

**VALLEY OF THE MOON WATER DISTRICT**  
REGULAR MEETING MINUTES  
July 5, 2005

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, July 5, 2005, in the Board Chambers of the District Office at 19039 Bay Street, El Verano, California.

**1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL**

**President Michael Woods** called the meeting to order at 6:30 P.M. and led the Pledge of Allegiance.

Roll Call by **Deputy Secretary Walk** noted the following present:

Directors Present:	Mark Bramfitt Ed Kenny Ron Prushko Sanford Smith Michael Woods
District Personnel:	Shari Walk, Office Supervisor Paul Gradolph, Operations and Maintenance Supervisor
General Manager:	Krishna Kumar
District Counsel:	Jeffrey Polisner
Public Present:	Ken Borba and Sandi Hansen, Sonoma Index-Tribune

**2. PUBLIC COMMENTS**

There were no public comments.

**3. CONSENT CALENDAR**

**President Woods** removed Item A from the Consent Calendar due to his absence from the last meeting.

- A. Receive and Approve Minutes of Special Meeting of June 21, 2005 [REMOVED]
- B. Adopt Resolution No. 050701 – Authorizing an Amendment to the Contract with the Board of Administration, California Public Employees’ Retirement System and Authorize the President to sign the Amendment, for Employee Funded Enhanced PERS Retirement Formula

Motion by **Director Bramfitt**, seconded by **Vice President Smith** and carried unanimously by a voice vote to adopt the Consent Calendar, with the removal of Item A.

- A. Receive and Approve Minutes of Special Meeting of June 21, 2005

Motion by **Director Bramfitt**, seconded by **Vice President Smith** to adopt the minutes of the Special Meeting of June 21, 2005, as submitted, carried by the following vote:

Ayes:	Bramfitt, Kenny, Prushko, Smith
Noes:	None
Abstain:	Woods

**4. PUBLIC PRESENTATION**

Jay Jasperse, Deputy Chief Engineer of the Sonoma County Water Agency Presentation Regarding Sonoma Valley Recycled Water Feasibility Study and Sonoma Valley Groundwater Study

**Jay Jasperse**, Deputy Chief Engineer of the Sonoma County Water Agency (Water Agency), presented a report on the groundwater and recycled water planning activities in the Sonoma Valley representative of the strategies being adopted to identify what needed to be done for long term water supply planning in the Valley.

**Mr. Jasperse** identified the sources of water supply in the Sonoma Valley, particularly the Russian River and described the constraints of meeting peak demands during summer months. He identified the regional sources of water; Russian River water, water conservation, recycled water and groundwater, which were all linked together. With respect to the Russian River water supply, he noted that a hydrologic computer model looked at how the transmission system could convey water during peak demands (summer time) under the 75,000 acre feet of water rights (current) without considering new water rights in the future. A map was shown to identify the transmission system in general. He noted areas of constraints in the transmission system and identified the Sonoma Tank and the Kastania Tanks as well as the Ralphine Tanks near Spring Lake that would start to experience some constraints.

**Mr. Jasperse** presented the computer analysis of a seven day peak demand and noted that in the summer of 2005 there was no problem with the Ralphine Tank system, where full tank levels could be maintained. He noted that in 2009 there would be a depletion of the tanks during the seven day peak demand period, which would only get worse in the future. The operating rule was to keep approximately 50 percent of the tank full. The Water Agency was currently close to the minimum operating standards. With respect to the Sonoma Tank, seven day peak demand, there would be a loss of storage in 2009 that would worsen as time went on.

**Mr. Jasperse** described what was being done to address the concerns. The strategy was to work with the Valley of the Moon Water District (VOMWD) and others in Sonoma Valley to maximize conservation, utilize recycled water and consider other groundwater resources.

**Mr. Jasperse** stated that the Water Agency was currently conducting a Natural Hazards Assessment of its facilities and was considering projects that would increase reliability in addition to meeting the planned growth under the General Plans in the future. While that was one solution, another solution was to bring a separate pipeline down the valley.

**Director Prushko** commented that the County had taken over the Tule Lake Creek Project, which was no longer a lake but would be restored to natural habitat and potentially be used for storage. He noted that the Sonoma Valley had little storage and a restored lake should be feasible for storage purposes.

