyer, Director LaHue, Director Jaffe and Director Christensen voted in favor of the motion. President Daniels voted against the motion. Motion passed.

- 6.2 Runoff Election for Special District Representatives on the Local Agency Formation Commission (LAFCO) – Direction to Voting Delegate

Director LaHue will be in a runoff for the seat on LAFCO. Director Jaffe asked that the letter of support include Director LaHue's balanced approach with both environmental and business experience.

MOTION: President Daniels; Second; Director Jaffe: To give direction to the Board President to cast a vote for Tom LaHue **and** approve distribution of a letter of support to other voting member agencies with the addition of language above. Motion carried unanimously.

- 6.3 2014 Community Outreach Annual Report

Ellie Fiore from MIG gave a presentation (**Attached as Exhibit A**).

Discussion was held and Ms. Schumacher and Ms. Fiore answered questions.

Public comment:

Ms. Steinbruner commented that she thinks the District outreach is good. An idea that she shared was using water from flushing mains for public use for irrigation of community gardens or public parks. The Board thanked Ms. Steinbruner for her idea.

Ms. Adamson noted that water from the Aptos Jr. High well project was recovered to irrigate the playing fields at the school.

- 6.4 Policy Process and Stakeholder Engagement Framework for District Projects

Ms. Schumacher reviewed the memo included in the packet and talked about proposed methods that could be used to develop a stakeholder engagement or public outreach program. This memo references the IAP2 Public Participation Spectrum model.

Lengthy discussion was held.

Ms. Schumacher proposed that before the District starts discussing the methods of engagement (such as creating fact sheets and brochures or planning District-wide opinion polls), the District should address:

Step 1: Determine the objective of the engagement activity, identify why it's engaging stakeholders, and be clear on what it hopes to achieve. This important step creates the foundation for the engagement process.

Step 2: Determine who to engage. Often this step is one of the most difficult and parts of the planning process and is the key to the overall success of the engagement.

Addressing Steps 1 and 2 could be performed in a separate board workshop (perhaps from 5-7 PM before a regularly scheduled board meeting) or during a regular board meeting that is light on other administrative business. Staff recommends that this be done during the District's budgetary planning cycle (March-May) so that resources can be appropriately allocated for FY 2015/16.

MOTION: Director LaHue; Second; President Daniels: To agendize discussion at a future meeting to review, by phases, the stakeholder engagement process. Motion was passed unanimously.
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6.5 Television Recording of Board Meetings

Discussion was held about television recording by Community Television for all board meetings that are held in the Capitola Council Chambers.

Public Comment:

Stephanie Harlan, Capitola City Council member encouraged the Board to televise their meetings.

MOTION: Director LaHue; Second; Director Jaffe: To approve future video recording of all meetings. Director LaHue, Director Jaffe, and Director Christensen voted in favor of the motion. Director Meyer and Director Daniels were opposed to the motion. Motion passed.
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6.6 Discuss Options for Amending Section 5 of the 2010 Urban Water Management Plan

Ms. Adamson reviewed the need to review and/or amend Section 5 of the UWMP based on rainfall amounts.

Suggested changes refer only to Section 5 at this time. Lengthy discussion was held and staff was given direction to make changes to Table 5-9 and to set a public hearing on April 7th to take public input on the proposed changes as noted in the Board memo.

6.7 Discussion of and Direction to Staff Regarding: 1) A Potential Future Moratorium on New and Expanded Water Connections; and 2) the Water Demand Offset (WDO) Program

Director Christensen requested that this item be agendaized for discussion. Mr. Duncan reviewed the current WDO program. Possible projects are listed in the Board packet memo.

Mr. Duncan noted that the next planned action for the WDO program is to conduct a Request for Proposals (RFP) process for a consultant to develop new projected water demand values for residential and commercial. However, if residential water budgets are going to be enacted in the near future, then the selected water budget levels would more appropriately reflect projected water use rather than values obtained using past residential consumption data. Thus, the RFP may want to only focus on deriving projected demand values for commercial and institutional entities. However, if the Board thinks a moratorium is a possibility in the near future then it may be prudent not to pursue the RFP process to update demand values.

