



MINUTES
Board of Water Commissioners
Water Resources Conference Room
3rd floor, 619 Garden Street
Monday, November 9, 2015, at 3:00 p.m.

ITEM 5A

- COMMISSIONERS PRESENT: Barry Keller, Mike Kielborn, Dave Davis, Michael Jordan, Megan Birney
- COUNCIL LIAISON PRESENT: Harwood "Bendy" White (3:07 p.m.)
- STAFF PRESENT: Joshua Haggmark, Water Resources Manager; Chris Toth, Wastewater System Manager; Kelley Dyer, Water Supply Manager; Madeline Ward, Water Conservation Coordinator; Anne Van Belkom, Administrative Assistant
- PUBLIC: Deborah L. Schwartz, Planning Commission Liaison; Robert Marks, PWR; Daniel Brown and Bob Niehaus, RDN; Emily Leslie, Santa Barbara News-Press.
1. **CALL TO ORDER:** The meeting was called to order at 3:01 p.m.
 2. **ROLL CALL** All present.
 3. **CHANGES TO THE AGENDA:** None
 4. **COMMENTS BY THE PUBLIC:** None
 5. **CONSENT ITEMS:**
 - a. **MEETING MINUTES FOR OCTOBER 12, 2015.**
 - b. **SOLE SOURCE PURCHASE ORDER FOR THE MAINTENANCE AND REPAIR OF THE EL ESTERO WASTEWATER TREATMENT PLANT DIGESTER NO. 1 LINING.** Commissioner Davis requested more information on the selection process and the reason the final selection was made. He would like to have this included in similar reports done in the future. Commissioner Birney asked why the project had two different totals. Staff explained that the construction project cost \$191,000 but that the \$235,000 included the cost of project as well as the project design and inspection costs.
 - c. **CONTRACT FOR EL ESTERO WASTEWATER TREATMENT PLANT COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM REPLACEMENT PROJECT.**
 - d. **CONTRACT TO PROVIDE CONSULTING SERVICE FOR THE LABORATORY INFORMATION MANAGEMENT SYSTEM REPLACEMENT REPORT.** Commissioner Davis suggested that the information in the Background and Discussion sections of the Council Agenda Report be combined and simplified.

MOTION (Birney/Davis 5-0-0): to approve staff's recommendations.

6. **ADMINISTRATIVE ITEMS:**
 - a. **CONTRACT AMENDMENT WITH UNITED STATES GEOLOGICAL SURVEY FOR GROUNDWATER MODELING SERVICES.** As a requirement of the City's amended NPDES permit, staff is currently working with Carollo Engineers to evaluate the feasibility of alternatives to the screened ocean intakes for the Desalination Plant. To determine the effects on the groundwater basin from subsurface intake or injection of recycled water into the aquifer, the City needs to utilize a model of the City's groundwater basins that was developed by USGS. While the City has an existing agreement with USGS, this contract will add extra services to the scope of work to complete the additional modeling in order to incorporate its findings into the technical evaluation and initial screening of the potable reuse options by summer 2016. This will meet the required timeline set forth in the RWQCB in the City's NPDES Permit. Commissioner Davis requested further description and clarification of the issues in the Draft Council Agenda Report, as well as the addition of a chart showing the costs of the original project and the new

costs that are now being added to the earlier project. **MOTION (Birney/Davis 5-0-0): to approve staff's recommendation.**

- b. **CONTRACT FOR FISCAL YEAR 2017 WATER RATES:** Ms. Dyer explained the need for a new contract with Raftelis Financial Consultants (Raftelis) to complete the modeling and analysis needed for the development of proposed FY2017 water rates. The analysis would include several scenarios to account for various water supply and demand conditions. The actual water rate scenario to be recommended for implementation will be determined in February - March 2016 after more information is available regarding the impacts of the winter's rainfall on water supplies. While the outstanding water conservation by the public has been very beneficial, it has also resulted in a subsequent drop in water revenues beyond what can be recovered under the current rate structure. The proposed FY17 water rate scenarios will consider a conservation rate ranging from 25% to 50% with the consideration of a temporary fee that stabilizes revenue and reserves under the various levels of demand reduction. In addition, the water rate scenarios will evaluate the size of the Charles E. Meyer Desalination Plant (Desalination Plant) as currently being constructed as well as if a potential expansion is needed in case of further drought or in case the City and the Montecito Water District (MWD) enter into a cost-sharing agreement in which the City would provide water to MWD. **MOTION (Davis/Jordan 5-0-0): to approve staff's recommendation.** Commissioner Birney requested budget information based on various scenarios of water reduction.
- c. **STAGE THREE DROUGHT UPDATE:** Mr. Haggmark summarized the NOAA updated winter weather forecast for January-March 2016, which is predicting above average rainfall for Southern California (equal chances of rainfall in Northern California) accompanied with above average temperatures. He explained in more detail the water supply strategy. With the City currently in Year Five of the Seven-Year Outlook Strategy, water supply is adequate for the current year with continued water conservation. Under continued drought conditions there is a projected shortage in year 6, however there are numerous options to address this shortage which could include but are not limited to an increased conservation goal, rainfall runoff into surface reservoirs, and purchase of additional supplemental water. The expansion of the Desalination Plant is currently under discussion but the water would not be available until the beginning of year 7. Commissioner Davis suggested flip flopping the white and red portions of the Seven-Year Outlook Strategy charts and changing the identification of the red portion from "shortage" to "unidentified supply" for further clarification. The Recycled Water Plant is back on-line and began putting water into the system on November 2, 2015. Recycled water customers no longer need to reduce their water usage per the Stage 3 goal of 25%. Underground work at the Desalination Project is currently on hold due to the presence of soil contamination. The City has already put a team together to classify the contamination and develop a work plan and procedures for work on site. At this time it is unknown what the schedule impacts will be. As long as the work on site can still be completed by May 2016 (timing for delivery of the treatment units), there shouldn't be any significant changes to the delivery schedule. Mr. Haggmark informed the Water Commission that Ms. Ward has been promoted to the Water Conservation Coordinator.
7. **WATER RESOURCES MANAGER'S REPORT:** Mr. Haggmark provided an update from the monthly Cachuma Member Units' meeting which was held on Wednesday, November 4. He indicated that this drought has certainly been a game changer for Cachuma Water Supply planning with this year's allocation at zero. The County has committed to taking the lead with an investigation and study into how we can get Cachuma back to a six-year, regional water supply. Commissioner Birney would like a further discussion on this issue at a future Water Commission meeting. The Wastewater Management recruitment closes on December 3, 2015, and Mr. Haggmark would like to have one Water Commissioner on the selection committee for this position. An email will go out to the Water Commissioners looking for a volunteer once the interview dates are known. Mr. Toth is in negotiations with Rayne Water Conditioning Company (Rayne) to discharge their brine water to El Estero instead of Oxnard which would involve some infrastructure that would be paid for by Rayne. This item will be presented at Council in December 2015. The City has completed all comments on the Environmental Assessment but the entire Pass-Through Agreement continues its slow pace with no end in sight at this time.
8. **DATE OF NEXT SCHEDULED MEETING:** Monday, December 14, 2015, Water Resources Conference Room, located at 619 Garden Street.

The meeting was adjourned at 4:16 P.M.

Approved: December 14, 2015

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