

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

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, October 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 Sanford Smith** 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
Directors Excused:	Michael Woods
District Personnel:	Shari Walk, Office Supervisor Paul Gradolph, Operations and Maintenance Supervisor
General Manager:	Krishna Kumar
Public Present:	Sherri Lewis, Russell Townsend, Jim Winter (Winzler & Kelly) and Sandi Hansen, <u>Sonoma Index-Tribune</u>

**2. PUBLIC COMMENTS**

There were no comments from the public.

**3. CONSENT CALENDAR**

- A. Receive and Approve Minutes of Regular Meeting of September 5, 2006
- B. Informational Item – Sonoma County Water Agency’s Water Supply Approvals
- C. Informational Item – New Procedures for Outside Service Area Agreement Applications to Sonoma County LAFCO

Motion by **Vice President Kenny**, seconded by **Director Bramfitt** 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 August 2006

**Office Manager Shari Walk** advised that funds in excess of \$37,000 had been received from the Federal Emergency Management Agency (FEMA) for winter storm damage.

Motion by **Director Bramfitt**, seconded by **Director Prushko** and carried unanimously by a roll call vote to approve the monthly Financial Reports & Disbursements for the month of August 2006 in the amount of \$941,118.69.

### 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 September 2006, as follows:

- **Project #2892 – Agua Caliente Booster Station:** Project nearing completion. Items that remained to be completed were the fencing, PG&E electrical service and the SCADA programming. The pump station would be on line and ready for the next peak demand period.
- **Project #2899 – Boyes Springs Water Mains:** The project is complete with the exception of a slurry seal. Staff had been able to negotiate a 50 percent reduction in the area that Sonoma County Permit and Resource Management Department (PRMD) had originally identified for slurry seal. The reduction would result in substantial cost savings to the VOMWD currently being negotiated with the contractor.
- **Project #2900 – El Verano Area Water Mains:** Fedco Construction had completed the water main and service installation on Riverside Drive and is nearing completion on Olive Avenue. Once completed, the water lines would be pressure tested and sampled for water quality. With acceptable test results, the mains and services would be connected and placed in service. The removal of the chip seal requirement from the encroachment permit had resulted in a cost savings to the VOMWD of \$9,792.
- **Project #2902 – Production Well No. 5:** The pilot hole was completed to a depth of 930 feet and was then tested for porosity and potential water availability. The engineer had reviewed the data and had designed a well structure to a depth of 700 feet as no significant porous material had been detected below that level. The reaming of the pilot hole was completed on September 28. Installation of the well casing and screen is anticipated to start the first week in October. After the placement of the well casing, aquifer pumping and water quality testing would begin.

### C. Water Source Report

**Director Prushko** verified with Mr. Gradolph that 12 percent of the monthly water supply for August was from VOMWD wells and that staff checked the level of the wells periodically on Fridays. He was also advised that there was no substantial drop in water levels.

**Mr. Gradolph** added that staff was in the process of sequentially shutting the wells down in preparation for the winter months.

When asked, **General Manager Krishna Kumar** advised that in July the VOMWD had used 394 acre feet of Russian River water, with 362 acre feet used in August.

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

**Director Bramfitt** highlighted the second meeting of the Sonoma Valley Groundwater Management Basin Advisory Panel. He advised that the technical presentations earlier offered to the VOMWD Board of Directors had been offered the Advisory Panel at its first two meetings. The next meeting was scheduled for October 16 at 2:00 P.M. at the Sonoma Community Center. He reported that he had been asked to Chair the Advisory Panel at the request of the Board of Supervisors through Supervisor Valerie Brown.

## **7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORT**

### **A. Technical Advisory Committee (TAC) Meeting of October 2, 2006.**

**General Manager Kumar** highlighted the three items discussed by the TAC at its October 2 meeting. He reported that Chris DeGabriele from the North Marin Water District had been elected as the first Chair of the TAC and he had been elected as the Vice Chair. For the second item, the City of Santa Rosa's consultants had made a presentation regarding the status of its Discharge Compliance Project. He noted that the Sonoma County Water Agency (Water Agency) would be submitting its comments on the City's Discharge Compliance Project Environmental Impact Report (EIR) in the near future.

**Mr. Kumar** stated that the third item related to the Water Agency's presentation on what it labeled as "Elements of a Dry Creek Solution." He noted that even at the current limit of 75,000 acre feet per year, the water releases from the Warm Springs Dam would need to be limited to 90 cfs in dry months to aid fish. Two alternative proposals had been offered to accomplish that reduced flow. The first was the implementation of habitat restoration in Dry Creek at a cost of \$50 to \$100 million. He stated that could be funded jointly by the Water Agency, the US Army Corps of Engineers and the Warm Springs Dam Tax Increment. The second alternative would be the construction of a pipeline to convey a portion of the releases in dry months at an estimated cost in excess of \$500 million, such cost to be borne by the water contractors.

