



Water Department

Water Commission
7:00 p.m. – Monday, September 12, 2016
Santa Cruz Public Library – Downtown Branch
Second Floor Conference Room
224 Church Street, Santa Cruz

Minutes of a Water Commission Meeting

Call to Order – Chair Wadlow called the meeting to order at 7:05 p.m. in the Santa Cruz Public Library conference room.

Roll Call

Present: W. Wadlow (Chair), D. Baskin, D. Engfer, A. Schiffrin, D. Schwarm, D. Stearns

Absent: L. Wilshusen (with notification)

Staff Present: H. Luckenbach Deputy Director/Engineering Manager; T. Goddard, Administrative Service Manager; N. Dennis Principal Management Analyst; M. Zeman Engineering Associate; N. Christen Water Conservation Representative; A. Poncato, Administrative Assistant III.

Others: 5 members of the public.

Presentation: Presentation by J. Paul and S. McGilvray.

Statements of Disqualification: There were no statements of disqualification.

Oral Communications: Oral communications made by Randa Solick.

Announcements: There were no announcements.

Consent Agenda

1. City Council Actions Affecting Water
2. Approve the August 1, 2016, Water Commission Minutes

Commissioner Baskin moved item 1. City Council Actions Affecting Water of the Consent Agenda. Commissioner Schwarm seconded.

VOICE VOTE: MOTION CARRIED

AYES: All.

NOES: None.

ABSENT: L. Wilshusen

Commissioner Baskin moved item 2. Approval of the August 1, 2016, Water Commission Minutes. Commissioner Engfer seconded.

VOICE VOTE: MOTION CARRIED

AYES: All.

NOES: None.

ABSTAIN: W. Wadlow and A. Schiffrin due to absence from the August 1, 2016, Water Commission meeting

ABSENT: L. Wilshusen

Items Removed from the Consent Agenda

No items removed from the Consent Agenda.

General Business

3. Presentation on Loch Lomond ADA Improvements

Mr. Zeman presented an overview of the accessibility and improvements at Loch Lomond.

Questions included:

Did we experience any runoff across the new pavement into Loch Lomond as part of this project?

- That was a special concern of staff, but the dry winter and our construction best management practices kept any oily runoff from entering the lake.

Where does the water for the drinking fountains come from?

- There is a small water treatment plant at the park which provides water for the park. It draws water from the lake. (This is not Graham Hill Water Treatment Plant-produced water.)

4. System Water Loss Evaluation

Mr. Goddard introduced the item and turned the presentation over to Mr. Christen, who provided a brief project background and then introduced Ms. Kate Gasner of Water Systems Optimization, Inc. (WSO) to provide a presentation on the Water Audit & Water Loss Control Program for the City of Santa Cruz.

Questions included:

How do you account for the potential differences between a study year like 2014, when we were in a drought and rationing water, versus a normal year when the system was producing more water?

- Lower demand does not trigger operational differences and approaches compared to a regular season. System pressure remains similar regardless of how much water is being moved.

Why would we value our real losses at the cost of production as opposed to lost revenue or how it would be offset for us to develop a new supply?

- There are different approaches to valuing lost water. WSO used the variable cost of water supplies for real losses which is conservative. The value of real losses does not include property damage that sometimes occurs due to a main break because costs vary so widely and are difficult to predict. Apparent losses from inaccurate meters are valued at the retail rate.

Is the GHWTP going to get an effluent meter?

- The main issue is finding a place to put the meter: meter accuracy requires the pipe to be full and a prescribed distance before and after the meter that is straight. The meter also needs to be in a location where it can be easily tested. There was a meter at the finished water tank but it was unreliable because the pipe was not always full at that location. The tank project in the CIP will consider this again.

How much water does a similar sized water utility in California lose?

- The average Infrastructure Leakage Index (ILI) for other water systems in California is 2.5, compared to 1.2 for the City of Santa Cruz. This means Santa Cruz is leaking only 20% more than the technical minimum for a system with its characteristics (miles of main, number of connections, and average pressure), according to models.

