

CITY OF SANTA CRUZ
City Hall
809 Center Street
Santa Cruz, California 95060



Water Department

WATER COMMISSION

Regular Meeting

January 06, 2020

**7:00 P.M. GENERAL BUSINESS AND MATTERS OF PUBLIC INTEREST, COUNCIL
CHAMBERS**

*Denotes written materials included in packet.

The City of Santa Cruz does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, please attend the meeting fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment, please call Water Administration at 831-420-5200 at least five days in advance so that arrangements can be made. The Cal-Relay system number: 1-800-735-2922.

APPEALS: Any person who believes that a final action of this advisory body has been taken in error may appeal that decision to the City Council. Appeals must be in writing, setting forth the nature of the action and the basis upon which the action is considered to be in error, and addressed to the City Council in care of the City Clerk.

Other - Appeals must be received by the City Clerk within ten (10) calendar days following the date of the action from which such appeal is being taken. An appeal must be accompanied by a fifty dollar (\$50) filing fee.

Call to Order

Roll Call

Statements of Disqualification - Section 607 of the City Charter states that ...All members present at any meeting must vote unless disqualified, in which case the disqualification shall be publicly declared and a record thereof made. The City of Santa Cruz has adopted a Conflict of Interest Code, and Section 8 of that Code states that no person shall make or participate in a governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect distinguishable from its effect on the public generally.

Oral Communications - No action shall be taken on this item.

Announcements - No action shall be taken on this item.

Consent Agenda (Pages 1.1 - 3.1) Items on the consent agenda are considered to be routine in nature and will be acted upon in one motion. Specific items may be removed by members of the advisory body or public for separate consideration and discussion. Routine items that will be found on the consent agenda are City Council Items Affecting Water, Water Commission Minutes, Information Items, Documents for Future Meetings, and Items initiated by members for Future Agendas. If one of these categories is not listed on the Consent Agenda then those items are not available for action.

1. City Council Actions Affecting the Water Department (Pages 1.1 - 1.2)
Accept the City Council Actions Affecting the Water Department.
2. Water Commission Minutes from December 2, 2019 (Pages 2.1 - 2.8)
Approve the December 2, 2019 Water Commission Minutes.
3. Water Commission 2020 Meeting Schedule (Page 3.1)
Approve the Water Commission Meeting Schedule for 2020.

Items Removed from the Consent Agenda

General Business (Pages 4.1 - 6.3) Any document related to an agenda item for the General Business of this meeting distributed to the Water Commission less than 72 hours before this meeting is available for inspection at the Water Administration Office, 212 Locust Street, Suite A, Santa Cruz, California. These documents will also be available for review at the Water Commission meeting with the display copy at the rear of the Council Chambers.

4. Presentation on the Pajaro Water Management Agency's Groundwater Sustainability Strategy (Page 4.1)
Receive information on water management and sustainability work in an adjacent groundwater basin.
5. Briefing on the City's New "Health in All Policies" Program (Pages 5.1 - 5.7)
Receive information on the City's new Health in All Policies Initiative and discuss and provide feedback to staff on ways that consideration of this new direction can be integrated into Water Commission discussions and deliberations.
6. Presentation on proposed Ordinance Amending Policy for Water Shut-Offs for Non-Payment (Pages 6.1 - 6.3)

Receive information on the Department's efforts to modify its policy for water shut-offs for non-payment in order to comply with the requirements of SB 998 (2018).

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

7. Santa Cruz Mid-County Groundwater Agency

8. Santa Margarita Groundwater Agency

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

Information Items

Adjournment

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WATER COMMISSION
INFORMATION REPORT

DATE: 12/23/2019

AGENDA OF: January 6, 2020
TO: Water Commission
FROM: Rosemary Menard, Water Director
SUBJECT: City Council Actions Affecting the Water Department

RECOMMENDATION: That the Water Commission accept the City Council actions affecting the Water Department.

BACKGROUND/DISCUSSION:

December 10, 2019

Purchase of Two New Pieces of Heavy Equipment (WT)

Motion carried authorizing the purchase of one new CASE 580SN Loader Backhoe from the Water Enterprise Fund (Fund 711) in the amount of \$129,396 from Sonsray Machinery, San Leandro, CA and authorizing the purchase of one new Peterbuilt 337 Dump Truck from the Water Enterprise Fund (Fund 711) in the amount of \$136,407 from Coast Counties Peterbuilt, San Jose, CA and authorize the Director to execute change orders within the approved budget.