Lengthy discussion was held.

Public comment:

Paul Del Monte asked what will happen with his conditional will serve letter if the Board imposes a moratorium between now and when he obtains his building permit.

President Daniels replied that it depends; the Board could decide to honor will serve letters that are in process.

Becky Steinbruner feels the Board needs to be responsible to the existing customers and control the demand for water use. She again asked that the Board delay new water service until there is a supplemental supply.

John Ricker stated that the WDO program so far has been very successful; water use from the basin has been reduced significantly. Some of the recharge projects have good potential. The amount of demand reduction by limiting new connections on a temporary basis does not contribute significantly to a reduction in water use. Mr. Ricker feels that getting a handle on current demand and developing a supplemental supply is an answer. The District has been doing a great job on both of those solutions. A moratorium becomes more of a distraction and takes away from the real work of coming up with long term solutions.

Director Meyer asked if the County has considered amending the building codes to include mandatory measures for water conservation.

Mr. Ricker replied that there are a number of new building codes in California that are coming online.

Valerie Webb would like to see the WDO program continue. She feels there has been measurable progress. The replacement of fixtures in schools has been successful without impacting school programs. She feels that communication with customers to let them know what the WDO program has accomplished is important.

Jon Kennedy asked about the Aptos Village Project and whether they had paid \$450,000 for their WDO offsets and if that money is dedicated to a specific project. Director Jaffe responded that their offsets were done primarily before the current WDO program was in place. They retrofitted toilets and urinals throughout the District to meet the bulk of their WDO offsets. These retrofits have been saving water for years before the project even breaks ground.

Ms. Steinbruner shared that there is State money available through Drought Response Outreach Program for Schools (DROPS) grants for schools and drought response.

MOTION: Director LaHue; Second; President Daniels: To have each potential project for the use of WDO funds come before the Board for review and approval. Motion passed unanimously.

Mr. Duncan asked if the Board wanted staff to move forward with the RFP to help revise the offset values for new development. Consensus was to not do that at this time for the WDO. Mr. Duncan asked if the Board would want to front-fund a project.

MOTION: Director Jaffe; Second; Director LaHue: To consider front-funding projects. Motion passed unanimously.

Director LaHue would like staff to bring back ideas about landscape projects to be funded by WDO's.

MOTION: Director LaHue; Second; President Daniels: For staff to bring back ideas about landscape projects to be funded by WDO's. Motion passed unanimously.

Director Meyer asked if the GSA would have jurisdiction over connection policy. What decisions can be postponed and handled by the GSA? Director Meyer would like a discussion around what the GSA will be able to do.

Ms. Adamson responded that the GSA will not have say over the connection policy. Their oversight will be over how the District as a system uses water and wells. Ms. Adamson agreed that it is timely to have this conversation because as the District goes into the next steps of the groundwater facilitation process, they will become a stakeholder in that conversation. Moving forward, the District needs to know where they want the GSA to go, and what will benefit the District best.

MOTION: Director Meyer; Second; President Daniels: To agendize discussion of how the GSA might affect what the District is doing to conserve water and replenish the aquifers. Motion passed unanimously.

President Daniels asked if direction should be given to staff to investigate moratorium.

Director Meyer does have questions that he would like answered with regard to moratorium such as what other communities have done. He referenced a memo he wrote last April as well as the public urging to move toward a moratorium.

Director Christensen feels that a moratorium would not replace the WDO program, but be used as a tool for the District in the case of a dire emergency. She would like to see other users of the basin working with the District to have a uniform response to the protection of the aquifer. She feels moratorium should be discussed.

MOTION: Director Meyer; Second; Director Christensen: To direct staff to further investigate moratorium by responding to questions from Board members. These should be emailed to the General Manager. Motion passed unanimously.

