

VALLEY OF THE MOON WATER DISTRICT
REGULAR MEETING MINUTES
January 3, 2006

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, January 3, 2006, 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
General Counsel:	Bob Maddow
Public Present:	Carrie Pollard and Lisa Renton, Sonoma County Water Agency (Water Agency), and Sandi Hansen, <u>Sonoma Index-Tribune</u>

2. PUBLIC COMMENTS

There were no public comments.

3. CONSENT CALENDAR

- A. Receive and Approve Minutes of Regular Meeting of December 6, 2005
- B. Resolution No. 060101, Approving Water Facilities Agreement with the Chauvet Hotel and Development Company LLC for a Six Unit Condominium Complex
- C. Receive and File Association of California Water Agencies (ACWA) Joint Powers Insurance Authority, President's Special Recognition Awards.

Motion by **Director Bramfitt**, seconded by **Vice-President Smith** and carried unanimously by a voice vote to adopt the Consent Calendar, as shown.

4. **PUBLIC PRESENTATION**

There was no public presentation.

5. **OPERATIONAL & COMMITTEE REPORTS**

- A. Approve Current Financial Reports for November 2005.

Office Supervisor Shari Walk advised that the Auditor would likely be present at the next Board meeting to present the annual audit report for fiscal year 2004-05.

Motion by **Director Prushko**, seconded by **Vice-President Smith** and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of November 2005 in the amount of \$548,924.10.

- 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 December 2005, as follows:

Project #2855 - Glen Ellen Storage Tank: The physical construction of the steel portion of the tank is complete. The fabrication crew has moved off-site and the podium portion of the crew was now on-site. The weather had stalled the work inside the tank at this time. The Sonoma County Public Works Department had completed an asphalt overlay of Hill Road in time to avoid the heavy rains.

During a transfer of fuel from the blasting trailer to the heater, there had been a spill and the contractor had retained an environmental firm to conduct an assessment and develop a clean up plan. The amount of fuel spilled had been less than the official reporting limit although the VOMWD had notified the Glen Ellen Fire Department of the spill and the Fire Chief had arrived on site and was satisfied with the measures in place to contain the spill.

Mr. Gradolph also reported on the recent storm damage noting that two water mains had been damaged by high waters. The damaged mains are located at the Boyes Blvd. Bridge and at the Fowler Creek Bridge. The affected pipelines had been isolated. No customers had been affected by any outages. Contractor Pipeline Excavator had been hired to repair the damages to both the pipelines. The pipeline at the Fowler Creek Bridge would require the relocation of approximately 250 feet of water mains, to be far enough out of the creek to prevent future occurrences. Staff would work to seek reimbursement of costs through the Federal Emergency Management Agency (FEMA).

In response to Director Prushko, **Mr. Gradolph** noted his uncertainty of the volume of water lost from the breaks, which would be determined once the repairs had been made. The timing of the breaks had been determined from the pressure information from the downstream pump, which indicated that the mains had broken early in the morning. Customers had contacted the VOMWD to report a loss of water pressure.

Director Prushko inquired whether or not staff would test the water once the repairs had been made.

Mr. Gradolph explained that with the new pipe, a bacteria sampling would be done.

- **Project #2892 – Agua Caliente Booster Station:** A Contract was awarded to Bartley Pump Inc. on December 6. Staff and representatives from Winzler & Kelly held a pre-construction meeting with the

contractor and had responded to various technical questions from the contractor. Start of the project was weather dependent. It was possible that ground would not be broken until the spring.

- **Project #2899 – Boyes Springs Water Mains:**
- **Project #2900 – El Verano Area Water Mains:** Staff in process of reviewing the 50 percent completed drawings for the projects.
- **Project #2901 – Glen Ellen Area Water Mains:** Staff comments on the 50 percent drawings had been returned to the design engineer for incorporation into the 90 percent drawings expected in late January.

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 comments.

