



Water Department

Water Commission
7:00 p.m. – Monday, October 7, 2013
Council Chambers
809 Center Street, Santa Cruz

Draft Minutes

Call to Order – Vice Chair D. Baskin called the meeting to order at 7:00 p.m. in the City Council Chambers.

Roll Call

Present: D. Baskin, D. Stearns, W. Wadlow and G. Mead
Absent: D. Meyers, A. Schiffrin, and L. Wilshusen (all with notification)
Staff Present: L. Almond, Acting Director; T. Goddard, Water Conservation Manager;
C. Cartwright, Water Conservation Representative; T. Praxel, Interim Principal Management Analyst; R. Coletta, Administrative Assistant II.
Others: Bill Maddaus, Maddaus Water Management and S. Gaur, Raftelis Financial Consultants, Inc. and members 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 Wadlow moved approval of August 26, 2013 Water Commission minutes.

Commissioner Baskin seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, and W. Wadlow.

NOES: None.

ABSTAINED: ~~D. Stearns~~ G. Mead, due to absence from the August 26 meeting.

Consent Agenda

Commissioner Baskin moved the Consent Agenda. Commissioner D. Stearns seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Stearns, and W. Wadlow.

NOES: None.

General Business

1. Water Rate Design Study – Rate Design Overview and Discussion of Pricing Objectives

S. Gaur of Raftelis Associates gave a presentation on the Rate Design Study he is contracted with the Water Department to complete. He covered the following topics:

- Process for Determining Appropriate Rate Structure.
- Review of Pricing Objectives
- Water Use Efficiency Analysis for Single Family Residential
- Nexus Requirement for Tiered Pricing
- Next Steps

He reviewed the Pricing Objectives priorities developed by staff and asked for Commissioners input on those. He reported on initial results from modeling of the Single Family Resident (SFR) category, saying he was astonished to find that only 2.5% of these accounts were determined to be inefficient using an indoor water budget factor of 55 gallons per person per day, a household size of 4 and a factor for outdoor use based on lot size less building and hardscape footprint. Even if he decreased the water budget to 50 gallons per person per day with a household size of 3 people and reduced the landscape factor by half, the level of inefficiency was still less an 11%. He noted that these levels are extremely low in comparison to other similar water districts. His observations are that a water budget rate structure for this account category may not promote further efficiency and savings from this structure would not cover the costs of implementation.

Next steps in the Rate Study will be to fine tune the current inclining tiered rate structure for SFR's and to do modeling of this structure for the other categories:

- Multi-Family – Inclining Tiered Rate based on # of units
- Irrigation Accounts – Water Budget
- Commercial and Institutions – Average Winter Use
- UCSC – to be determined

Oral communications were received from four members of the public, including S. McGilvray, R. Longinotti, R. Pomerantz, and Sophie (last name unknown).

Commission Discussion/Comments

Mr. Gaur responded to questions from the Commissioners.

Commissioner D. Baskin recommended that the pricing objective, “Perceived to be Fair to the Public” be moved up from Neutral to Important. Other Commissioners agreed. Staff confirmed that the results of this study will be returned to the Commission before being presented to Council. No action was taken. The presentation will be included in the original papers.

2. Santa Cruz Municipal Code – Revisions to Section 16.03, Plumbing Fixture Retrofit

Water Conservation Representative Clara Cartwright presented a report on proposed revisions to Municipal Code Section 16.03 to change plumbing fixture retrofit requirements to a maximum of 1.28 gpf for toilets, 0.5 gpf for urinals, and 2.0 gpm in compliance with AB 715 of 2007 that requires these levels as of 2014.

Oral comment was received from one member of the public, R. Pomerantz.

Commission Comments

Commissioner W. Wadlow moved that the Commission recommend the City Council adopt an ordinance amending Chapter 16.03 of the Santa Cruz Municipal Code pertaining to plumbing fixture retrofits. Commissioner Stearns seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Stearns, and W. Wadlow.

NOES: None.

3. Water Conservation Master Plan

Water Conservation Manager T. Goddard and consultant Bill Maddaus of Maddaus Water Management, Inc. gave a presentation on the status of the Water Conservation Master Plan update he is contracted with the Water Department to complete, covering these topics:

- Update on project schedule
- Review Codes and Standards savings estimate
- Evaluation methodology of new measures including avoided costs as the basis of the benefits
- Next Steps

He projected completion of the plan by June 30, 2014, and reported that he estimates savings that could be realized from future updates to codes and standards to be about 228 MGY by 2030, equivalent to about 6% of projected future demand. He then discussed how to define the benefits of water conservation and methodologies of evaluating the cost-benefit of potential new measures, including avoided operating and maintenance costs.

Next steps are to model the costs, benefits, and estimated water savings of 40 potential conservation measures, return to the Water Commission in December with results, select the recommended conservation measures, and then develop the report for review again with the Commission before presentation to City Council in 2014.

Oral comment was received from one member of the public, Scott McGilvray.

Mr. Maddaus responded to questions from the Commissioners. No action was taken. The presentation will be included in the original papers.

4. City Council Oct. 8 Action regarding Water Supply Planning

Staff distributed the City Council report for the October 8 agenda regarding Water Supply Planning.

Oral comment was received from one member of the public, Scott McGilvray.

Commission Discussion/Comments

Commissioner D. Baskin recommended that the Commission:

1. send someone to the Council meeting to present the recommendation adopted at the last Commission meeting that Council approve completion of the EIR,

2. recommend completion of the following studies or actions to inform the public engagement process: the Conservation Master Plan, the Rate Study, the Habitat Conservation Plan negotiations, an Economic Impact Study, consideration of developer impact fees and saltwater intrusion, and a public information program, and
3. advise Council that they are ready to provide leadership in the community engagement process.

Staff responded to questions from the Commissioners. Commissioner Stearn agreed to attend the Council meeting and present the Commission's recommendations.

Commission W. Wadlow moved Commissioner D. Baskin's recommendations. Commissioner G. Mead seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Stearns, and W. Wadlow.

NOES: None.

5. Proclamation Honoring Bill Kocher

Commission G. Mead moved to adopt a proclamation honoring Bill Kocher's service to the City. Commissioner W. Wadlow seconded.

VOICE VOTE: MOTION CARRIED

AYES: D. Baskin, G. Mead, D. Stearns, and W. Wadlow.

NOES: None.

Subcommittee/Advisory Body Oral Reports No items.

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

1. Monthly Status of Water Supply

T. Goddard presented the staff report. He said staff is considering recommending to Council their approval of extending the current water restrictions until conditions improved as determined by the Interim Water Director. No action was taken.

2. Desalination Program

No report was presented or action taken.

Information Item

1. Training Opportunities for Commissioners

No action was taken.

Media Articles (Pages 48-61) No action was taken on this item.

1. News Article – Santa Cruz Sentinel 8-23-13
2. News Article – Santa Cruz Sentinel 8-24-13
3. News Article – Santa Cruz Sentinel 8-28-13
4. News Article – Santa Cruz Sentinel 9-09-13
5. News Article – Santa Cruz Sentinel 9-16-13
6. News Article – Good Times 9-24-13
7. News Article – Santa Cruz Sentinel 9-28-13

Documents for Future Meetings No action was taken on this item.

Items Initiated by Members for Future Agendas

Adjournment The meeting was adjourned at 10:25 p.m. until the next meeting of the Water Commission scheduled for November 4, 2013 at 7:00 p.m. in Council Chambers.

Respectfully submitted,

Staff