



MINUTES
Board of Water Commissioners
Water Resources Conference Room
619 Garden Street, 3rd. floor
Monday, December 10, 2012, at 3:00 p.m.

- COMMISSIONERS PRESENT: James Smith, Landon Neustadt, Russell Ruiz, Megan Birney
- COMMISSIONERS ABSENT: Barry Keller
- STAFF PRESENT: Rebecca Bjork, Water Resources Manager; Cathy Taylor, Water System Manager; Chris Toth, Wastewater System Manager, Alison Jordan, Water Conservation Supervisor; Bill Ferguson, Project Manager; Lisa Arroyo, Supervising Engineer; Carson Wollert, Project Engineer; Kelley Dyer, Water Supply Analyst; Anne Van Belkom, Administrative Assistant
- PUBLIC: Sudhir Pardiwala and Hannah Phan, Raftelis Financial Consultants, Inc.; Kate Rees, CCRB; Bob Niehaus and Ichiko Kido, RDN; W.D. Morgan and Tom Mosby, Montecito Water District; Scott Grieve and Mary Rose, Earl Warren Showgrounds; Sheila Lodge, Planning Commission Liaison.
1. **CALL TO ORDER:** The meeting was called to order at 3:00 p.m.
 2. **CHANGES TO THE AGENDA:** Bill Ferguson will present Agenda Item #8 and Kate Rees from CCRB will present Agenda Item #9.
 3. **COMMENTS BY THE PUBLIC:** None.
 4. **MEETING MINUTES, NOVEMBER 12, 2012:** MOTION (Neustadt/Ruiz 4-0-0): to approve the minutes as submitted.
 5. **AWARD OF CONTRACT FOR THE EL ESTERO WASTEWATER TREATMENT PLANT AERATION BASINS PROJECT, PHASE 2:** Ms. Arroyo described the purpose and the scope of the Phase 2, Aeration Basin Systems Improvements. MOTION (Ruiz/Neustadt 4-0-0): to support staff recommendation to Council.
 6. **CONTRACT FOR CONSTRUCTION OF THE CORPORATE YARD WELL REPLACEMENT PROJECT:** Mr. Wollert reviewed the scope of the contract which will be presented for Council recommendation on December 11, 2012. No motion was called for due to the timing of the Council date, but Water Commissioners were asked if there were any concerns which would then be included in the report to Council. There were no concerns voiced.
 7. **RATE STUDY & RATE PLAN:** Via a PowerPoint presentation, Mr. Pardiwala and Ms. Phan described how they arrived at the proposed revisions to water and wastewater rate structures and respective tiers, and how the development of the new rate structures coupled with planned 3-3.5% rate increases over the next five years would affect proposed water and wastewater rates. In addition, water and wastewater connection fees and outside city surcharges were also reviewed. During public comment on the Water portion of the presentation, the CEO from the Earl Warren Showgrounds, Mr. Grieve, requested that his facility not pay the out-of-City surcharge since their facility is a state institution in an unincorporated area completely surrounded by the City. The Water Commission and staff agreed that Earl Warren represents a unique user class and staff will work with Raftelis to add this class. Mr. Mosby asked several questions related to how defensible the new rate and tier structures were against possible litigation.
 8. **ANNUAL WATER SUPPLY REPORT:** This report has been deferred to the January 2013 Water Commission meeting.
 9. **CCRB MID-YEAR BUDGET ADJUSTMENT:** Ms. Rees updated the Water Commission on the status of the biological assessment that is required and the additional \$650,000 cost that needs to be budgeted for in the current fiscal year.

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10. WATER RESOURCES MANAGER'S REPORT: Ms. Bjork distributed the monthly water supply report packets and briefly described the SSO spill on December 2, 2012, that closed Leadbetter Beach. Staff will make an annual report to Council on December 11, 2012, on the wastewater collection system maintenance and management activities for Calendar Year 2012.

11. DATE OF NEXT SCHEDULED MEETING: It was confirmed that the next meeting was scheduled for Monday, January 14, 2013, at 3:00 p.m.

The meeting was adjourned at 5:59 p.m.

Approved: January 14, 2013