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

District Counsel Bob Maddow explained that he had chaired the ACWA Legal Affairs Committee and had been paying attention to two areas of concern; one being the movement of water from basin to basin. He referenced a legal issue in the State of Florida regarding an Everglades pumping station which moved water from one side of a levee to another. He advised that the ACWA Legal Affairs Committee had been attracted to the cases because the same legal theories applied to the movement of water from one basin to another here in California as well. The concern in all of the cases had to do with whether or not the movement of water from one hydrologic basin to another would require National Pollutant Discharge Elimination System (NPDES) permits for the movement of water from basin to basin. He noted that in the State of California there was a lot of movement of water from basin to basin.

Mr. Maddow stated that the western water agencies had joined on those cases and had argued that a NPDES permit should not be required for a hydrologic basin movement of water. The outcome of those cases was difficult to predict at this time, given the opinions of some of the Supreme Court Justices.

Further, the ACWA Legal Affairs Committee was interested in a series of cases relating to revenue raising mechanisms of local water agencies. ACWA and some of the other agencies had argued that a series of exemptions could be found where it seems to suggest that a special election process was not required to consider additional charges.

As to whether or not the rate increases could be retroactive, **Mr. Maddow** noted that there was a case before the Appellate Court which the Supreme Court had refused to hear and which had involved the Regents of the University of California and the East Bay Municipal Utility District (EBMUD) over ordinary water use. He described the implications of that situation; particularly where refunds were concerned, and noted that the issues were a continuing troublesome area.

When asked by President Woods, **Mr. Maddow** reported that he was unaware of any decision where the refunds must be done in one fell swoop, although he recalled a case which had involved the Contra Costa Water District which had its rates challenged.

Mr. Maddow further commented that there were no new developments on the Brown Act this year that needed to be reported to the Board.

A. General Manager's Report

General Manager Krishna Kumar reported that the Sonoma County Water Agency had sent a letter to the State Department of Water Resources advising that the Water Agency had not completed the Water Demand Analysis/Water Conservation Assessment and hence the Urban Water Management Plan could not be submitted to the State by the December 31 deadline. The Water Agency had not indicated a date by which it would be submitting the document. He understood that could take another three to four months.

Mr. Kumar also reported that he planned to attend the Joint Management Conference sponsored by the American Water Works Association (AWWA) and the Water Environment Federation in Salt Lake City in February.

8. OLD/NEW BUSINESS

A. Discuss/Appoint: President, Vice President, Secretary, and Deputy Secretary.

Director Kenny nominated Sanford Smith as the President of the VOMWD. There were no other nominations. The nominations were closed. On motion by **Director Bramfitt**, seconded by **Director Prushko**, and carried unanimously by a voice vote to appoint **Sanford Smith** as the President of the VOMWD.

Director Smith nominated Ed Kenny as the Vice-President of the VOMWD. There were no other nominations. The nominations were closed. On motion by **Director Bramfitt**, seconded by **Director Prushko**, and carried unanimously by a voice vote to appoint **Ed Kenny** as the Vice-President of the VOMWD.

Director Bramfitt nominated General Manager Krishna Kumar as the Secretary of the VOMWD Board. There were no other nominations. The nominations were closed. On motion by **Director Bramfitt**, seconded by **Director Smith**, and carried unanimously by a voice vote to appoint **Krishna Kumar** as the Secretary of the VOMWD Board.

Director Smith nominated Office Supervisor Shari Walk as the Deputy Secretary of the VOMWD Board. There were no other nominations. The nominations were closed. On motion by **Director Smith**, seconded by **Director Bramfitt**, and carried unanimously by a voice vote to appoint **Shari Walk** as the Deputy Secretary of the VOMWD Board.

Newly elected **President Sanford Smith** asked that outgoing President Woods continue to Chair the meeting through the remainder of the agenda.

B. Discuss/Appoint: Board Representatives for 2006.

On motion by **Director Kenny**, seconded by **Director Prushko** and carried unanimously by a voice vote to make no changes to the Board Representatives for 2006.

