



Water Department

**Water Commission  
Minutes  
7:00 p.m. – Monday, March 4, 2013  
Council Chambers  
809 Center Street Santa Cruz**

Minutes of a Water Commission Meeting

**Call to Order** Chair A. Schiffrin called the meeting to order at 7:00 p.m. in Council Chambers.

**Roll Call**

**Present:** D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

**Absent:** None.

**Staff:** L. Almond, Deputy Water Director/Engineering Manager; C. Cartwright, Water Conservation Representative; T. Goddard, Water Conservation Manager; F. Graziano, Professional & Technical Assistant; A. Martin, Environmental Projects Analyst; P. Harmon, Principal Management Analyst; B. Kocher, Water Director; D. Paul, Administrative Assistant and L. Rossiter, Management Analyst.

**Others:** Approximately eleven members of the public.

**Presentation** There were no presentations.

**Statements of Disqualification** There were no statements of disqualification.

**Oral Communications**

Oral communications were made by E. Grodberg. Oral and written communications were made by R. Longinotti. All written materials provided to the Commission will be included in the original papers.

**Announcements**

Commissioner L. Wilshusen thanked staff for a recent tour of the water facilities.

Commissioner Mead asked for a moment of silence in light of the recent tragic event that occurred in our community.

**Approval of Minutes**

Commissioner D. Meyers moved approval of the February 4, 2013 Water Commission minutes as submitted. Commissioner W. Wadlow seconded.

VOICE VOTE MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

NOES: None.

## **Consent Agenda**

Item 3 - Three-month calendar; and 4 - Maintenance Budget – List of Projects was pulled for discussion.

Commissioner D. Baskin moved approval of the Consent Agenda as amended. Commissioner W. Wadlow seconded.

VOICE VOTE MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

NOES: None.

## **Items Removed from the Consent Agenda**

### **1. Three-month calendar**

Water Conservation Manager T. Goddard and Water Director Kocher responded to Commission questions.

Commissioner D. Baskin moved approval of the Consent Agenda item 1 - Three-month calendar as submitted. Commissioner D. Stearns seconded.

VOICE VOTE MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

NOES: None.

### **4. Maintenance Budget – List of Projects**

Water Director B. Kocher responded to Commission questions.

Commissioner D. Baskin moved approval of the Consent Agenda item 4. Maintenance Budget – List of Projects as submitted. Commissioner L. Wilshusen seconded.

VOICE VOTE MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

NOES: None.

## **General Business**

### **1. Draft Capital Improvement Program Budget**

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

Oral Communications were made by M. Boyd and R. Pomerantz.

Commissioner D. Baskin moved to accept and recommend that City Council approve the Fiscal Year 2014-2016 Capital Improvement Program (CIP) budget. Commissioner W. Wadlow seconded.

VOICE VOTE MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

NOES: None.

## 2. Water Conservation Master Plan

Water Conservation Manager T. Goddard, Lisa Maddaus and Bill Maddaus of Maddaus Water Management, Inc. provided the staff report and responded to Commission questions. The Power-Point presentation will be posted on the website and included in the original papers.

Oral communications were made S. McGilvray, J. McGuire, A. Webster, R. Pomerantz, D. Walton and R. Aronson.

Summary of public comments:

- Have the ability to access the list of 90 measures and information on how the 90 measures will be evaluated (screened)
- Suggests avoiding large cutbacks, like that experienced in 1976-77 and followed with rate increases
- Include a lawn replacement program that children can use (not rock)
- Consider recycled wastewater instead of desalination
- With regard to conservation, the City has achieved getting the low hanging fruit; isn't a lot left.
- Have a "gargantuan" implementation budget
- Include capture (i.e. more storage) as part of conservation; to view conservation from a "catchment" point of view
- Suggests evaluating personal behavior/personal responsibility for water use, such as washing car with 1.5 gallons of water or training and teaching on how to approach a faucet

Commission Discussion/Comments

- Develop a place on the project web page to list the 90 measures and to show suggestions that have been made
- Suggests using bill stuffer or utility newsletter to solicit input
- Confirmed that demand projection in 2010 UWMP was the base demand from which this project would build on.
- Consider if Best Management Practice 1.4, specifically about the 30/70 fixed vs. volumetric revenue requirement is still appropriate.
- Provide an explanation about why measures are eliminated or screened
- Provide an explanation about screening out short-term (drought measures) versus long-term; include a discussion about the interaction between long-term measures/hardening demand and reducing the City's ability to curtail in future.

