



**Water Commission
Action Agenda
7:00 p.m. – Monday, April 2, 2012
Council Chambers
809 Center Street Santa Cruz**

Action Agenda prepared on April 10, 2012

Call to Order Chair D. Meyers called the meeting to order at 7:00 p.m. in Council Chambers.

Roll Call

Present: D. Baskin, M. McClellan, G. Mead, D. Meyers (Chair), A. Schiffrin and W. Wadlow.

Absent: B. Fouse.

Staff: T. Goddard, Water Conservation Manager; P. Harmon, Principal Management Analyst; B. Kocher Water Director and D. Paul, Administrative Assistant.

Others: One member of the public.

Presentation There were no presentations.

Statements of Disqualification There were no statements of disqualification.

Oral Communications There were no oral communications.

Announcements There were no announcements.

Approval of Minutes

Commissioner W. Wadlow moved approval of the March 5, 2012 Water Commission minutes with an addition to the roll call adding M. McClellan present and a correction to oral communication "Oral Communication were made by Commissioner A. Schiffrin requesting that staff provide a report on an iPad survey being conducted on behalf of the scwd² Desalination Program." Commissioner A. Schiffrin seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, M. McClellan, D. Meyers (Chair), A. Schiffrin and W. Wadlow.

NOES: None.

ABSENT: B. Fouse.

Consent Agenda

The Commission requested that the proposed operating budget be provided as an informational item at a future meeting.

Commissioner A. Schiffrin moved approval of the Consent Agenda as submitted. Commissioner M. McClellan seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, M. McClellan, D. Meyers (Chair), A. Schiffrin and W. Wadlow.

NOES: None.

ABSENT: B. Fouse.

Items Removed from the Consent Agenda No items were removed.

General Business

1. Fiscal Policy - Status Update

Principal Management Analyst P. Harmon provided the staff report and responded to Commission questions.

Commission Comments

The Fiscal Policy should include:

- Funding of operating costs versus capital costs. The last rate increase was justified in order to fund the proposed Capital Improvement Program but has been used to help fund the dramatic increase in operating costs.
- A strategy for financing the proposed desalination facility.
- Requirements used by the bond rating agencies to determine interest rates.
- Community values are taken into consideration.
- The operating fund is the first priority and the second priority funding capital projects.

Commissioner A. Schiffrin moved to request that staff return with a list of items and issues that should be included in the development of the fiscal policies; the first priority for Commission consideration be the operating component; and that staff investigate professional services that have expertise in this field of work. Commissioner W. Wadlow seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, M. McClellan, D. Meyers (Chair), A. Schiffrin and W. Wadlow.

NOES: None.

ABSENT: B. Fouse.

1. Final Water Supply Outlook Report for 2012

Water Conservation Manager Goddard provided the staff report and responded to commission questions. The power point presentation will be included in the final papers.

Commission Comments

It is important “how the water shortage is characterized” to Council and the public. The message should recognize that the City of Santa Cruz Water Department is trying to meet all water supply needs including environmental.

Commissioner A. Schiffrin moved to accept the final Water Supply Outlook Report for 2012 and recommend that Council adopt an emergency ordinance declaring a Stage One Water Shortage Alert. Commissioner D. Baskin seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, M. McClellan, D. Meyers (Chair), A. Schiffrin and W. Wadlow.

NOES: None.

ABSENT: B. Fouse.

Subcommittee/Advisory Body Oral Reports

1. City of Santa Cruz/Soquel Creek Water District Desalination Task Force

Commissioner Schiffrin reported that the March meeting included election of officers, annual budget, workplan and schedule, energy study recommendation of net carbon neutral and a report on a digital outreach (iPAD) survey.

Director's Oral Report

1. Monthly Status of Water Supply There was nothing further to report.

2. Desalination Program

Director Kocher reported that the scwd² Desalination Program received the Environmental Communication Award Grand Prize for 2012 from the American Academy of Environmental Engineers. The award will be presented at the Academy's Award Luncheon on Thursday, April 26, 2012 at the National Press Club in Washington, DC.

The Commission suggested that this award should be publicized and the efforts of the scwd² Desalination Program recognized.

Informational Items No action was taken on this item.

1. News Article – Good Times SC 02/28/12
2. News Article – Santa Cruz Weekly 02/28/12
3. News Article – Santa Cruz Weekly 02/28/12
4. News Article – Santa Cruz Sentinel 02/28/12
5. News Article – Santa Cruz Sentinel 02/28/12
6. News Article – Santa Cruz Sentinel 03/02/12
7. News Article – Capitola Soquel Times 03/05/12
8. News Article – Santa Cruz Sentinel 03/06/12
9. News Article – Santa Cruz Sentinel 03/07/12
10. News Article – Santa Cruz Sentinel 03/12/12
11. News Article – Santa Cruz Sentinel 03/13/12
12. News Article – Santa Cruz Sentinel 03/21/12

Items Initiated by Members for Future Agendas

Chair D. Meyers absent May 7, 2012

Adjournment The meeting was adjourned at 8:40 next meeting of the Water Commission is scheduled for May 7, 2012 at 7:00 p.m. in Council Chambers.