- C. **Receive/Authorize:** Water Conservation Programs Status Update and Authorize Staff to Implement 1) 'Cash for Grass' Turf Rebate Program, 2) Large Landscape Equipment Incentive Program, and 3) Landscape Professionals Workshop

Mr. Kumar reported that the VOMWD had been working to implement the Best Management Practices (BMPs) recommended by the California Urban Water Management Council (CUWCC), particularly BMP5 and BMP1. For BMP5, the VOMWD had been able to exceed the CUWCC BMP requirements by providing water budgets to 97 percent of the dedicated water meter accounts, and by completing landscaping surveys at 28 percent of the commercial mixed use accounts. The VOMWD would be in full compliance with BMP5 if the Board approved a Large Landscape Equipment Rebate Program for business customers to be considered later in the agenda.

For BMP1, **Mr. Kumar** advised that the VOMWD had completed 238 single-family residential water use evaluations to date and was on track to meet the CUWCC requirement of completing residential water use evaluations of not less than 1.5 percent of single-family residential accounts each year for 10 years, beginning Fiscal Year 2002-03. To date, only 5 multi-family units had participated in the water use evaluation program. A much larger participation would be required. Another 141 units needed to complete evaluations by July 1, 2006 if the VOMWD was to meet the 1.5 percent requirement for multi-family units each year beginning FY 2002-03. The CUWCC requirement for BMP 1 had been exceeded by notifying all VOMWD customers of program availability through multiple bill stuffers and advertisements in the Sonoma Index-Tribune.

Director Bramfitt spoke to the multi-family units and questioned if only five units had participated, whether that meant it was only a quarter of the service. **Mr. Kumar** affirmed that was correct in terms of units.

Mr. Kumar reported that he had been directed by the Board to present three additional water conservation programs, one of which was the 'Cash for Grass' Turf Program which would offer VOMWD customers \$0.50 for replacing one square foot of turf with qualified low water using plant material. The rebate would be capped at \$400 per customer up to 800 square feet, and additionally up to \$125 for mulch and drip irrigation equipment up to 25 percent of the cost of the mulch and up to 50 percent of the cost of drip irrigation. If customers chose to remove more than 800 square feet, the total could not exceed \$525.

Mr. Kumar advised that staff would like to introduce the program on an experimental basis up to 30 participants initially at an estimated cost of \$15,750, for an approximate water savings of 3.2 acre feet annually. The actual water savings realized would depend on the quality of the lawn and the related water usage being replaced through the program. Staff would closely monitor the program and report back to the Board whether or not to continue the program beyond the initial authorization of \$15,570, with suggested appropriate changes to the program, if needed.

Director Bramfitt understood that the program would cost roughly \$5,000 per acre foot of annual water savings. He inquired how that would compare to the other BMPs, such as the toilet replacement program. He was advised by **Mr. Kumar** if the annual cost is to be amortized over 15 years, the cost would drop down to \$329 per acre-foot.

With the number of private wells in the area, **President Smith** questioned how there would be assurance that the water saved was VOMWD water as opposed to the well water. He commented that he would be in that position with most of his external irrigation off of his own well while most of his household use was with VOMWD water. He questioned how someone could not take advantage of the VOMWD by participating in

the program.

Mr. Kumar explained that staff could only prevent such an occurrence from happening by excluding everyone who had a well with an assumption that those customers were using well water for irrigation.

Director Woods understood that the program would be a pilot program with a limited number of participants and that the program would be monitored, with appropriate steps to be taken to prevent someone from switching from well water irrigation to take advantage of the program.

Mr. Kumar also identified another conservation program – Large Landscape Equipment Rebate Program – which would be designed to help business customers use water more efficiently. The survey program was offered through the Sonoma County Economic Development Board and consisted of an on site inspection of water fixtures most likely to offer opportunities of conservation and a water use analysis, during which conservation opportunities would be identified.