Public comments:

Ms. Steinbruner asked how they will know that the WDO is working.

Director LaHue relied that the projects need to be measurable, verifiable and sustainable.

6.8 Adopt Draft Cooperative Groundwater Management Agreement with City of Santa Cruz Water Department

Ms. Adamson reviewed the history of the proposed agreement that has been in process for many years. This agreement protects pumpers in the basin from being able to pump however much they want from any of the wells, be it Santa Cruz or SqCWD.

Lengthy discussion was held. It should be noted the agreement has a provision for the two agencies to meet annually. HydroMetrics has been contracted to monitor the agreement.

Public comments:

Jerry Paul talked about Santa Cruz considering whether to install a Ranney collector in Felton that would route water to Graham Hill. He suggested that water rights from Felton to Graham Hill Road to the new 41st Avenue intertie be obtained so that water can come to SqCWD via that route. Mr. Paul noted that the Federal fisheries regulator would be speaking at the WSAC meeting tomorrow at 3:15 p.m.

MOTION: Director LaHue; Second; Director Jaffe: To authorize the General Manager to sign the Cooperative Groundwater Management Agreement with the City of Santa Cruz Water Department.

Director Jaffe asked if Director LaHue would accept an amendment to ask the District Consultants what exposure there would be in agreeing to reduce pumping. The amendment was not accepted.

Director LaHue, President Daniels, and Director Christensen voted in favor of the motion. Director Jaffe was opposed to the motion. Motion passed.

7. **STATUS REPORTS**

7.1 Conservation Customer Service Field – Written

Mr. Duncan reported a recycling project was brought to Conservation by a customer. Mr. Duncan pointed out the work that Ms. Flock did for the schools with regard to the school retrofits.

7.2 Engineering – Written

7.3 Operations & Maintenance – Written

Ms. Mead reported testing of filters at the O'Neill well have started.

7.4 Finance – Oral

Ms. Boisen reported that a bank that held some District CD's failed. It was covered under FIDC and there was no loss to the District.

7.5 Human Resources – Oral

Ms. Hart reported final interviews have been conducted for the public outreach specialist position.

7.6 Special Projects/Community Dialogue – Oral

Ms. Schumacher reported there is a Webinar tomorrow regarding boundary issues put on by GRA.

Friday the RFQ's for groundwater replenishment feasibility studies are due. Saturday is groundwater awareness day.

7.7 District Counsel – Oral

Mr. Bosso reported there has still been no decision in the San Juan Capistrano case. The firm representing the City of San Juan Capistrano reported in their newsletter that "arguments suggested the Orange County Court of Appeal may find the rate-making record insufficient to justify the fees". A decision is expected in April.

7.8 General Manager – Oral

Ms. Adamson reported she has been contacted by ACWA requesting letters of support for a bill being sponsored by ACWA regarding an implementation period for Chromium 6 treatment.

Another interesting bill proposal is for a turf removal tax credit of \$2 per sq. ft.

New regulations were approved by the water control board today prohibiting irrigation of landscape during and 48 hours after rainfall. Restaurants statewide are not allowed to serve drinking water other than on request. Hotels and motels have to provide the choice to guests not to have linens laundered. Most agencies have to limit the number of days for irrigation to no more than two days a week. Agencies have 45 days to comply. The District currently has a temporary enforcement officer. Enforcement efforts have not been tracked by the State up to this point, but they will begin doing so. A \$500 fine may be imposed on water consumers and agencies may be fined for not enforcing the regulations.

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

President Daniels adjourned the meeting to Closed Session at 11:17 p.m.

9. **CLOSED SESSION**

- 9.1 Closed Session pursuant to California Government Code Section 54597(b) Personnel Session Concerning Discipline of One Employee

The meeting was reconvened to Open Session at 11:29 p.m. President Daniels reported that direction was given was given to staff.