Water Supply Augmentation Strategy, Aquifer Storage and Recovery Phase 2 Pilot Testing in Beltz Well 8, Pueblo Water Resources Professional Service Contract (WT)

Motion carried authorizing the City Manager to execute an agreement in the amount of \$1,051,945 with Pueblo Water Resources of Ventura, CA for Aquifer Storage and Recovery Phase 2 Pilot Testing in Beltz Well 8, in a form to be approved by the City Attorney.

Loch Lomond Reservoir Oxygen Diffuser System - Award of Contracts (WT)

Motion carried authorizing the City Manager to execute an agreement with Mobley Engineering, Inc. of Norris, TN in the amount of \$210,100 for the installation of the Loch Lomond Reservoir Oxygen Diffuser System in a form approved by the City Attorney and to authorize an exemption from local employment requirements.

Motion carried authorizing the City Manager to execute an agreement with Air Products and Chemicals Inc. of Allentown, PA for Liquid Oxygen Delivery and Tank Rental services under a 5-year lease program with an estimated annual cost of \$63,527 per year, in a form approved by the City Attorney.

PROPOSED MOTION: Motion to accept the City Council actions affecting the Water Department.

ATTACHMENTS: None.



Water Department

Water Commission
7:00 p.m. – December 2, 2019
Council Chambers
809 Center Street, Santa Cruz

Summary of a Water Commission Meeting

Call to Order: 7:00 PM

Roll Call

Present: D. Engfer (Chair), W. Wadlow (Vice Chair), D. Baskin, J. Mekis, S. Ryan, D. Schwarm, L. Wilshusen

Absent: None

Staff: R. Menard, Water Director; J. Becker, Finance Manager (Former); C. Coburn, Deputy Director/Operations Manager; H. Luckenbach, Deputy Director/Engineering Manager; K. Crossley, Senior Civil Engineer; N. Dennis, Principal Management Analyst; K. Fitzgerald, Administrative Assistant III

Others: 3 members of the public.

Presentation: None.

Statement of Disqualification: None.

Oral Communications: Three members of the public spoke.

Announcements: None.

Consent Agenda

1. City Council Items Affecting the Water Department
2. Water Commission Minutes from October 7, 2019
4. WSAS Quarterly Report

On page 4.3, what is the status of the Capitola Mall project?

- Because the residential development project, as currently envisioned, includes more than 500 dwelling units, the City of Santa Cruz is required to prepare a formal Water Supply Assessment and submit the assessment to the City of Capitola for inclusion in environmental documentation. Once the City of Capitola receives a formal development application, which is expected early in January 2020, and issues a Notice of Preparation starting the EIR process, work on the assessment will begin. Under the law, the City of Santa Cruz has 90 days to complete the assessment and present it to the Santa Cruz City Council for approval. This approval is not for the project; rather, it is an action to approve the Water Supply Assessment. Because of the short timeline involved, the Water

Department is arranging to contract out this work to EKI Environment and Water, which successfully prepared two previous assessments on behalf of the City.

On page 4.3, why hasn't staff introduced more information on the hot water circulator program?

- The hot water circulator is only in the pilot phase and more information will be presented once it is ready.

Why is staff ending the toilet rebate program?

- The program has reached the point where it is experiencing diminishing returns.

On page 4.5, why is the volumetric map for the water transfers showing a total storage volume of 1.6 billion gallons and only a 50% reduction in the supply gap?

- We estimated 3.2 billion gallons against a two-year shortage that also included the loss rate that is not seen on this particular map.

What is the potential for seawater intrusion during ASR piloting at Beltz 8 well?

- The plan is to assure that any project does not negatively affect protective groundwater elevations, and ongoing monitoring of coastal groundwater elevations and groundwater modeling will help ensure that this is the case.

Why was Beltz 8 well site selected for ASR, given that it can only be restored to 50% of its capacity?

- Prior to beginning ASR, an assessment of wells was completed to determine which wells were ideal for pilot testing and at this time Beltz 8 is the most viable option that will yield data on piloting near the coast with the advantage of using existing infrastructure. In addition, a monitoring well will be installed by Beltz 8 to observe how the basin reacts to injected and extracted water.

Is well rehabilitation taking place every five years as recommended?

- Maintenance is being done at various intervals as necessary, but we are working on establishing a well maintenance program as part of addressing long-term water supply needs.

When will water transfers with Soquel Creek Water District (the District) begin?

- We are hopeful that the transfers can begin as early as next week depending on the weather conditions. High turbidity levels in our flowing sources due to recent rains are keeping us from fully accessing our full range of supplies and when turbidity levels drop, we should be in a position to start the transfers.