As part of the audit program, customers would be provided with an estimated irrigation water use budget for the customer's site. The program would pay 50 percent of the customer's total rebate at the time of the project final inspection. The remaining half would be paid after one year if the customer demonstrated twelve months of water use efficiency. The VOMWD would like to introduce the program on an experimental basis with an initial cap of \$15,000. Staff would also closely monitor the implementation of the pilot program and report back to the Board whether or not to continue the program beyond the initial authorization of \$15,000 and also suggest appropriate changes to the program, if needed.

Mr. Kumar identified the third conservation program as a Landscape Professionals Workshop to educate green professionals about the importance of water management. The District would be offering a free class "*Introduction to Landscape Water Management for Landscape Professionals*" on Friday, February 3, 2006, to be held at the VOMWD Board Room and to be taught by the City of Santa Rosa's Water Conservation Representative, Daniel Muelrath.

Further, at the request of the Water Advisory Committee (WAC), the General Manager of the North Marin Water District had been spearheading an effort to form a partnership for all of the contractors and other customers of the Water Agency. The partnership would be called the Sonoma-Marin Savings Water Partnership. The members of the partnership had recognized that establishing common water conservation projects on a regional basis and applicable across the political and jurisdictional boundaries of each party could be a means of cost effectively conserving more water than would otherwise be conserved on an individual agency by agency basis.

A draft Participating Partner Requirements had been completed as an initial step in the formation of the partnership and would be represented to the Board for comments. A companion document, "Memorandum of Understanding Regarding Sonoma-Marin Saving Water Partnership" was still under preparation and would be presented to the Board when available.

Mr. Kumar recommended that the VOMWD Board receive the status update on the VOMWD's water conservation program and authorize staff to implement the 'Cash for Grass' Turf Rebate Program, the Large Landscape Equipment Rebate Program, and the Landscape Professionals Workshop.

Motion by **Director Bramfitt**, seconded by **President Smith**, carried unanimously by a roll call vote, to receive the status update on the District's water conservation program and authorize staff to implement the 'Cash for Grass' Turf Rebate Program, the Large Landscape Equipment Rebate Program, and the Landscape

Professionals Workshop.

- D. Adopt/Authorize:** Resolution No. 060102 Declaring Support for Enactment of the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 Either as a Legislative Bond Initiative or as a Voter Initiative and Authorizing the President to Sign Letters of Support for the Act

Mr. Kumar advised that proponents of Proposition 50 had formed a new bond measure for \$5 billion, with approximately \$1 billion for the Integrated Regional Water Management (IRWM) Plans throughout the State and would allocate up to \$45 million for coastal salmon and steelhead restoration programs. It was uncertain whether or not the bond would be a voter initiative or a legislative bond initiative.

Mr. Kumar recommended that the VOMWD Board adopt Resolution No. 060102 declaring support for the enactment of the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, either as a legislative bond initiative or as a voter initiative and authorizing the President to sign letters of support for the Act.

Director Woods noted that the VOMWD had worked on Proposition 50 and had helped with legislative briefings to line up support. The VOMWD had also, met with Legislators in Sacramento to urge support for the measure and the distribution of the funds in an equitable manner.

Lisa Renton, Sonoma County Water Agency, acknowledged that Proposition 50 had been adopted in November 2002 with the programs in that proposition now being implemented. As to the water management program portion of Proposition 50, she explained that, the applications were in and the planning and letters of commitment were due to come out this month. The Water Agency, along with the districts involved in the Bay Area, had recommended full funding for the planning grant. It was expected that call backs would be received from the first round of implementation at the beginning of February which would involve a two step process.

In response to Director Woods, **Ms. Renton** advised that she was uncertain of the status of the line item in Proposition 50 for a VOMWD request of one million dollars.

Director Woods supported an additional bond but did not want to lose sight of the fact that the work had been done a few years ago and the VOMWD had done at that time what it could, to publicly and privately support the proposition. He would like to see that line item come back to the VOMWD.