10. **ADJOURNMENT**

President Daniels adjourned the meeting at 11:30 p.m. to the next scheduled Regular Meeting on Tuesday, April 7, 2015.

SUBMITTED BY:

APPROVED BY:

Karen Reese, Board Clerk

Bruce Daniels, President

2014 Community Outreach Report



Communications, Education and Engagement

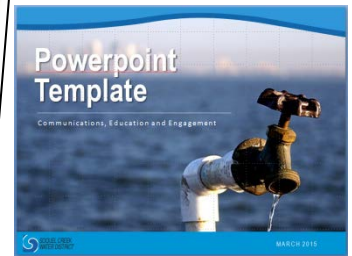
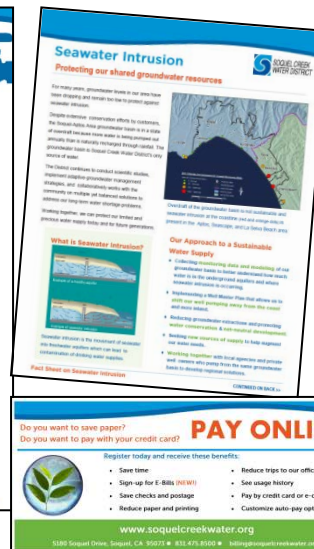
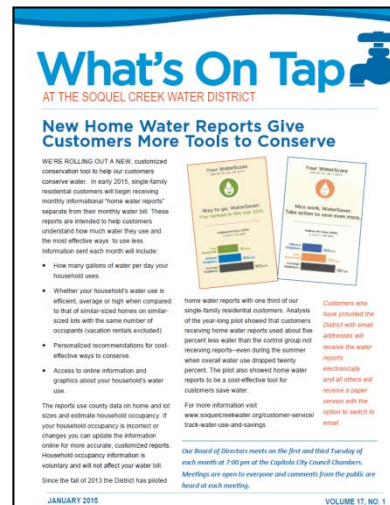
Strategies and Focus Areas

Approach, Initiatives, Outcomes, and Recommendations

1. Improve District Brand and Feasibility
2. Increase Community Dialogue and Customer Input
3. Diversify and Build Messages, Tools and Methods
4. Develop Effective Media Relations
5. Expand Online and Electronic Outreach
6. Support and Build Partnerships

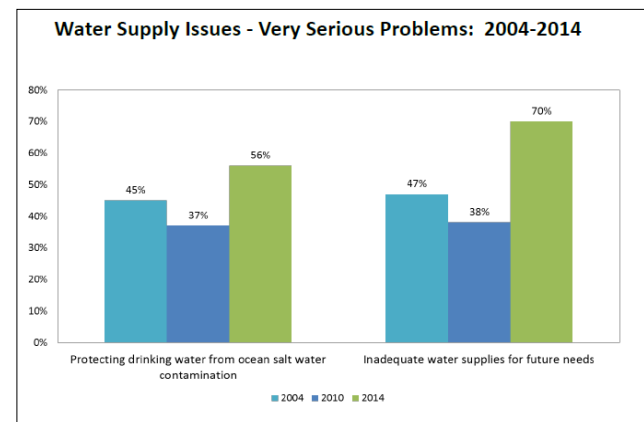
1. Improve District Visibility and Identity

- Key Messages
- Graphic Templates
- Branding and Informational Campaigns
 - Our Water is Groundwater
 - Community Water Plan
 - Do More to Use Less
 - ConservationPlus



2. Increase Community Dialogue and Customer Input

- Phone Survey
- Focus Groups
- Water Smart Pilot
- Public Hearings
- Online Conservation Survey
- Community Groundwater Meetings



