



MINUTES
Board of Water Commissioners
 Council Chambers
 735 Anacapa Street
Monday, December 08, 2014, at 3:00 p.m.

- COMMISSIONERS PRESENT: Barry Keller, James Smith, Mike Kielborn, Russell Ruiz
- COMMISSIONERS ABSENT: Megan Birney
- COUNCIL LIAISON PRESENT: Harwood "Bendy" White (joined the meeting at 3:16 p.m.)
- STAFF PRESENT: Joshua Haggmark, Water Resources Manager; Cathy Taylor, Water System Manager; Chris Toth, Wastewater System Manager; Kelley Dyer, Water Resources Supervisor; Bill Ferguson, Project Manager; Madeline Ward, Acting Water Conservation Coordinator; Amanda Flesse, Supervising Civil Engineer; Anne Van Belkom, Administrative Assistant, Pat Kelly, Assistant Public Works Director.
- PUBLIC: Deborah L. Schwartz, Planning Commission Liaison; Charles Hamilton, Carpinteria Valley Water District; Mark Rincon, MNS; Robert Marks, Pueblo Water Resource Inc.; Kristin Klein, RDN;
1. **CALL TO ORDER:** The meeting was called to order at 3:02 p.m. with Vice-Chair Keller covering the Chair position in lieu of Commissioner Birney's absence.
 2. **CHANGES TO THE AGENDA:** None
 3. **COMMENTS BY THE PUBLIC:** On behalf of Rebecca Bjork, Public Works Director, Mr. Kelly announced to the Water Commission that Joshua Haggmark had accepted the promotion to Water Resources Manager.
 4. **MEETING MINUTES, NOVEMBER 10, 2014:** MOTION (Ruiz/Kielborn 4-0-0): to approve the minutes as submitted.
 5. **AUTHORIZATION TO APPLY FOR A STATE REVOLVING FUND LOAN AT THE EL ESTERO PLANT:** Mr. Toth informed the Water Commission that CDM Smith is expected to have the assessment report completed in early January 2015. This will allow staff to plan to have the preliminary design and the design itself completed in 2015. By applying this early for the SRF loan, staff hopes to have the loan approved by early 2016 before construction is tentatively scheduled for award. The proposed loan would cover both design and construction costs related to the Solids Handling at EEWWTP. Staff plans to bring the consultant's Facilities Plan to the Water Commission for their input.
 6. **CONTRACT FOR CONSTRUCTION OF THE ALAMEDA PARK WELL RELOCATION PROJECT:** This includes the well drilling portion of the Alameda Well Replacement. This work should take approximately two months with work starting in February 2015. There was a bid irregularity that resulted in the need to disqualify the initial low bidder. MOTION (Ruiz/Smith 4-0-0: to approve staff's recommendation.
 7. **CONTRACT FOR CONSTRUCTION OF THE ALAMEDA PARK WELL RELOCATION PROJECT – INFRASTRUCTURE AND SITE RESTORATION:** After completion of the Well Drilling Project, the next phase will consist of one month's work on the wellhead infrastructure. It is anticipated that Alameda Park Well will be in production in Summer 2015. There was bid irregularity for this project, which resulted in the apparent low bidder being disqualified. MOTION (Ruiz/Smith 4-0-0: to approve staff's recommendation.
 8. **CONTRACT FOR ASSET MANAGEMENT PROGRAM DEVELOPMENT SERVICES FOR THE WATER DISTRIBUTION SYSTEM:** Ms. Taylor informed the Water Commission that this contract with Brown & Caldwell will be presented at Council for their approval on December 9, 2014. Proposed work includes development of a Computer Management System for work management optimization, the creation of a water main replacement program that ranks the City's water mains based on a variety of risk factors, and the creation of a replacement and rehabilitation model for long-term planning purposes for Water Distribution assets. Councilmember White requested to receive a copy of Brown & Caldwell's Asset Management report that was created under a previous contract (After the meeting, copies of

the report were sent to all the Councilmembers, including Councilmember White). Councilmember White also requested that staff present information on the City's water main break history, including frequency, cost, and industry standards for expected numbers of main breaks to the Water Commission for their review. This was requested as a future agenda item. MOTION (Ruiz/Kielborn 4-0-0): to approve staff's recommendation.

