



Water Commission
7:00 p.m. –March 6, 2017
Council Chambers
809 Center Street, Santa Cruz

Water Department

Minutes of a Water Commission Meeting

A moment of silence was held to acknowledge the passing of Nicole Dennis's son, Elijah Dennis-Benford.

Call to Order Chair Wilshusen called the meeting to order at 7:04 p.m. in the City Council Chambers.

Roll Call

Present: L. Wilshusen (Chair), D. Engfer (Vice-Chair), D. Baskin, J. Mekis, A. Schiffrin, D. Schwarm, W. Wadlow

Absent: None.

Staff Present: R. Menard, Water Director; H. Luckenbach, Deputy Director/Engineering Manager; E. Cross, Community Relations Specialist; M. Kaping, Management Analyst; A. Poncato, Administrative Assistant III.

Others: Two members of the public.

Statements of Disqualification: There were no statements of disqualification.

Oral Communications: Oral communications by S. McGilvray.

Announcements: There were no announcements.

Consent Agenda

1. City Council Actions Affecting Water.

Commissioner Schiffrin moved the Consent Agenda as amended. Commissioner Baskin seconded.

VOICE VOTE: MOTION CARRIED

AYES: All.

NOES: None.

ABSENT: None.

Items Removed from the Consent Agenda

2. Approve the February 6, 2017, Water Commission Minutes.

Prior to the meeting, both Ms. Menard and Commissioner Engfer had received a question from a member of the public regarding a statement made in the February minutes. The question was whether it was an accurate representation of the State's policy to say that Direct Potable Reuse (DPR) could be permitted on a case by case basis. During the discussion, it was concluded that the statement that DPR could be permitted on a case by case basis was an accurate reflection of what Ms. Dawn Taffler had said during her presentation, and thus the minutes themselves did not need to be corrected and, in fact, it would be inappropriate to amend them.

As part of this discussion, however, it became clear that regardless of the accuracy of the minutes themselves, there was an additional issue about whether Ms. Taffler's statement was correct. Several commissioners felt that as the State has no adopted policy that specifically provides them with the regulatory framework to use in reviewing and making a case by case decision about a proposed DPR process that it is, in fact, not able to permit DPR at this time.

On the other hand, material provided by Ms. Taffler in response to the initial citizen inquiry indicated that the Association of California Water Agencies had sent a letter to the State Water Resources Control Board recommending that it consider permitting DPR on a case by case basis if and as needed until the full regulatory framework was in place, and Ms. Taffler reported that State staffers had been open to this suggestion. Some Commissioners felt that this information indicated that the lack of an adopted regulatory framework at this time did not prohibit the State from acting on a case by case basis should a specific situation warrant such an action.

As a result of these various points of view, Commissioners were not able to reach agreement about whether Ms. Taffler's statement actually was an accurate portrayal of the State's policy.

Finally, Commissioner Mekis stated that the February meeting minutes omitted his question regarding constituents of emerging concern. His question was if the treatment technologies used to produce water for DPR and Indirect Potable Reuse (IPR) could reduce constituents of emerging concern. Ms. Taffler and Mr. Brian Pecson, of Trussell Technologies Inc., answered that all available data indicates that the treatment technology required to produce water for DPR or IPR would reduce constituents of emerging concern. While the minutes are not intended to be a detailed reflection of everything that is said at each meeting, it is appropriate to amend them in the event a Commissioner or member of the public believes that something important was left out.

Commissioner Schiffrin moved the February 6, 2017, minutes as amended by the addition of the information provided by Commissioner Mekis. Commissioner Baskin seconded.

VOICE VOTE: MOTION CARRIED

AYES: All.

NOES: None.

ABSENT: None.

ABSTAIN: D. Schwarm due to absence from the February 6, 2017, Water Commission meeting.

General Business

3. Water Department Strategic Framework for Communications.

Ms. Menard introduced Ms. Cross who reviewed the goals for the tactics the Water Department is using to communicate with the community about the Water Supply Advisory Committee (WSAC) recommendations.

What can we expect with the new website implementation?

- The updated website will be more modern and user friendly. We received analytics which revealed the traffic each of our webpages received over the past 18 months. Pages that didn't receive as much traffic will either be removed or merged into other pages. The new website will be cleaner, more appealing, and easier to use.

Is this part of a broader community relations plan for the Water Department or is this the Department's community relations plan?

- This is part of the broader plan. This communications plan is focused on the WSAC recommendations.

Commissioner comments:

- Can the goals and objectives of the Strategic Framework for Communications be altered? If so, the first objective should be to build awareness of the urgent need for continuing action towards a long term water solution.
- The goal we should be communicating is that we need to find a water supply alternative that meets the City's long term needs. Even though the WSAC recommended the water supply options we are exploring now, the City Council has accepted the recommendations and gave direction to the Water Commission and Water Department staff to implement these recommendations. The information provided to the general public should be clear: that these are the City Council recommendations and this is the direction that the City wants to go.
- The second goal should be to maintain community awareness of, and buy-in for, a supplemental water supply because of the extreme risk of insufficiency and drought. The goal is to educate the public as to why we need a supplemental water supply.
- The community should know that even though these are the WSAC recommendations, they were adopted and endorsed by the City Council.