How many miles of potable transmission lines do we have?

- 270 miles treated water transmission and distribution mains.

Final Comments and Requests for Follow Up

- One member commented that given the City's low level of leakage, even if it fixed every leak, it wouldn't eliminate the need for additional water supply. Another mentioned that leaks are like weeds – you can pull them but other come up again. It's a never ending job to control water losses.
- In the future, lost water should also be valued at the cost to replace the water as opposed to just the cost to treat it. The replacement, or avoided costs, would likely be higher.
- It would be helpful to have the Department document which of the consultant's recommendations the Water Department plans to implement.
- What are next steps and/or projects/programs?

5. Water Supply Augmentation Strategy Quarterly Review

Ms. Luckenbach presented the Water Supply Augmentation Strategy quarterly review.

Questions included:

Has Soquel Creek Water District (District) submitted an agreement and operational plan to receive a State issued permit yet?

- As the City understands the situation, the District needs to amend their existing permit through the State Division of Drinking Water to include City's surface water transfers as an additional water source. An attachment to this amendment request is the operations plan. This plan is still in draft form, under review by Soquel Creek Water District.

How are the University of California, Santa Cruz and North Coast customers affected by the switch to calculating water rates based on volume used?

- Both North Coast customers and University of California, Santa Cruz customers will see substantially increased bills after switching to a more volume-based rate structure. Annual revenue from the University of California, Santa Cruz has averaged a little over \$1.1 to 1.2 million over the last five years. Before the rate increase, it was projected to be \$1.4M in 2017 and will now be closer to \$2.3M, on an annual basis. This will climb to about \$3.0M by 2018, meaning in less than four years, The University of California, Santa Cruz cost for water service will effectively triple. The North Coast customers will also see steeper bills due to the increase in commodity rates and the addition of the infrastructure reinvestment fee.

Final Comments and Requests for Follow Up

- The terms and conditions of the Cooperative Water Transfer Agreement were set intentionally to protect City's supply. Any changes that are not within the provisions of the agreement should be brought back to the City Council at a minimum and Water Commission if possible, for approval.
- It would be helpful to have a project plan/road map for the in-lieu portion of the strategy so that the required activities can be better understood by the Commission.
- Staff clarified that horizontal collector wells (e.g., Ranney Collectors) are being considered within existing capital improvement projects focusing on source water monitoring and Felton Diversion.
- The public should be aware of the progress made so far on the WSAS and the Department will want to carefully consider how to keep the community engaged.
- Staff mentioned several technical memoranda for the aquifer storage and recovery project that are due to the city the week of September 12; Commission Baskin requested that the Water Commission see these before the next quarterly update.
- Discussion with Commissioners and staff regarding flexibility within the existing agreement.
- Discussion with Commissioners and staff about the water quality concerns and the work the District is considering (loop and/or coupon testing) to shed more light on any potential impacts to the project.
- Staff ensured continued support of the project and helping out the District in any way possible.
- It would be helpful to have a project plan/road map for the in-lieu portion of the strategy so that the required activities can be better understood by the Commission.

Subcommittee/Advisory Body Oral Reports No items.


Director's Oral Report Ms. Luckenbach mentioned the recent trip she and Director Menard took to Sacramento to meet with various agencies including the State Water Resources Control Board, Division of Financial Assistance to discuss potential funding

opportunities, and the Division of Safety of Dams to discuss the Newell Creek Dam project.

Adjournment Meeting adjourned at 9:13 p.m. The next meeting of the Water Commission is scheduled for October 3, 2016, at 7:00 p.m. in Council Chambers.

Respectfully submitted,

**Amy
Poncato**

 Digitally signed by Amy Poncato
DN: cn=Amy Poncato, o=Water
Department, ou=Administration,
email=aponcato@cityofsantacruz.com,
c=US
Date: 2016.10.04 07:59:29 -07'00'

Staff