- 9. RATE STRUCTURE POLICY DIRECTION FOR THE DROUGHT-RELATED WATER RATES:** Ms. Dyer presented new iterations of the proposed drought-related water rates for further input from the Water Commission. Staff presented three options that differed in terms of the percentage amount of the desalination debt that would be contained within the fixed monthly charges, and the percentage of fixed and/or operational costs among the various tiers in each option. Allotment changes were also made in Option C, which lowered the allotment from 16 to 12 HFC. Staff is recommending to recover 100% of the actual desalination costs in the fixed meter charges, and to make no changes to the current tier allotments. Based on the input received from Water Commissioners, staff will return to the Water Commission with a final recommendation in January. Rate Notices need to be mailed in January to meet the timeline for possible award of a contract in April 2015 to design, build and operate the Desalination Plant.
- 10. CONSIDERATION OF DROUGHT RELATED RESTRICTIONS AND REGULATIONS:** The proposed Stage 3 drought-related restrictions and regulations will be presented to Council for their approval on Tuesday, December 16, 2014. Commissioner Ruiz requested that staff inform Council at this presentation that only a small percentage of water is actually saved by halting any new development. Planning Commissioner Schwartz reminded staff of the importance of balancing the development of new regulations with the City's ability to realistically be able to enforce them.
- 11. DROUGHT UPDATE:** While it is an optimistic sign we are seeing some early season rainfall totals, we need to see some above average rainfall for the year to make a dent in the current drought. No measurable runoff has been detected yet in the tributaries feeding Gibraltar and Cachuma. Mr. Haggmark stated that it would take at least 10" of rainfall, before any run-off is seen. There was a 17% reduction in water demand in November 2014 (revised after the meeting to 21%). Santa Barbara's allocation for State Water is 10% for CY2015. Water Commissioners were invited to participate at two upcoming hearings: the Central Coast Regional Water Quality Board's review of the City's NPDES Amendment on January 29-30, 2015, at the Santa Barbara County Offices; and, the Coastal Commission's review of the City's Coastal Development Permit for activities related to the installation and maintenance of the desalination plant's intake structure on February 11-13, 2015, at the Cliff's Resort Hotel in Pismo Beach.
- 12. ANNUAL 2014 WATER SUPPLY MANAGEMENT REPORT:** This report is a requirement of the State Water Agreement, and concludes that all of our groundwater basins are in long-term balance. This report has been posted for the required 30-day public review, and is planned to be presented at Council for adoption on January 13, 2015. MOTION (Smith, Kielborn 4-0-0): to approve staff's recommendation. Commissioner Keller requested that the groundwater wells described on page 8 in the report be sorted by basin to assist the public in identifying the location of these wells.
- 13. WATER RESOURCES MANAGER'S REPORT:** Mr. Haggmark distributed and reviewed the Monthly Water Resources report on water production, rainfall, and wastewater influent. Water demand for November was below projected demand. The weather forecast for the next three months is for above normal precipitation. Mr. Haggmark clarified that the sum of the Recycled Water column and the El Estero Process Usage column in the "Planned and Actual Water Production by Source Report" handout represents the total demand for Recycled Water. Twenty-one public spills have occurred since January 1st but most of the spills were very low volume. Commissioners requested a future agenda item on the actual costs and water losses of the City's Main breaks. Commissioner Ruiz requested that Commissioners be notified of the various upcoming agency hearings, and also requested that, if possible, the packet for the proposed rates be distributed earlier to give Commissioners more time to review all of the information before the January 12th meeting.
- 14. DATE OF NEXT SCHEDULED MEETING:** It was confirmed that the next meeting was scheduled for Monday, January 12, 2015, at 3:00 p.m., in the Water Resources Conference Room located at 619 Garden Street, 3rd Floor.

The meeting was adjourned at 5:42 p.m.