**Mr. Kumar** explained that the Biological Opinion (BO) expected to be released by the National Marine Fisheries in early 2007, was expected to specify the steps to be taken to improve the habitat of Dry Creek. As such, the two alternatives could be included in the BO. He added that the options became even more important because at the 101,000 acre foot level, a re-consultation on the BO would need to occur. He explained that the Water Agency preferred the habitat restoration alternative given the reduced cost and the multiple funding sources.

**Mr. Kumar** explained that the County Water Agency was doing everything possible to address the situation, including the preparation of a water supply EIR, and a flow proposal Environmental Impact Statement (EIS) that would take into account the flows required to deliver water at the 101,000 acre foot level and the minimum flows stipulated under Decision 1610.

**President Smith** verified with Mr. Kumar that the current peak flows in Dry Creek were in the range of 200 cfs (cubic feet per second). He suggested that the habitat restoration would be needed with or without the pipeline.

**Director Bramfitt** concurred and stated that as long as the Water Agency was in the river system, it would

have to be responsible for the habitat restoration. With a \$100 million cost for habitat restoration that would allow the current take and might or might not allow a take of 101,000 acre feet, and with a second option for a \$500 million pipeline to take water from the dam to the Russian River, he would have thought that a third option would have been proposed to build a pipeline from the dam down to Wohler for the Water Agency to get out of the river system entirely. Given the huge costs involved, he wanted an assurance that a \$100 million restoration of Dry Creek habitat would enable the Water Agency to deliver 101,000 acre feet out of the Russian River.

**Mr. Kumar** added that the Water Advisory Committee (WAC) Chairperson had specifically asked the TAC to study the issue at length to formulate a recommendation to be submitted to the WAC. That information would also be presented to the VOMWD as well.

**Director Prushko** suggested that the other option would be to place a moratorium on building.

## 8. OLD/NEW BUSINESS

- A. **Discuss/Accept:** Annual District Audit Report for Fiscal Year 2005-2006  
Completed by Moss, Levy & Hartzheim, Certified Public Accountants

**Mr. Kumar** advised that the VOMWD had received a clean unqualified opinion, the highest opinion possible. He reported that for the last two years a Management Discussion and Analysis (MD&A) had been prepared by staff as a layman's version of the auditor's report.

**Mr. Kumar** stated that Office Manager Shari Walk had worked with the auditors on a day-to-day basis. He commended her for her work.

Motion by **Vice President Kenny**, seconded by **Director Bramfitt** and carried unanimously by a roll call vote to accept the VOMWD's Annual Audit Report for Fiscal Year 2005-2006.

- B. **Discuss/Approve:** Agua Caliente Booster Pump Station No. 2.
1. Approve Change Order No. 2 in the Amount of \$22,623 to Bartley Pump
  2. Authorize the General Manager to Sign an Agreement With Meyer Control Corporation for a Not-to-exceed Amount of \$15,300 to Provide SCADA Programming

**Mr. Kumar** stated that Bartley Pump had submitted Change Order No. 2 for \$22,623 which essentially involved six items as delineated in the staff report dated October 3, 2006.

In response to Director Prushko's concern for those items and whether or not staff had looked at the final proposal, **Mr. Gradolph** stated that he had looked at the final plans but had missed some of the items in question. He stated the original draft design included pump control valves had been installed on the VOMWD side of the pumps with starters that started the motors at a constant speed. The design had been changed to variable frequency drives and the pump control valves were no longer needed, although those valves also acted as a check valve. When deleted, the check valve did not get put in place on the drawings. He had missed that situation. He added that additional issues had come about during construction when, for instance, the pipeline was not level to the existing slope and additional fittings had to be added to increase

the pump level.

With respect to the second item related to SCADA programming, **Mr. Kumar** stated that Control Systems West was the subcontractor assigned to do SCADA programming for both the Hill Road tank project and the booster pump station project. There had been some difficulties in that process primarily due to Control Systems unfamiliarity with the VOMWD's programming. He stated that staff had worked through the tank situation although it had been difficult to get to the design functionality expected of the proposal. He noted the claim, not shared by staff, that the specs were not clear enough to deliver the functionality expected. To deliver the required level of functionality, Control Systems requested another \$9,000.