Given the constraints with respect to water source, **Mr. Jasperse** stated that water conservation would have to be pursued and maximized. The idea was to maximize water conservation and recycled water and balance the other two sources. If Tule Lake was used for storage, that water would have to be treated.

**Mr. Jasperse** stated that the Water Agency and the U.S. Geological Survey (USGS) had been involved in a \$1.6 million Ground Water Basin Study with Water Agency and federal funds, to be completed in 2005. In that study the major groundwater basins in Sonoma County had been evaluated. Models would be used to describe and understand the groundwater in the area and the link to the Russian River to determine whether or not there would be a positive or a negative effect on groundwater.

**Director Prushko** questioned whether or not areas that had gone dry could be recharged, to which Mr. Jasperse explained that could not be predicted although that scenario might be possible in some areas dependent upon the geology.

**Mr. Jasperse** stated that the study in general involved developing a geographic information system (GIS) database where new data had been collected for water quality, water levels and seepage run on Sonoma Creek to measure at discreet places along the creek where water was being gained and lost, an analysis of the geology and water parameters, and a geohydrologic assessment to create a numerical modeling that would help in the future to identify how groundwater behaved in the valley.

**Mr. Jasperse** offered an example of the GIS database where over 1,900 wells had been evaluated. He offered a historical look of groundwater pumping from 1974 to 2000, stated that most of the use was from agriculture, but added that domestic use had increased over the years as had the public water supply. In response to Director Prushko that the data had not depicted an increase, he explained that there had been an increase although grapes per acre had relatively low water usage and did not indicate a significant increase. He noted that vineyards used less water per acre. He identified a 38 percent increase in pumping since 1974. He added, when asked, that the Water Agency was not metering any wells. An estimate of agriculture pumping had been gleaned from a land use study and field checks.

**President Woods** commented that the steady line on domestic production seemed remarkably constant over time. Mr. Jasperse reported that it was based on well permit data from PRMD for domestic well and represented an estimate of domestic use. He noted the assumption that each well would have the same average consumption.

With respect to future groundwater activities, **Mr. Jasperse** stated that in November 2004, the Water Agency Board of Directors had authorized a work plan for a Groundwater Management Plan. The approach was based on scientific study, with non-regulatory, cooperative and coordinated management plans, and with objectives to protect groundwater resources, integrate water resource planning and obtain State funding.

**Mr. Jasperse** noted potential issues to be addressed, including groundwater monitoring and additional studies, public education, protection against saline water intrusion, well head protection, water conservation, recycled water projects and coordinated land use and water supply planning.

**Mr. Jasperse** spoke to recycled water and noted recent points of discussion that included the benefits of recycled water, to offset potable water use from the Russian River or from groundwater, to reduce demands on the transmission system, to increase reliability in the event of a drought, to reduce discharges to San Pablo Bay, and for environmental restoration. The strategy was to eliminate discharge to San Pablo Bay, to consider three "blocks" of recycled water; agricultural users, Napa-Sonoma Salt Marsh Restoration; and the Sonoma Valley for either urban or agriculture use to reduce groundwater pumping.

**Kevin Booker**, the Project Engineer for the Sonoma Valley Water Feasibility Study, stated that based on the benefits earlier identified the objective of the feasibility study was to evaluate technical and economic feasibility of recycled water use, evaluate potential water supply, identifying environmental and economic benefits and develop a long term planning document that would enable the Water Agency to pursue a recycled water project in phases. The feasibility study was sponsored by the Sonoma Valley County Sanitation District, with partial funding from the State Water Resources Control Board to prepare the study which had three components; engineering analysis, economic and financial analysis, and environmental analysis.

Some of the findings of the study showed that the predominant use of recycled water was primarily agricultural rather than urban use. The economic analysis of recycled water projects was difficult to determine and as the project moved along there would be continued updates of the economic analysis and the numerous sources of funding available, including grants.

With the engineering analysis, the Sanitation District had identified the availability of recycled water through modeling. For the demand side, the Water Agency staff had been working with VOMWD staff, staff from the City of Sonoma and using water use records to identify potential urban recycled water users. For estimating the demand from the agricultural users, the GIS database with land use had been used.