One member of the public spoke.

Mr. Coburn responded that the water transfers were reduced this last winter primarily due to a major break on the N. Coast pipeline.

Ms. Menard commented that the amount of water that can be transferred under the current CEQA agreement for the water rights pilot is limited to 100 million gallons.

Commissioner Wilshusen moved the Consent Agenda. Commissioner Baskin seconded.

VOICE VOTE: MOTION CARRIED
AYES: All
NOES: None
ABSTAIN: None

Items removed from the Consent Agenda

3. Information Item: Loch Lomond Accessibility Improvements

Commissioners commended staff on the ADA improvements completed at Loch Lomond and suggested that staff recognize Commissioner Baskin at the facility for his contributions that helped to motivate much of the work that was needed.

Commissioner Wilshusen moved to approve Item 3. Commissioner Wadlow seconded.

VOICE VOTE: MOTION CARRIED
AYES: All
NOES: None
ABSTAIN: None

General Business

5. FY19 Fourth Quarterly and FY20 First Quarterly Financial Reports

Ms. Menard introduced Mr. Becker for the discussion of the unaudited quarterly financial reports.

Mr. Becker began the discussion with the FY19 Fourth Quarterly report.

How is the system development charge fund appropriated and can it be used for other projects related to supply?

- Section 16.14.040(c) establishes the following uses for System Development Charges: “Use of Charge Revenues. System development charge revenues shall be placed in a separate and special account and such revenues, along with any interest earnings on that account, shall be used exclusively for the following purposes:
 - (1) To pay for the city’s future construction of system expansion and improvements to be financed by system development charge revenues;
 - (2) To reimburse developers who have installed system development financed water facilities which are larger than needed for the certain development and are subject to the terms of a reimbursement agreement; or
 - (3) To pay for water conservation programs approved by the City Council which have the net effect of increasing the amount of water supply available for allocation to new or additional demand.”

On page 5.1 for the FY19 fourth quarterly report, were the closures of the Pasatiempo Golf Course irrigation accounts unanticipated at the time the forecast and budget were developed?

- Not necessarily, we budgeted 6% from the previous year and were trying to determine what factors could logically explain why we did not reach the target of 2.5 billion gallons.
- Ms. Menard also reminded Commissioners that during the April 1st Water Commission meeting an analysis of short-term demand was presented and it showed that one-third of the lower demand was associated with lower than projected developments and the remaining two-thirds were related to higher than anticipated response to the increased cost of water.

Which bond issuance will commence this year?

- This bond issuance was approved by Council at the November 12th joint meeting and the sale date began on November 19th at an interest rate of 3.2% and will be completed on December 12th.

Does the one-time payment of \$1.45 million under the Operations and Maintenance expenses reduce the pension cost of Water Department staff only?

- Yes, the City's total liability was approximately \$8 million and the cost was distributed based on the employment base of the various City departments.

Does the Department have the capability to only pay down its own liability?

- No.

One member of the public spoke.

Is the new sales estimation of 2.4 billion gallons in sales related to the Pasatiempo Golf Course switching to recycled water for irrigation or water conservation?

- The forecasted revenue was short by \$2.1 million and the loss from Pasatiempo was approximately \$400,000.00. The rest of the shortage can be attributed to conservation efforts within the community.

How will the remaining Bank of America credit line of \$25 million be spent?

- We only drew \$10.5 million from the line of credit so when the new bond proceeds are received, the outstanding borrowed amount will be paid off, and the account with Bank of America will be closed. Bond proceeds will be used to pay the full \$10.5 million balance.

Mr. Becker discussed the FY20 first quarterly financial report presented in the new format developed with the Ad Hoc committee.

Can staff clarify if actual expenses are higher than revenues in the Rolling Year Cash Flow graph and whether debt service is included?

- The revenues are actually higher than expenses and include debt service and Capital Investment Plan (CIP) expenses. Loans and bond proceeds are not included in the graph.

Can staff explain why there is a large variance in water sales during the months of June and July, as seen on the Water Sales Revenue graph?

- It is due to the way accounting is done within the City. The actual revenue associated with water used in June is collected in July and to address this issue, those revenues are added to the regular June revenues (from May water use), making June look very high and July look very low.

Will the billings between the remaining months year by year continue to be presented in the same way currently shown and only June and July revenues (billings) will be adjusted based on when water was actually used?

- Yes.