Staff agrees with these suggestions but points out that making the City Council own these recommendations may confuse the public into thinking that it is a City Council mandate and forget that these were the recommendations provided by the 14 member, community based, Water Supply Advisory Committee. It is important that the community remembers that we invested 18 months in an exhaustive process to deliver these recommendations.

Final Comments and Requests for Follow Up

- The 2016 Annual Report was well done.
- Use the term community leaders instead of the key influentials.
- It should be put forth that this is the policy of the City Council, not WSAC.
- Add a 7th strategy: Create public interaction between Commission and the public.
- To gain trust, we will continue to have the community members engage with staff.
- The public needs to know that we are trying to expand the water supply and create more water storage possibilities. We have a decision tree that we are working our way through, and we have preferred and less preferred options.
- This item should come back to the Commission with revisions of the goals and objectives based on the comments and the direction that the Commission has asked.
- Adding funding to next year's budget so Water Department staff can poll the public to ask how they feel about the city's water supply situation.

Public comments made by S. McGilvray.

Commissioner Schiffrin moved that this item is added to the next Water Commission meeting agenda with revisions to the goals and objectives based on the comments, concerns, and suggestions from the Commission and ask staff to consider adding additional funding to FY17-FY18 budget to conduct a public poll to measure the effectiveness of our community relations activities. Commissioner Mekis seconded.

VOICE VOTE: MOTION CARRIED

AYES: All.
NOES: None.
ABSENT: None.

4. Presentation on FY 2018- FY 2030 Draft Capital Improvement Plan (CIP).

Ms. Menard explained that this is the initial discussion of the Capital Improvement Plan and it will return to the Water Commission on April 3rd. City Council is holding a work session on the city wide CIP on April 4th, and City Council will take action on this item at their April 25th meeting. Ms. Menard introduced Ms. Luckenbach who provided a brief summary of the capital improvement plan. [Director's Note: subsequent to the Commission's meeting, the planned April 4th Council study session was cancelled and the CIP discussion at the Council may be being rescheduled until the May 9th meeting.]

Attachment A discussion

What is the money spent on the Aquifer Storage and Recovery project, listed under Water Supply Reliability & Studies?

- The money is being spent on Phase 2, the pilot study. This includes the purchase of property as needed, installation of new wells or modification of existing wells, and the testing of those wells.

Comments and Requests for Follow Up

- Staff will add an apostrophe to Years in the header of the Prior Years Spend column and/or a footnote to indicate that the Prior Years Spend was the cumulative prior years' spending, not FY 2017 spending.
- Staff will add a footnote to explain the inflation rate as well as indicating that the base dollars in the spreadsheet are 2016 dollars.
- Staff will update the future costs of the AMI project located under Upgrades or Improvement Projects. These were mistakenly omitted from the spreadsheet.
- Staff will remove \$1,000,000 from the FY 2018 Request amount to the Water Resources Building project located under Upgrades or Improvement Projects, as this amount was added to the project in error.
- Since the Department does not know what the key projects are for the Water Supply Augmentation Strategy yet, staff will add definition to this as we move along. In the meantime, these are placeholder amounts.
- To avoid public confusion, a suggestion was made to change the project name from Laguna Dam and Majors Creek Dam to something that indicated they already exist (and that this is a rehabilitation project) and that they were included in the program-level analysis of the North Coast Pipeline Rehab Project.

Attachment B Discussion

Are we anticipating using either Beltz well 10 or 11 for Aquifer Storage and Recovery (ASR)?

- One of the wells will be evaluated to see if it is fit for ASR.

Are we considering building a second pipeline?

- There have been a lot of discussions to install a second pipeline between the Felton Diversion and Loch Lomond Reservoir with the premise that two pipes would facilitate the fill/draw cycle that would benefit the City from a water supply perspective. Gary Fiske concluded that it would not be worth installing a second pipeline. I.e., the second pipe does not provide such a water supply benefit. If we had a pipeline between those two points that functioned properly at the available capacity of the pump station, we could accomplish everything we need with two pipelines without building two pipelines. The current CIP project is evaluating the pipeline from this perspective.

Governor Brown allocated funds to emergency flood operations for the central coast that we may be eligible for. The Newell Creek Pipeline could qualify to receive some of those funds.

What is the capacity of the water treatment plant?

- The hydraulic capacity of the system is 24 mgd.

What is the maximum that we do use?

- The most we've used in the past few years has been between 10-11 mgd in the summer months. The issues with the treatment plant are not hydraulic issues;

they are treatment process capacity issues. Investments likely to be made in the treatment facility are driven by treatment process improvements to give us a better capability to treat the water that comes into the treatment plant.