**Mr. Booker** stated that the Sanitation District currently produced secondary water, although for the study there had been an assumption that the upgrades would be completed by then and the District would serve tertiary treated water which was acceptable to the vineyards, with the upgrades to start next summer. He presented illustrations of the Sonoma Valley to identify potential agricultural and urban users.

**Mr. Booker** identified the second point of the feasibility study as the economic and financial analysis to identify the cost benefits of the proposed project. The financial analysis considered potential funding sources including grant and low interest loans from State and local agencies and funds from participating agencies. For the Recycled Water Market Assessment, the analysis had considered if the project was built whether or not there would be a user. The feasibility study had included numerous letters of support for recycled water use. Recycled water agreements would give recycled water sponsors the assurance that once the facility was developed there would be a user to use the recycled water.

Various project alignments had been evaluated to consider the technical and engineering requirements, constructability of the project, compliance with regulatory requirements, environmental constraints, operational issues and costs. The cost of each alignment and the area of potential recycled water use were identified.

**General Manager Krishna Kumar** noted that Alignment 1B had shown an 8 percent urban offset. Having checked with VOMWD staff, he stated that figure was too high.

The third component of the study was the environmental analysis and environmental constraints analysis, which was the preliminary step to a complete EIR. The EIR process had started with the Notice of Preparation to be issued in August 2005. The Draft EIR would be completed in the fall with the release of the Final EIR in spring 2006.

**Mr. Jasperse** summarized the presentation and clarified that the Water Agency was attempting to optimize the four sources of water available in the region including maximizing recycled water and conservation, supporting evaluation of local supplies, scientific and engineering studies (groundwater and recycled water)

pursuing stakeholder collaboration and coordination, and pursuing State and federal funding.

**Mr. Jasperse** asked the VOMWD to continue to support and be involved in planning activities regarding groundwater studies and management in the future; support continued groundwater monitoring and assessment, continue its support of recycled water projects through feasibility and environmental processes, and support the pursuit of groundwater and recycled water projects.

**Vice President Smith** questioned whether or not there was any analysis of groundwater in terms of quality, reported by Mr. Jasperse that the USGS had considered historical data and had collected water samples from wells. He noted that there were thermal waters in the Sonoma Valley which impacted water quality and conductivity.

**Director Bramfitt** spoke to the Water Agency's transmission system constraints and confirmed with Mr. Jasperse that the Sonoma tank shown in the presentation was not the Eldridge tank. He noted that the VOMWD also had storage issues as had the Water Agency.

**Mr. Jasperse** stated that Santa Rosa was involved in the Ralphine Tank and the Water Agency's priority was to get that tank fixed first since it affected the Sonoma tank and everything else located downstream.

**Director Bramfitt** commented that he was sobered by the cost to get rid of recycled water. He asked how much it would cost for the recycled water for agricultural users in the southern part of the valley as well as the projected costs to send it down to the salt marsh.

**Mr. Booker** reported that the pipeline cost to bring the recycled water to the salt marsh was \$11.3 million. He stated that the project had a 50 percent cost share with the U.S. Army Corps of Engineers.

**President Woods** questioned whether or not other districts were disposing of recycled water at \$1,000 per acre foot, to which Mr. Jasperse acknowledged that the cost was high now but probably would not be high in the future. He noted that the cost in several scenarios was lower than \$1,000 per acre foot, such as Alignment 1-A, while Alignment 1-B was expensive since it would require additional storage construction.

**Director Bramfitt** noted that the VOMWD bought water from the Water Agency at approximately \$425 per acre foot and that it would be a tenth of the Water Agency rates to pump the water out of the ground. With other than a 1-B Alignment, he suggested that the proposal would not benefit VOMWD ratepayers. He questioned who would pay the costs.

**Mr. Jasperse** explained that the cost would be paid by Sanitation District customers, the State, Water Agency, and local suppliers who might benefit. He acknowledged the difficulty in how to value recycled water. Considering the overall picture and recognizing the limited groundwater available, he suggested that there should be coordinated efforts in formulating a long term strategy.