**Mr. Kumar** stated that the options were to pay the \$9,000 to Control Systems West or to consider the quote for \$15,300 from Meyer Control Corporation, which had previously provided programming for the VOMWD. He commented that there would be a credit from Control Systems West in the approximate amount of \$6,000 for deleting the item. He recommended that the item be deleted entirely from Control Systems West to then get that work done through Meyer Control Corporation for a comparable amount.

When asked by Vice President Kenny, **Mr. Gradolph** stated that Meyer Control Corporation had done the last two phases of the SCADA project. He stated that there had been no problems with Meyer's programming of the system. He added that a firm which understood the complexity of the existing programming was needed.

**Director Bramfitt** commented that while he supported the proposal for the change and did not see huge financial consequences, he was concerned that the original designer/implementer of the SCADA system was the only capable contractor to do work, which was not open architecture and which would preclude competitive bidding in the future. He expressed his disappointment that the VOMWD did not get what it wanted. While he did not fault staff for this and the prior situation, he asked that his indications of dismay be forwarded to the VOMWD's design engineers who were expected to provide a level of expertise in matters like this.

**Director Prushko** suggested that there needed to be more research on who could provide that technical support in the industry.

When asked, **Mr. Gradolph** stated that Santa Rosa and Marin used their own SCADA programmers.

Motion by **Director Bramfitt**, seconded by **Director Prushko** and carried unanimously by a roll call vote to approve Changer Order No. 2 in the amount of \$22,623 to Bartley Pump Inc. and to authorize the General Manager to sign an agreement with Meyer Control Corporation for a not-to-exceed amount of \$15,300 to provide SCADA programming.

- C.     **Discuss/Approve:**     Proposed Staffing Changes
1.     Approve the Job Description of the Water Distribution Specialist
  2.     Effective February 7, 2007, Delete the Position of Lead Mechanic/Chief Inspector and Replace with that of a Water Distribution Specialist
  3.     Effective February 28, 2007, Delete the Position of Special Programs Coordinator and Replace with that of a Water Distribution Mechanic I or II, Based on Availability

**Mr. Kumar** advised that two long-term employees would be retiring in early 2007. Those employees served as Lead Mechanic/Chief Inspector and Special Programs Coordinator. He noted that the Water Agency had been asked to provide help with water conservation activities. Carrie Pollard had been assigned to do that. He commended her work and noted the economies of scale involved since she was a professional in the field and did the same work for the cities of Sonoma and Rohnert Park. He stated that would allow the combining of some of the tasks from both positions into a new position called Water Distribution Specialist. It would also allow the filling of the second position with certified field personnel.

**Mr. Kumar** advised that he had discussed the proposed changes with the bargaining unit which had agreed with the recommended changes. He recommended the approval of the job description of the Water Distribution Specialist, and effective February 7, 2007 to delete the position of Lead Mechanic/Chief Inspector and replace that with a Water Distribution Specialist, and effective February 28, 2007 to delete the position of Special Programs Coordinator and replace that with a Water Distribution Mechanic I or II, based on availability. He advised that the jobs would be made available to employees from within as well as external candidates.

**Director Bramfitt** stated that he trusted the General Manager to plan the staffing and personnel needs of the VOMWD and was pleased with that aspect of the VOMWD. He was also pleased with VOMWD employees in general. He otherwise expressed some concern for the limited number of candidates that would be attracted given the current housing environment.

**Vice President Kenny** wanted to make sure that new hires would not mind traveling.

**President Smith** verified with Mr. Kumar that there were people on staff who would qualify for the positions.

**Director Bramfitt** suggested that the positions be posted internally and externally.

In response to Director Prushko as to who would make the selections, Mr. Kumar advised that the selection process involved initial screening and interviews with a panel comprising of senior staff from the District as well as outside, with the ultimate hiring decisions to be made by the General Manager.

Motion by **Director Bramfitt**, seconded by **Director Prushko** and carried unanimously by a roll call vote to approve the job description of the Water Distribution Specialist as contained in the staff report dated October 3, 2006; Effective February 7, 2007 to delete the position of Lead Mechanic/Chief Inspector and replace with that of a Water Distribution Specialist; and Effective February 28, 2007 to delete the position of Special Programs Coordinator and replace with that of a Water Distribution Mechanic I or II, based on availability.

D.      **Receive/File:**                      Annual Water Audits.

**Mr. Kumar** stated that American Water Works Association had come up with a new methodology to calculate and measure the amount of water loss and had started distributing software that could be used to compute the water loss. He made a presentation and identified the several components of water supply tracked by the audit, including unauthorized consumption, apparent losses, real water losses, unavoidable real losses, and non-revenue water. For the VOMWD system, a value of 40 million gallons had been identified as unavoidable annual real losses. He described the infrastructure leakage index as the ratio between the total real losses and the unavoidable real losses. For 2006, the infrastructure leakage index for VOMWD was 4.