Commissioners commented that the previous graph in the FY19 fourth quarterly report that displayed actual billings appeared to provide more relevant information.

Commissioners commented that the Water Sales Revenue graph should represent what the actual consumption totals for each month instead of showing when revenues are collected.

Commissioners commented that the net income line in the financial summary needs to be clarified or removed.

In the Financial Summary portion of the report, why are negative variance percentages associated with positive actual dollar amounts on the Actual vs. Year to Date Budget in the Non-Operating Sources (Uses) section?

- This due to the formula that placed a negative denominator of the YTD budget and a numerator was the Year to Date variance numbers.

Commissioners questioned whether lower than estimated amounts spent for projects indicates that less work was performed.

- Mr. Crossley commented the first quarterly report does not show other factors such as scheduling issues and costs for larger projects that are distributed across multiple years.

Commissioners suggested that the Fiscal Year to Date expenditures headings be clarified on the Santa Cruz Water Department CIP Report.

Commissioners commented expressed their appreciation for the work that went into the new format of the quarterly report and wanted to ensure staff wasn't doing additional work in tracking the data included in the new format.

Are the amounts in the Planned Expenditures column coming from HDR, Inc.?

- Yes, and the figures are updated on a quarterly basis.

Ms. Menard commented that the title "Infrastructure Resiliency and Climate Adaptation" is meant to show that all of there will be significant infrastructure resiliency and climate adaptation benefits for virtually every project being undertaken by the Department.

Commissioner requested that "cubic feet" be changed to millions and or thousands when referring to water consumption.

One member of the public spoke.

Are there anticipated administrative fees related to the maintenance of the Mid-County and Santa Margarita Groundwater Agencies?

- In addition to the Department's ongoing financial commitments to groundwater monitoring in the Mid-County basin, the Department does pay into the Mid County Groundwater Agency for groundwater management planning and maintenance, and additional grant funding has been procured from the state to help with those costs. We do not currently pay into the Santa Margarita Groundwater Agency because the City is not a member of that agency at this time.

Is the source water evaluation highlighted on page 5.10 related to the Pure Water Soquel project?

- This is not associated with the Pure Water Soquel project. The Source Water Data Collection project was an effort to gather additional water quality data from Santa Cruz's sources which would be used in assessing the needs for changes to the water treatment process. This data collection has now been determined to be valuable operational information and has been absorbed into the operating budget as an ongoing operational cost.

What is Water Supply Augmentation Strategy?

- It is an umbrella term for all work related to the WSAC water supply work.

Commissioners suggested separating projects under the Water Supply Augmentation

Commissioner Wilshusen moved the staff recommendation on Item 5. Commissioner Wadlow seconded.

VOICE VOTE: MOTION CARRIED

AYES: All

NOES: None

ABSTAIN: None

6. Information Item: Best Value Charter Amendment

Ms. Luckenbach introduced Mr. Crossley for the presentation on Charter Amendment Advocacy.

Why is the Water Commission not being asked to give a recommendation to Council on this item?

- This item was submitted to Council on October 22nd in order to meet the deadline to appear on the ballot.

How will the Water Commission and City Council approval process change under the Design-Build model?

- One difference is that City Council engagement will be sought prior to beginning the procurement process for a project and again when determining a "guaranteed maximum price" agreement. For the Water Commission, engagement would be sought at the design level during the environmental review process.

How does the CEQA process fit into the Design-Build model?

- A separate contractor would be sought for work that requires a CEQA process.

How would projects that require a 404 permit fit into the Design-Build model?

- Not all projects will fit the Design-Build model and will be evaluated on a case by case basis.

Ms. Menard commented that the progressive Design-Build model allows for the development of the design concurrently with an outline of the CEQA process.

Commissioners commented positively on the Charter Amendment.

Can this charter amendment be used by other City departments, should the measure pass?

- Yes.

Why water was specifically not highlighted in the ballot resolution?

- The measure was written by the City Attorney and was meant to be broad.

One member of the public spoke.

Commissioners requested that the email from Becky Steinbruner be included in the December 2019 Water Commission packet with the response from Ms. Menard for the record.

With respect to Ms. Steinbruner's email suggesting that the City's "Best Value" Charter Amendment was somehow related to the Soquel Creek's Pure Water Soquel Project, Ms. Menard commented that the City can take no action that will influence the timeline or contracting method for the Pure Water Soquel project. The Council took action in June on the agreement with Soquel Creek to have the tertiary plant located at the City's Wastewater facility. City staff have begun discussions on land lease agreements, but these are the only types of future actions the City is involved in regarding the Pure Water Soquel Project.