**Director Bramfitt** suggested that with the estimated cost of recycled water at \$1,000 per acre foot, that would be three times the cost of water from the Water Agency. He repeated his statement that the costs were sobering.

**President Woods** questioned whether or not the groundwater study would focus on the recharge and the different levels of the aquifers, reported by Mr. Jasperse that the study would look at where the recharge was taking place and it was an area that could use more study. He added that the State had grants for up to \$250,000 under AB 303 that could be available and which Sonoma County might be able to qualify. He

added, however, that a Groundwater Management Plan would have to be approved or ready to implement to qualify for that grant. The State was aware of the Water Agency's efforts and was interested in something happening in Sonoma County.

**Director Prushko** questioned whether or not the saltwater intrusion had moved up the valley.

**Mr. Jasperse** reported that a study had shown that there had been some migration since the 1970's. As to whether or not the recycled water could be used to stop that intrusion, he stated that might be possible. He added that the most feasible alternative would be to stop that intrusion by offsetting groundwater pumping and simply using recycled water.

**Mr. Jasperse** stated that the City of Sonoma would be provided the same presentation.

**President Woods** requested a copy of the report just presented. He thanked the speakers for the presentation.

## 5. OPERATIONAL & COMMITTEE REPORTS

### A. Approve Current Financial Reports for May 2005

**Director Bramfitt** clarified with **Office Manager Shari Walk** that the Employee Computer Purchase Program item on the Financial Report was a computer program for employees and that the amount was paid directly to the supplier.

Motion by **Director Bramfitt**, seconded by **Director Kenny**, and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of May 2005 in the amount of \$259,712.77.

### B. Review/Comment on Current District Projects and Significant O & M Issues

**Operations and Maintenance Supervisor Paul Gradolph** presented the summary review of current District projects and significant operations and maintenance issues for June 2005, as follows:

- **Project #2855 - Glen Ellen Storage Tank:** A pre-construction meeting was held on June 13 with North Bay Construction, Winzler & Kelly, Glen Ellen Fire Department and VOMWD staff. Construction issues, including emergency vehicle passage and the emergency drill were discussed. Construction started this date on the pipeline portion of the work. An aggressive schedule was expected for the pipeline construction, hopefully 500 feet a day. The trench would be 4 feet and the pipes would have 36 inches of cover. Work had also been started on the tank site with relocation of water lines to the property owner.
- **Project #2891 – Locust Avenue, Spring Street, Toy Lane, and Queeno Lane Main Replacements:** A pre-construction meeting was held on June 14 with W.R. Forde and VOMWD staff. Construction requirements and encroachment issues were discussed. Construction scheduled to begin the week of July 11.

**Mr. Gradolph** also reported that the Leak Detection Survey had been completed. Seven leaks had been found; two were minor and five were substantial, resulting in the loss of approximately 25,000 to 30,000 gallons a day. He added that the leaks had since been repaired. He described the VOMWD system as

healthy.

C. Water Source Report

There were no comments on the Water Source Report.

6. **RECEIVE & FILE PRESIDENT'S AND DIRECTOR'S REPORTS OR COMMENTS**

There were no reports or comments.

7. **GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS**

A. Water Advisory Committee Special Meeting of June 27, 2005

**General Manager Krishna Kumar** reported that the Marin Municipal Water District (MMWD) had made the \$6.5 million payment to the Water Agency to secure a firm supply of 5,000 acre feet of water from the Water Agency. He also reported that the approval of the Restructured Agreement and extension of the Impairment Memorandum of Understanding (MOU) would be discussed under agenda Item 8A.

**Mr. Kumar** stated that the new and improved annual Water Quality Report (Consumer Confidence Report) had come out well. The Water Agency was planning a series of two hour training sessions primarily for local landscapers and his/her employees, likely to take place in early 2006. The topics to be covered included basic principles of efficient irrigation, irrigation system maintenance, water management plans, plant maintenance, irrigation controllers, and water budget. He stated that there was a need to ensure that those in the business were educated with possible monitoring to ensure that the principles of sound water use were being followed.

**Mr. Kumar** reported that he would be on vacation from July 6 to July 31. In his absence, operational matters would be handled by Paul Gradolph and the rest would be handled by Shari Walk. He thanked the Board for allowing him to take an extended vacation. He suggested canceling the August 2 meeting given the end of the fiscal year audit preparations and closing of projects in July, to potentially hold a Special Board meeting on August 16.