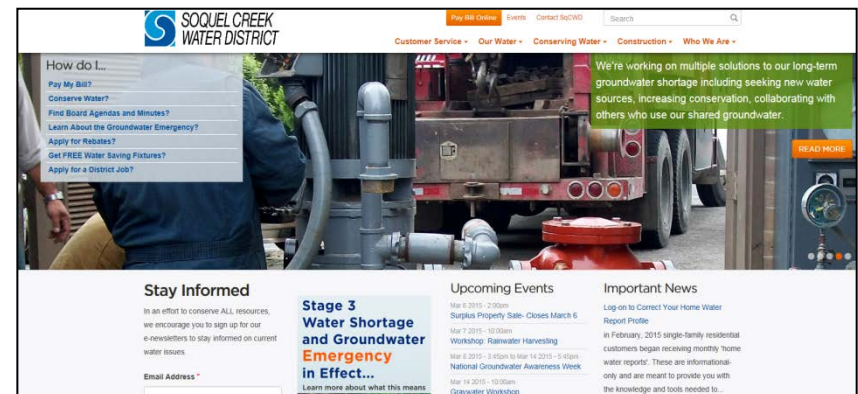
3. Diversify and Build Messages, Tools and Methods

Continued and Improved

- Media Relations
- Press Releases
- Workshops and Events
- School-based Outreach
- Newsletter and Bill Inserts
- Presentations and Speakers Bureau
- Banners
- Print Ads

New and Enhanced

- Monthly eBlasts
- Social Media
- Redesigned Website
- Yard Signs
- Customer Courtesy Calls
- Community TV filming of board meetings



4. Develop Effective Media Relations Program



- Speakers Kit
- Press Releases
- Monthly *Times* Column: Water Wisdom
- eBlast in *Capitola-Soquel Times* and *Aptos Times*
- Media inquiries and interviews
- Established working relationship with local reporters
- Tracked media coverage

5. Expand Online and Electronic Outreach

- eBills
- Online Bill Pay
- Facebook
- Twitter
- Monthly eBlast
- Home Water Reports (Pilot Group)
- Website Designed for Transparency



6. Support and Build Partnerships

CABRILLO EXTENSION

SPRING 2015
Spring Classes
SpringArts - ALL NEW!
The Leadership Challenge
Supervisory Academy
Personal Effectiveness Series
Human Resource Management
Medical Insurance Billing
Cabrillo 4 Youth
Motorcycle Safety Training
Small Business Development Center Seminars
Ed2Go Online Classes
MakersFactory at Cabrillo!

Green Home and Garden Program

Cabrillo Extension

Green, Home and Garden Classes

Cabrillo Extension in collaboration with the Water Conservation Coalition of Santa Cruz County is offering a series of workshops and classes for home and garden. These classes offer expert instruction on water-saving techniques and conservation principles to help preserve and protect our most valuable resource.

Collaboration with Soquel Creek Water District, the City of Watsonville, San Lorenzo Valley Water District, Scotts Valley Water District, and the City of Watsonville has helped significantly reduce regional water usage. Space is limited in these classes so register early!

- Designing a Water Neutral Landscape
- A-Z Rainwater Harvesting
- Design Your Kitchen for the 21st Century
- Graywater: Laundry to Landscape



- School Partnerships
- Lose Your Lawn Workshops
- Cabrillo College Extension Classes
- Mid-County Stakeholder Group
- Regional Conservation Campaign
- Ionex SG / Chromium 6
- ACWA
- Basin Implementation Group
- Resource Conservation Group
- Our Customers

SOQUEL CREEK WATER DISTRICT

(how to) DO MORE TO USE LESS (water-wise landscaping)

"Having studied Environmental Science at UCSC, I am extremely passionate about the environment. Water is such a vital element to our lives, it's imperative we raise our awareness of it being a limited resource."

LISA SHERIDAN, SOQUEL

Lisa works hard to conserve water on her property by:

- Replacing all lawn and landscaping with drought tolerant native plants.
- Placing several water catchment containers strategically throughout her property.
- Redirecting storm water back into the ground rather than into storm drains.