7. Ad Hoc Committee on City of Santa Cruz – Soquel Creek Water District Contracting Related to the Pure Water Soquel Project

This committee has not met since September and no land lease or encroachment agreements were reached due to a need to have additional information from the District and its design-build consultant on details needed to appropriately define the terms and conditions of the proposed land lease and encroachment permits. This committee has also reached its six-month expiration date so it must be dissolved.

8. Santa Cruz Mid-County Groundwater Agency

The board approved the groundwater management plan on November 21st and it will be submitted to the state for final approval.

9. Santa Margarita Groundwater Agency

The last meeting was in October, and there was no meeting in November due to a conflict with the Thanksgiving holiday. There will be a presentation on December 11th on climate change presented by Shawn Chartrand and Commissioner Baskin will serve as the alternate for Commissioner Engfer at that meeting. A draft of Section One – Plan Introduction has been

developed and is being reviewed by a group of Board members who have volunteered for this task, with Commissioner Engfer being one of these reviewers.

Director's Oral Report: Ms. Menard presented a draft of the 2020 work plan for the Water Commission.

Adjournment Meeting adjourned at 9:31 PM.

Respectfully submitted,

Katy Fitzgerald, Staff

DRAFT



WATER COMMISSION
INFORMATION REPORT

DATE: 12/23/2019

AGENDA OF: January 6, 2020
TO: Water Commission
FROM: Rosemary Menard, Water Director
SUBJECT: Water Commission Meeting Schedule for 2020

RECOMMENDATION: Approve the Water Commission meeting schedule for 2020.

BACKGROUND/DISCUSSION: All meetings are scheduled to take place in the Santa Cruz City Council Chambers unless otherwise noted.

January 2020
(01-06-20)

July 2020
(07-06-20)

February 2020
(02-03-20)

August 2020
(08-03-20)

March 2020
(03-02-20)

September 2020
(09-07-20) (*Reschedule - Labor Day holiday*)

April 2020
(04-06-20)

October 2020
(10-05-20)

May 2020
(05-04-20)

November 2020
(11-02-20)

June 2020
(06-01-20)

December 2020
(12-07-20)

FISCAL IMPACT: None

PROPOSED MOTION: Motion to approve the Water Commission meeting schedule for 2020.

ATTACHMENTS: None.

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WATER COMMISSION
INFORMATION REPORT

DATE: 12/23/2019

AGENDA OF: January 6, 2020
TO: Water Commission
FROM: Rosemary Menard
SUBJECT: Presentation on the Pajaro Water Management Agency's Groundwater Sustainability Strategy

RECOMMENDATION: Receive an informational presentation on the groundwater management and sustainability strategies of an adjacent groundwater basin.

BACKGROUND: The Pajaro Valley Water Management Agency is an adjacent water management agency overseeing a groundwater basin east of the Santa Cruz Mid-County Groundwater Basin. The agency's website (<https://www.pvwater.org/>) describes its purpose as:

“The Pajaro Valley Water Management Agency (PV Water) is a state-chartered water management district formed to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft. The agency also works to provide and ensure sufficient water supplies for present and future anticipated needs within its boundaries, generally the greater coastal Pajaro Valley.”

The agency has a long history of working on groundwater management and its proximity to the eastern boundary of the Santa Cruz Mid-County Groundwater Basin makes the management actions and strategies being used to address groundwater sustainability challenges in the Pajaro basin of interest to the Santa Cruz Water Commission.

DISCUSSION: Pajaro Valley Water Management Agency General Manager, Brian Lockwood will attend the January 6, 2020 Water Commission meeting and provide an overview presentation for the Commission about the agency's work. An interesting mapping resource from the Agency's website can be found at <https://www.pvwater.org/story-maps>

FISCAL IMPACT: None

PROPOSED MOTION: Motion to accept the informational presentation.

ATTACHMENTS: None

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WATER COMMISSION
INFORMATION REPORT

DATE: 12/23/2019

AGENDA OF: January 6, 2020
TO: Water Commission
FROM: Rosemary Menard
SUBJECT: City of Santa Cruz Health in All Policies Initiative

RECOMMENDATION: That the Water Commission receive and accept an informational presentation on the City's new Health in All Policies initiative and provide feedback to staff related to integrating the new policies' concepts and strategies into the Commission's work.