8. **OLD/NEW BUSINESS**

A. **Discuss/Direct Staff:** Restructured Agreement for Water Supply and Temporary Impairment Memorandum of Understanding (MOU) Extension

**Mr. Kumar** reported that the latest versions of the Restructured Agreement and the Impairment Memorandum of Understanding (MOU) met the VOMWD's requirements adequately, as enumerated in the staff report dated July 5, 2005. The single greatest concern with the Agreement was the District's current annual limit. The latest version of the Agreement had three changes which had addressed that concern; Section 3.3A made the peak month demand (and not the annual limit) to be the operative upper limit, Section 3.3B provided for an optional method for any water contractor to transfer portions of its unused annual limit to any other contractor on agreed upon terms between the affected contractors, and Section 3.13 provided for no financial penalty for exceeding the annual limit since the penalty would now be tied to the peak month demand.

**Mr. Kumar** added that a revision to the annual allocation limit could occur only after the completion and

adoption of several documents; including adoption of the Sonoma County General Plan 2020, which was now occurring. He noted that the Water Agency was conducting a Demand Analysis for all the water contractors and would use the numbers generated from that analysis for updating the Urban Water Management Plan as well as for completing the proposed EIR for the new water project being undertaken by the Water Agency. **Mr. Kumar** stated that after the completion of those documents, a letter agreement could be provided between the Water Agency and the VOMWD reflecting the new annual allocation limit for VOMWD.

**Mr. Kumar** noted that under the Restructured Agreement, the Oakmont pipeline was considered to be a storage facility, which would broaden the repayment base for paying the costs. The savings to the VOMWD as a result of that change would be approximately \$1 million. On the Impairment MOU, in view of the continued existence of an impairment condition to the Water Agency's transmission system, he suggested it would be beneficial to have the Impairment MOU extended for another five years.

**Mr. Kumar** recommended that the Board discuss the Restructured Agreement for Water Supply and the Temporary Impairment MOU Extension and if approved, direct staff to prepare a resolution approving the Authorization of the Execution of the Restructured Agreement and Impairment MOU.

**President Woods** noted that the City of Petaluma did not support the Impairment MOU, reported by **Mr. Kumar** that while there was broad consensus for Section 3.5 in the Restructured Agreement regarding shortage allocation, Petaluma had some language revisions for that paragraph. He would update the Board in terms of any changes that would be made to the document.

**President Woods** emphasized the long, four-year process where the Water Advisory Commission (WAC) had reviewed and negotiated the documents. He stated that the VOMWD Board of Director's key objective had been to deal with the annual acre foot cap and the potential for being penalized financially if that was exceeded. That issue had now been resolved. The Water Agency had indicated many times over the years that treating the Oakmont facility differently in a way that would benefit the VOMWD financially had been an item of discussion and he was glad to see that had been included in the agreement given the possible \$1 million benefit to the VOMWD. He supported the documents and did not see that the VOMWD could get into a better situation without the Sonoma County General Plan being adopted. He stated that the issues had been addressed as much as possible.

**Director Bramfitt** suggested that the Water Agency should send a message to the contractors that there would be demand limits to address the transmission system problems and annual cap limits to acknowledge the approach to the 75,000 acre foot allotment. He did not see why a contractor would make a trade for increased allocation given that there was no financial penalty for exceeding a limit. He suggested that the shortage allocation methodology would come into play without a drought at the time of reaching the 75,000 acre foot cap, and he suggested it would be important to focus in on the shortage allocation methodology. He added that the VOMWD was doing everything possible to address water supply issues.

**Mr. Kumar** stated that the Restructured Agreement did not include specific methodology for addressing allocation during shortages although the Water Agency might allocate based on certain principles. He noted that some water agencies had proposed their own solutions. He also noted that the John Nelson methodology gave the VOMWD a better allocation than the Santa Rosa and Petaluma methodologies.

Motion by **Director Kenny**, seconded by **Director Bramfitt**, and carried unanimously by a voice vote to direct staff to prepare a Resolution approving and authorizing execution of the Restructured Agreement and the Impairment MOU Extension with a staff report on the final language for the allocation methodology.