Ms. Renton expressed the willingness to clarify the status of the VOMWD line item in Proposition 50. She added that of the 2006 Water Fund, more than a billion dollars had been allocated for those types of infrastructure problems. She suggested that they would be hard pressed to find a project that would not qualify for funding through the new Water Bond, with the exception of surface water storage. Additionally, the Water Agency was working to meet with Senators Perata and Torlakson on the language in the bond to ensure that it would benefit all partners of the Water Bond.

In response to **Director Prushko** of the potential grant totals and decision process, **Ms. Renton** explained that for implementation the maximum was \$50 million for the entire region, comprising the nine Bay Area counties. The receipt of funds was determined by a joint administration of the staff from the Department of Water Resources, and the State Water Resources Control Board. The bond proposal was currently under review and those agencies would determine whether or not a full proposal would be required and the amount

of money that could be expected. Funds from the bond were expected to be awarded by July 2006.

In further response to **Director Prushko** as to who would ensure the appropriate distribution and expenditure of funds, **Ms. Renton** was uncertain and suggested that the Government Affairs Coordinator for the Water Agency could answer such inquiries.

Motion by **Director Bramfitt**, seconded by **Director Kenny**, and carried unanimously by a voice vote to adopt Resolution No. 060102 declaring support for the enactment of the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, either as a legislative bond initiative or as a voter initiative and authorizing the President to sign letters of support for the act.

- E. Receive/Authorize:** Staff to Explore Additional Opportunities, if any, to Increase the Long-term Reliability of the District's Water System Including Examining the Feasibility of Teaming up with the Sonoma Development Center (SDC) to More Effectively use or Expand the Existing Emergency Inter-tie Agreement Between the District and the SDC

Mr. Kumar explained that several projects were in progress that would effect the VOMWD long-term water supply situation; the completion of the Environmental Impact Report (EIR) for the Water Supply Transmission Reliability Project by the Water Agency, the Completion of the Collector 6 Project and the Eldridge-Madrone Pipeline by the Water Agency, the Preparation of the 2005 Urban Water Management Plan, the successful development of a new water well and the introduction of additional water conservation programs.

Mr. Kumar recommended that the Board direct staff to explore additional opportunities, if any, to increase the long-term reliability of the VOMWD's water system, including examining the feasibility of teaming up with the Sonoma Developmental Center to more effectively use or expand the existing emergency inter-tie agreement between the VOMWD and the SDC.

Director Woods supported the pursuit of all opportunities.

On motion by **Director Prushko**, seconded by **Director Kenny**, and carried unanimously by voice vote to authorize staff to explore additional opportunities, if any, to increase the long-term reliability of the VOMWD's water system including examining the feasibility of teaming up with the Sonoma Development Center (SDC) to more effectively use or expand the existing emergency inter-tie agreement between the District and the SDC.

9. CLOSED SESSION

There was no Closed Session.

10. RECONVENE INTO OPEN SESSION

There was no Closed Session.

11. REQUEST FOR FUTURE AGENDA ITEMS

While there were no requests for future agenda items, **Director Woods** took this time, to thank the Board for the opportunity to serve as the Board President for the past couple of years. He added that it had also been a pleasure working with Boardmembers and a delight to work with General Manager Kumar. He also complimented the consistent professionalism over the years of Operations and Maintenance Supervisor Paul Gradolph, Office Supervisor Shari Walk, and the field and office staff.

Director Woods further recognized the great press relations with the Sonoma Index-Tribune and contributions from **District Counsel Bob Maddow** who had a long career in representing public agencies.

Director Prushko complimented **Mr. Woods** for his leadership and legal expertise, particularly regarding recent issues that faced the District.

12. ADJOURNMENT

Motion by **Director Kenny**, seconded by **Director Bramfitt**, and carried unanimously to adjourn the meeting at 7:58 P.M. The next scheduled meeting is a regular meeting on February 7, 2006 at 6:30 P.M.

Shari Walk, Deputy Board Secretary