BACKGROUND: On Tuesday, December 10, 2019, the Santa Cruz City Council adopted a new ordinance adding Chapter 6.02 – Health in All Policies to Title 6 – Health and Sanitation of the City of Santa Cruz Municipal Code (see Attachment 1). The ordinance directs the City to develop “a framework to measure equity, health and sustainability outcomes and improve the well-being of our community.” Implementation actions include directing City staff to include a discussion of the three Health in All Policies pillars, Equity, Public Health, and Sustainability, in all agenda reports prepared for City Council and Commission agendas. Additional implementation details are contained in a newly adopted Council Policy, 14.X which has been included as Attachment 2. Links to other related background materials are also included below.

DISCUSSION: The City of Santa Cruz's Climate Change and Sustainability Manager, Dr. Tiffany Wise-West, was the staff lead for the City's Health in All Policies initiative. She will provide the Commission with a presentation on the work that was done to develop the Health in All Policies framework and the City Council's goals and strategies for implementing the policy into the ongoing work of the City.

FISCAL IMPACT: None

PROPOSED MOTION: Motion to accept the presentation.

ATTACHMENTS:

- Attachment 1 – Ordinance No. 2019-22
- Attachment 2 – Council Policy 14.X

LINKS: <http://www.cityofsantacruz.com/government/city-departments/city-manager/health-in-all-policies>

ORDINANCE NO. 2019-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ ADDING
CHAPTER 6.02 – HEALTH IN ALL POLICIES TO TITLE 6 – HEALTH AND SANITATION
OF THE CITY OF SANTA CRUZ MUNICIPAL CODE

The City Council of the City of Santa Cruz does hereby find, determine and declare as follows:

FINDINGS

WHEREAS, the health and well-being of the residents of the City of Santa Cruz are critical for a prosperous and sustainable Santa Cruz;

WHEREAS, there is growing awareness that health and well-being are influenced by the interaction of many factors and not simply by genetics, individual behavior, or access to medical care. It is now widely accepted that conditions in the environments in which people are born, live, learn, work, play, and age, known as the social determinants of health, have the greatest influence on health and well-being outcomes across populations;

WHEREAS, the social determinants of health and well-being affect chronic disease rates, mental illness, as well as injuries caused by accidents and violence. They also influence the adoption of healthy and sustainable lifestyles by making it difficult for individuals to choose behaviors that either promote or diminish health, well-being and environmental sustainability;

WHEREAS, policies implemented by the City of Santa Cruz outside of the traditional health sector significantly affect the social determinants of health, including policies related to homelessness, food access, housing, transportation, public safety, education, sustainability, climate change, parks, air and water quality, criminal justice, and economic development;

WHEREAS, interagency collaboration can lead to improved decision-making and outcomes and greater efficiencies in service delivery;

WHEREAS, addressing the social determinants of health can lead to reduced health care costs;

WHEREAS, recognizing the presence of disparities in the community and the opportunity to intervene on health and well-being outcomes, the City has developed policies addressing health, equity, and sustainability broadly throughout the General Plan 2030.

WHEREAS, Health in All Policies is an approach to operationalizing the vision of community well-being laid out in the Santa Cruz General Plan 2030 and creating institutional change by prioritizing health, equity and sustainability in all policies.

WHEREAS, in an historic decision, the 2019-2020 California state budget established three Health in all Policies positions at the cabinet-level California Strategic Growth Council in

order to promote healthy communities, racial equity, and environmental sustainability across state government and within SGC's own programs, and this ordinance is designed to be consistent with the California's Health in All Policies Plan; and

WHEREAS, by adopting a "Health in All Policies" approach, the City of Santa Cruz recognizes that all of the City of Santa Cruz Government has a role to play in improving health and well-being outcomes and reducing inequities.

NOW, THEREFORE, BE IT ORDAINED as follows:

Section 1. Chapter 6.02 "Health in All Policies" is hereby added to Title 6 "Health and Sanitation of the City of Santa Cruz Municipal Code to read as follows:

"Chapter 6

HEALTH IN ALL POLICIES

6.02.010 TITLE.

This Chapter shall be known as the Health in All Policies Ordinance.

6.02.020 DEFINITIONS.

The following words and phrases, whenever used in this chapter, shall have the meanings defined in this section:

(a) "Equity" is both an outcome, and a means to an end. It is just and fair inclusion into a society in which all can participate, prosper, and reach their full potential regardless of race, ethnicity, gender identity, sexual orientation, age, disability or functional impairment, or geographic location, or the combination of any of these factors.

"Inequities" are unfair, avoidable, and unjust differences that are created when systemic barriers prevent individuals and communities from reaching their full potential.