- Include an analysis of how conservation may impact future operating cost of the proposed desalination project.

Commissioner W. Wadlow moved to accept the presentation on the Water Conservation Master Plan and support the project goal to create a roadmap to achieve maximum practical water use efficiency; and the specific objectives to systematically evaluate and quantify the City's remaining long-term water conservation potential; to determine which set of measures and implementation mechanisms represent the best approach to achieve future water savings; and to produce a master plan to guide the City in carrying out future water conservation programs and ideas for future water conservation measures. Commissioner D. Baskin seconded

VOICE VOTE MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

NOES: None.

### **3. Draft Financial Policy and Rate Design Scope of Work**

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

Oral Communications were made by S. McGilvray.

#### **Commissioner Comments**

The Commission requested that Council receive a report on the status of the long term Capital Improvements financing and how it relates to possible rate increases. It is important to provide Council information on the entirety of the challenges the water systems faces and the expenditures associated with them. It is much broader and bigger than the current conversation of desal or no desal.

It is not necessary to have a maximum target in the reserve policy section. Remove the comma in the first sentence of the paragraph beginning with Balances.

Section 1.3 - use the term and/or in reference rate adjustment or surcharge.

Leave both placeholders.

Commissioner L. Wilshusen moved that staff incorporate the comments received and proceed on the Draft Financial Policy and the Scope of Work for the Rate Design Study. It was further moved to request that Council receive a report on the status of the long term Capital Improvements financing and how it relates to possible future rate increases. Commissioner D. Baskin seconded.

VOICE VOTE MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Meyers, A. Schiffrin (Chair), D. Stearns, W. Wadlow and L. Wilshusen.

NOES: None.

**Subcommittee/Advisory Body Oral Reports** No action shall be taken on this item.

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

The February task force meeting revisited the Kennedy Jenks task for grant opportunities. The task force voted to add it back into the contract based on Proposition 50 grant money being available.

**Director's Oral Report** No action shall be taken on this item.

1. Monthly Status of Water Supply

There was nothing further to report.

2. Desalination Program

Director Kocher reported that the draft EIR is expected to be out late April

3. LAFCO Process on Extending Water Service to UCSC

Director Kocher reported that this process is on hold.

4. Status of Proposed Public Education and Outreach Contracts

Director Kocher reported that a statement of qualifications is under development for the social analysis portion of the triple bottom line and the social analysis is outstanding.

**Media Articles** No action was taken on this item.

1. News Article – Santa Cruz Sentinel 01/30/13
2. News Article – Santa Cruz Sentinel 01/31/13
3. News Article – Santa Cruz Sentinel 02/05/13
4. News Article – Santa Cruz Sentinel 02/08/13
5. News Article – Santa Cruz Sentinel 02/13/13
6. News Article – Santa Cruz Sentinel 02/20/13

**Information Items** No action was taken on this item.

1. Water Commission Work Plan – Cost/Fiscal Impact
2. Santa Cruz Municipal Utilities (SCMU) Billing Procedure Update

**Documents for Future Meetings** No action shall be taken on this item.

1. Loch Lomond Use Study and cover memo

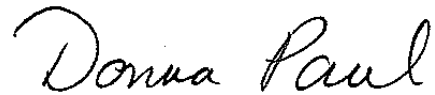
The Commission requested a document outlining the revisions.

**Items Initiated by Members for Future Agendas**

- The Commission requested a five minute break at 9:00 p.m. when meetings are running long.
- Item – Discuss televising meetings (EIR Hearing)
- Information Item – upcoming Joint Council/Board/Commission study session.

**Adjournment**     The meeting was adjourned at 10:35 p.m. until the next meeting of the Water Commission scheduled for April 1, 2013 at 7:00 p.m. in Council Chambers.

Respectfully submitted,



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Staff