Recommendations

Areas of Focus for 2015 and Beyond

Use the Community
Water Plan as a
communications
framework for
multiple District
programs

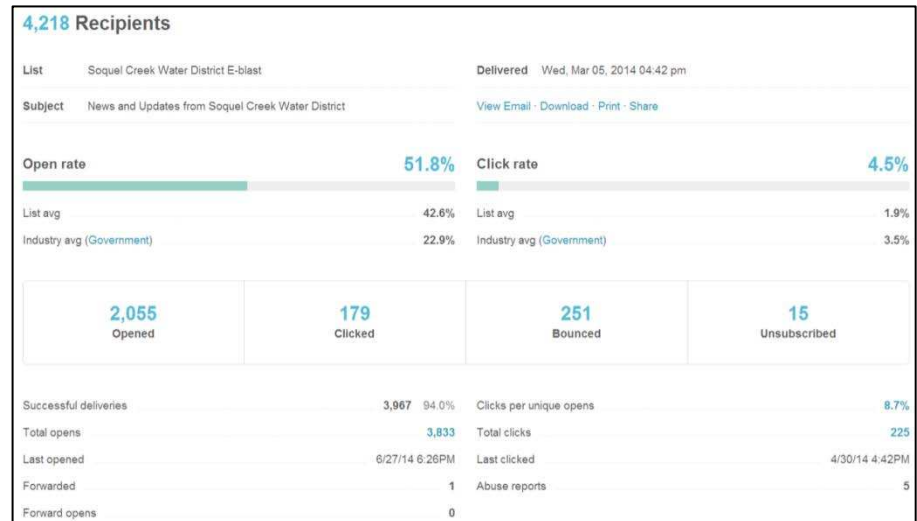


Our Path to a Sustainable
Water Supply

Recommendations

Areas of Focus for 2015 and Beyond

- Improve analytics and data tracking
- Establish cause and effect where possible
- Adjust program to emphasize effective and cost- efficient programs



Recommendations

Areas of Focus for 2015 and Beyond

- Create a Public Information Office and formalize a Public Information Officer (PIO) staff position
- Improve coordination and consistency across departments



Recommendations

Areas of Focus for 2015 and Beyond



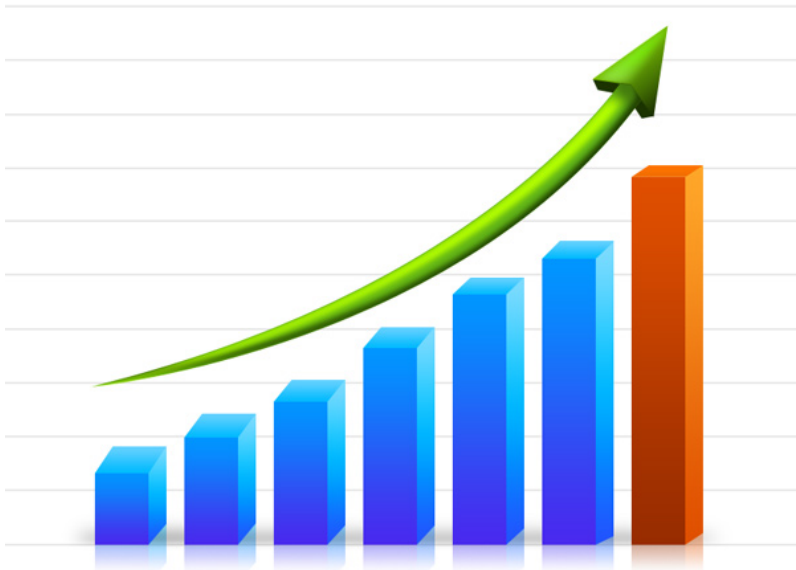
- Establish a multi-layered and multi-pronged outreach plan
- Employ new, creative tools and meet people where they are
- Develop strategies for high users and other target audiences

Different stakeholders

Different methods

Recommendations

Areas of Focus for 2015 and Beyond



- Maintain focused and consistent direction on programs
- Incorporate best practices and lessons learned

Thank You