(b) "Equality" is the quality of being regarded and treated as the same without considering of need or circumstance. This differentiates equality from equity because equity involves treatment that enables people the opportunity to achieve their full potential.

(c) "Health equity" means the attainment of the highest level of health for all people. Achieving health equity requires valuing everyone equally with focused and ongoing societal efforts to address avoidable inequalities, historical and contemporary injustices, and the elimination of health and healthcare disparities.

“Health equity” means efforts to ensure that all people have full and equal access to opportunities that enable them to lead healthy lives.

“Health disparities” are differences of presence of disease, health outcomes, or access to care among distinct segments of the population, including differences that occur by race or ethnicity, gender identity, sexual orientation, education or income, immigration status, age, disability or functional impairment, or geographic location, or the combination of any of these factors.

(d) “Health in All Policies” means a collaborative approach to improving the well-being of all people by incorporating health, sustainability, and equity considerations into decision-making across sectors and policy areas.

(e) “Public Health” is the science of protecting the safety and improving the health of communities as a whole. The mission of public health is to promote conditions in which people can be healthy. This work is achieved by researching disease and injury prevention, education to promote healthy lifestyles, and public policy top address the health priorities of communities and populations at risk.

(f) “Social determinants of health and well-being” means those conditions in the environments in which people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, sustainability and quality of life outcomes and risks. The social determinants of health include but are not limited to:

(1) The availability of resources to meet our daily needs (e.g. safe housing, access to healthy and affordable food).

(2) Access to educational, economic, and job opportunities that lead to sustainable employment.

(3) Neighborhood safety and communities free of crime, violence, and social disorder (e.g. presence of trash and other forms of blight); and

(4) Accessible built environments that promote health and safety, mitigate emissions, improve parks and green space and healthy school siting.

(5) Social norms attitudes (e.g. discrimination and racism), socioeconomic conditions (e.g. concentrated poverty and the chronically stressful conditions that accompany it).

(g) “Sustainability” can be thought of in terms of environmental, economic, and social impacts, and encompasses the concept of stewardship and the responsible management of resources. It can also mean creating and maintaining conditions so that humans can fulfill social, economic, and other requirements of the present without compromising the ability of future generations to meet their own needs.

6.02.030 PURPOSE.

In order to eliminate inequities in health and well-being and attain equity, it shall be the policy of the City of Santa Cruz to apply a Health in All Policies approach and equity practices to the City of Santa Cruz's decision-making, including policy development and implementation, budgeting, and delivery of services;

6.03.040 HEALTH IN ALL POLICIES FRAMEWORK.

The City of Santa Cruz shall develop a framework to measure equity, health and sustainability outcomes and improve the well-being of our community.

6.03.050 IMPLEMENTATION.

The following recommendations will be implemented within one year post-adoption of the Health in All Policies Ordinance:

- (a) The analysis Section of City Council and Commission agenda reports will contain a paragraph that addresses how the agenda report preparer considered the HiAP pillars.
- (b) The functional procedures for integrating the HiAP framework into City operations will be defined in council policy.

6.03.060 STATEMENT OF GENERAL WELFARE.

It is the intent of the City Council that this ordinance is a general statement of Santa Cruz City policy that shall not form the basis of a private right of action.

Section 2. This ordinance shall take effect and be in force thirty (30) days after final adoption.

ORDINANCE NO. 2019-22

PASSED FOR PUBLICATION this 26th day of November, 2019, by the following vote:

AYES: Councilmembers Krohn, Glover, Meyers, Brown, Mathews; Vice Mayor Cummings; Mayor Watkins.

NOES: None.

ABSENT: None.

DISQUALIFIED: None.

APPROVED: _____
Martine Watkins, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator

PASSED FOR FINAL ADOPTION this ___ day of ____, 2019 by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Martine Watkins, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator

This is to certify that the above and foregoing document is the original of Ordinance No. 2019-22 and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.

Bonnie Bush, City Clerk Administrator

POLICY TITLE HEALTH IN ALL POLICIES (HiAP) IMPLEMENTATION

POLICY STATEMENT:

When developing City Council and departmental workplans and budgets (annually or otherwise), the City Manager and City Council shall ensure that the following actions to implement Health in All Policies (HiAP) are included: (1) an annual budget allocation to support grant writing, monitoring data, reporting to City Council and/or outreach, (2) annual evaluation of the City's HiAP effort and report to City Council, (3) training for new staff, commissioners, and leadership in all three pillars of HiAP, and (4) participation by staff and leadership in stakeholder and partner convenings to ensure cross sector collaboration.