**B. Discuss/Direct Staff:** Request for Proposals to Provide Engineering and Geological Services for Drilling and Equipping a New Groundwater Well

**Mr. Kumar** stated that staff had been directed by the Board to pursue additional opportunities for increasing local supply to supplement the VOMWD's principal source of water supply from the Sonoma Aqueduct. The VOMWD had secured the required funding to construct a new well from the Water Agency. The last successful well drilling attempt by the VOMWD was in the early 1970's. He noted that a few rehabs had been done in the past, and the latest attempt to drill a new well was on the Felder Road property. Retaining the services of a qualified firm or firms to provide the necessary engineering and hydrogeology services would be the next logical step in narrowing down the potential sites for the location of a well and construction of a production well.

Toward that goal, **Mr. Kumar** identified a detailed two phase approach outlined in the Request for Proposals (RFP's) to provide engineering and hydrogeological services for drilling and equipping groundwater wells. He suggested that the approach laid out in the RFP would include an open process with ample opportunities to receive public input and for the District to share the findings with interested members of the local community, which would be helpful in allaying any potential public concerns.

**Mr. Kumar** recommended that the Board discuss and if approved, direct staff to issue RFPs to provide engineering and geological services for drilling and equipping a new groundwater well.

**President Woods** referred to the top of Page 5 of the RFP where seven sites had been identified for potential sites for a well. He was troubled by the language "consultant to evaluate and rank the well sites based on the screening criteria. District would then proceed with well drilling at the highest ranked site." He suggested that would leave out the CEQA step. The VOMWD could not commit itself in the RFP to drill in a particular location prior to analyzing environmental impacts of a Negative Declaration or whatever the case might be. For Felder Road, the VOMWD had done a detailed amount of work on the environmental document although it had never been adopted. He did not want someone to perceive that the Board was prejudging an outcome.

**Mr. Kumar** stated that the two phases of consultant help would be in identifying a site, and then completing the required engineering, including the CEQA process. He stated that no work would proceed beyond a test hole without the completion of the CEQA process. He noted with respect to Felder Road that the test hole had first been placed, and then the results of the test hole had been evaluated, which had been when the environmental consultant was hired. The environmental consultant, in turn, had suggested the retention of a hydrogeologist. He recommended a change to that order to have the hydrogeologist on board from the start and to have the engineering firm complete the required CEQA process.

**President Woods** recommended revisions in the language in the document. Mr. Kumar agreed to make the required changes.

On motion by **Director Bramfitt**, seconded by **Vice President Smith**, and carried unanimously to direct staff to issue RFPs to provide engineering and geological services for drilling and equipping a new groundwater well, with changes to the language suggested by President Woods on Page 5.

**Director Prushko** asked how the seven sites had been identified. He noted that each would be a challenge in terms of water quantity and quality. He suggested that these would be questionable pursuits until the results had been identified. In terms of quantity and quality, Mr. Kumar agreed that each site would be a

challenge.

With respect to the prior comment related to a potential cancellation of the next meeting on August 2, by consensus, the Board continued the meeting to the next regularly scheduled meeting of August 2, 2005 with the proviso that if there was no need to meet for additional business, that meeting could be adjourned to a special meeting on August 16, 2005.

**President Woods** declared a five minute recess at 8:00 P.M. and then adjourned into Closed Session.

**9. CLOSED SESSION**

- A. Conference with Legal Counsel on Existing Litigation, under Government Code 54956.9(a)  
– VOMWD vs. Jacobsen

**10. RECONVENE INTO OPEN SESSION**

**President Woods** reconvened the meeting at 8:42 P.M. and reported that no action had been taken in Closed Session.

**11. REQUEST FOR FUTURE AGENDA ITEMS**

There was no request for future agenda items.

**12. ADJOURNMENT**

Motion by **Director Kenny**, seconded by **Director Bramfitt** and carried unanimously to adjourn the meeting at 8:43 P.M. The next scheduled meeting is a regular meeting on August 2, 2005 at 6:30 P.M.

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Shari Walk, Deputy Board Secretary