Will these improvements enhance our ability to deal with turbidity from our water sources?

- That is one of the big questions, and a lot of it has to do with issues as we start looking more at some of our treatment alternatives and supply alternatives. A lot of what we must achieve is driven by where we are going to go regarding water supply.

Where are the concrete tanks located?

- The concrete tanks referred to in the CIP are located at the Graham Hill Water Treatment Plant (GHWTP).

Comments and Requests for Follow Up

- Suggestion to add “Ranney Collector” to the Felton Diversion project description.
- Suggestion to mention “emergency draw down” in the Newell Creek Dam Inlet/Outlet project description.
- Suggestion to add a column to the spreadsheet to indicate which of these projects relate to the Water Supply Augmentation Strategy (WSAS).
- Staff will correct spelling of Infrastructure to the title on page 30.
- Staff will update the tense of the language of project description for water supply reliability project.
- Staff will provide and update on the status the environmental review of the Water Resources Building.
- Staff will update the description on the Main Replacement projects to describe how they differ in design, construction, funding.

Attachment C (handout at meeting) Discussion

What projects have changed their future trajectory based on the winter weather? Where is the reflection of what we learned over the past winter?

- The Newell Creek Pipeline project has changed as well as future phases of the North Coast System Rehab project. Our current plan is to hire a consultant to help us with prioritizing and implementing the series of projects needed to fully rehab/replace the North Coast and Newell Creek raw water pipelines.

Was the budget increase of the Water Main Replacement winter weather related? Why is the Long Range Financial Plan (LRFP) so out of whack?

- To get a project ready for the construction season (May – October) we have to award the project in April or the fourth quarter of a fiscal year. What tends to happen is that funds allocated in that fiscal year are encumbered on other, usually unplanned, main replacement work. As a result, we come up short and have to dip into the next fiscal year’s budget. This one-time increase will rectify this situation, at least for a while.

Comments and Requests for Follow Up

- Make it clearer if/when city labor is included in these budget estimates for each CIP project.

5. March 14, 2017, Joint Meeting Presentation Overview.

Ms. Menard clarified that this joint meeting is an opportunity for the City Council members to get briefed on the WSAC recommendations and progress made on implementing them.

The draft joint meeting presentation does not describe the progress that has been made since the recommendations were accepted by the City Council on November 24, 2015.

- Additional slides will be added to the presentation to reflect the major progress that has been made.

Commissioner Schiffrin would like to change the agenda language to reflect the following:

1. A general overview of WSAC's Recommendations and Agreements and Council actions;
3. A progress report on the City's work during calendar 2016 to implement the Council's agreed upon work plan, and an overview of the key outcomes of the calendar 2017 work plan; and

What are our roles in this study session?

- This is an opportunity to talk to council, address any questions or concerns, and discuss what is and is not working. The goal of this meeting is to create some continuity with the new members of the City Council. This will also provide context for when the Council views our budget.

Comments and Requests for Follow Up

- Correct date on the cover of the slideshow to state March 14, 2017.
- Add language that we are achieving the results on time in a timely fashion. The Water Department is on schedule with the plan.
- Indicate that the Water Commission has been carrying out their responsibilities according to plan.
- Update language on the second slide, Background/Context: November 10 and 24 2015: Joint Water Commission – City Council Study Session and Council Action of the WSAC Agreements and Recommendations
- To simplify, just list the 3-4 WSAC recommendations. (Conservation, In-Lieu, ASR, Recycled water, Etc....)
- The WSAC Recommended Adaptive Management Strategy chart is very confusing.
- Remove the terminology that came out of the WSAC recommendation, so it is easier to comprehend.
- Update title language on slide 9 to state: WSAC's Findings.
- Repeatedly state that we have a 1.2 billion gallon water supply gap.

- Point out that there is a possibility that there is always a chance that we may be in a situation where water does not come out of the tap, especially after multi-year droughts.
- Update Slide 8: Key Challenges Facing our Water Supply by adding Recurring Drought above all other challenges listed.
- Simplify language on slide 18.

Subcommittee/Advisory Body Oral Reports No items.

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

- Ms. Menard shared the specifically created agreement that gives Soquel Creek Water District (SqCWD) the option to not go through with the membrane bioreactor project. The goal is to give SqCWD clarity of availability of secondary treated affluent or advanced affluent.

Adjournment Meeting adjourned at 9:27 p.m. The next meeting of the Water Commission is scheduled for April 3, 2017, at 7:00 p.m. in Council Chambers.

Respectfully submitted,

**Amy
Poncato**

Staff

Digitally signed by Amy Poncato
DN: cn=Amy Poncato, o=Water
Department, ou=Administration,
email=aponcato@cityofsantacruz.com
, c=US
Date: 2017.04.03 10:32:20 -07'00'