AUTHORIZATION: Council Policy Manual Update of November 26, 2019

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WATER COMMISSION
INFORMATION REPORT

DATE: 12/23/2019

AGENDA OF: January 6, 2020
TO: Water Commission
FROM: Kyle Petersen
SUBJECT: Changes to the Santa Cruz Municipal Utility's Current Policy for Shutting Off Water for Non-Payment.

RECOMMENDATION: That the Water Commission accept the informational report on the ordinance amendments on water shut-offs for non-payments needed to comply with SB 998.

BACKGROUND: On September 28th, 2018, Governor Brown signed into law Senate Bill 998, otherwise known as the Water Shutoff Protection Act. This bill amends the California Health and Safety Code related to the shutoff of residential water service due to nonpayment. The new law also supersedes the California Public Utilities Code (PUC) related to the same matter. Santa Cruz Municipal Utilities has been following the PUC's practice for shutting off customers for nonpayment for decades but now needs to follow the requirements of the Health & Safety Code. The existing language of section 16.13.020 of the Santa Cruz Municipal Code references the PUC but now needs to reference the Health & Safety Code to align with State law. SCMU shuts off less than 1% of customers each month for nonpayment.

DISCUSSION: There are three significant differences between SCMU's current practice and the Health & Safety Code related to the shutoff of residential water service due to nonpayment:

1. **Extended Payment Arrangements** – SCMU's payment arrangements offer up to an additional month to pay to avoid shutoff. The Health & Safety Code offers up to an additional 5 months to pay to avoid shutoff.
2. **Noticing to Occupants** – SCMU's current practice only provides the first notice of impending shutoff to the account holder, who may not live at the service address (e.g. a landlord). The Health & Safety Code requires the first notice to be given to the occupants of the service address, as well as the account holder, when those two parties are not the same.
3. **Extended Shutoff Date** – SCMU's current practice places the shutoff date at approximately 25 days after the bill is due. The Health & Safety Code extends the shutoff date to 60 days after the bill is due.

SCMU has modified its shutoff, noticing, and payment arrangement processes to meet the provisions of the law.

FISCAL IMPACT: The fiscal impact of these changes is unknown. If the extension of the shutoff date and/or use of payment arrangements help customers avoid shutoff, then the number of unpaid bills would likely drop. However, if the extension of the shutoff date and/or use of payment arrangements does not help customers avoid shutoff, then the number of unpaid bills would likely increase. Currently, unpaid charges represent less than 0.2% of billings, so even an adverse impact related to these changes would be nominal. Similarly, the administrative costs of these changes are also unknown and will depend on whether the changes help customers avoid shutoff.

PROPOSED MOTION: Motion to accept the informational report on the ordinance amendments on water shut-offs for non-payments needed to comply with SB 998.

ATTACHMENTS:

Attachment 1 – Amendments to Section 16.13.020 of the Santa Cruz Municipal Code (Redline)

16.13.020 PENALTIES WATER SHUTOFF FOR NONPAYMENT.

(a) No person shall fail or refuse to pay the charges for garbage, ~~refuse and trash~~ collection service, for water service, and for sewage service provided for in this code. If any person shall fail or refuse to pay these lawful charges, ~~including both delinquent and current charges~~, for any of the services herein referenced, the water service to the premises, regardless of tenancy, shall be shut off. Prior to such water service shutoff, the customer shall be ~~mailed a final~~ given notice informing him or her that the shutoff will be enforced if payment is not made within the time specified in the notice. The ~~final~~ notice shall be given, and the noticed date of shutoff shall be calculated, in accordance with the applicable provisions of ~~Division 1, Part 1, Chapter 4 of the California Public Utilities Code and Division 5, Chapter 1 of the California Public Utilities Code~~ Part 12, Division 104, Chapter 6, Section 116900 – 116926 of the California Health & Safety Code.

(b) In lieu of, or in addition to, the penaltywater shutoff provided for in subsection (a), if any person shall fail or refuse to pay these lawful charges, ~~including both delinquent and current charges~~, for any of the services herein referenced, the city may, at its option, discontinue garbage, ~~refuse and trash~~ collection services to the premises, regardless of tenancy. In addition, should said person receive garbage, ~~refuse and trash~~ collection, or water service from the city at more than one location, the city may, at its option, discontinue said garbage, ~~refuse and trash~~ collection and water service to any or all of said locations. Any such discontinuance of service shall be on the same terms and pursuant to the same conditions of notice as set forth in subsection (a).

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