**Mr. Kumar** identified the key to the index of water losses. He stated that the index for the VOMWD should be between 2 and 3, a desirable range in situations where water resources were costly to develop or purchase. He referred to the pipeline rupture and suggested that had led to the spike in water losses in 2006. It was his hope that for the next year the index would be between 2 and 3. He also described the system-wide leak detection program, noted that 17 leaks had been identified, and advised that one leak had been very large.

When asked, **Mr. Gradolph** stated that he was very pleased with the water leak survey crew. He suggested that the index would be between 2 and 3 next year.

**Director Bramfitt** noted his understanding of getting the unaccounted for water below 10 percent. Regardless of the new system, he stated that 11.5, 10.8 and 10.2 percent had been shown for the previous three years. Despite all the work that had been done to avoid leaks, he did not see the VOMWD getting below 10, although **Mr. Kumar** suggested that would occur given that the VOMWD's first system wide leak detention had recently been completed.

**Director Bramfitt** reiterated all the activities that the VOMWD had engaged in, such as leak detection surveys, the replacement of lines, and polybutylene replacement and asked what activity produced the most reward in getting the total number down.

**Director Prushko** verified with Mr. Gradolph that estimates of the flow volume of flushed meters and the like were kept for reference. He also verified that there was no report of how much water was used by the fire department to fight fires, for instance.

**Vice President Kenny** asked for comparisons of water used by fire departments elsewhere. He also questioned the percentage of actual water loss.

**Mr. Kumar** reported that the annual cost of apparent unavoidable water losses was approximately \$50,000 and the annual cost of real losses was in the range of \$200,000 for 2006.

E.      **Receive/File:**                   Historical Water Production Report and Residential Customer Charges and Water Usage Distribution Chart for FY 2005-06; Informational Item.

**Mr. Kumar** presented a snapshot of the last 30 years of the VOMWD's total production from 1974-75 to 2005-06. He stated that the first year there was approximately 1,600 acre feet of water from the Aqueduct and 300 acre feet from wells for a total of 1,900 acre feet. During the 32-year period, he noted that the Aqueduct had ranged from 1,600 to over 3,000 acre feet. He explained that well production had increased from 300 acre feet to 700 acre feet in 1999/2000. The wells had been managed in a steadier fashion since that time. He stated that the total range was from 1,900 to 3,400 acre feet during those 32 years. He noted, when asked, that the VOMWD had been formed in 1962.

**Mr. Kumar** explained that the report included both the annual percentage changes as well as an annualized percentage change for three 10-year periods. He stated that the production increased at an annualized rate of 2.0 percent during the first 10 years, 3.7 percent during the next 10 years and 0.04 percent during the last 10 years. He suggested that the increase in the middle 10 years related to build out.

**President Smith** suggested that it would be interesting to see the per connection use over that period of time to determine the effectiveness of conservation efforts.

**Mr. Kumar** stated that the information would be submitted to the VOMWD Board in the future.

**Mr. Kumar** also presented an analysis of the pattern of water usage by the VOMWD customers in 2006, which he suggested was significant in terms of introducing the tiered water rate system in 2004. He pointed out the averages for each group. He explained that 90 percent of the VOMWD ratepayers paid less than \$36 per month. The top 10 percentile paid \$226 per month. The lowest 10 percent brought in one percent, the 90 to 95 percentile brought in 12 percent and the top one percent brought in approximately 8 percent of revenues. Mr. Kumar stated that the top ten percent of the District's customers represented 35 percent of the revenue and used 30 percent of the water.

9. **CLOSED SESSION**

A. None

10. **RECONVENE INTO OPEN SESSION**

There was no Closed Session.

11. **REQUEST FOR FUTURE AGENDA ITEMS**

**Director Prushko** referred to a new Toilet program, the HET program, and requested a report on what was available, why those types of toilets were being considered and why the VOMWD as a district should follow the program.

**Mr. Kumar** stated that would tie in with a request from Director Bramfitt related to new standards for new housing developments.

12. **ADJOURNMENT**

On motion by **Vice President Kenny**, seconded by **Director Bramfitt** and carried unanimously by a voice vote to adjourn the meeting at 7:55 P.M. The next scheduled meeting is a regular meeting on Tuesday, November 7, 2006 at 6:30 P.M.

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Shari Walk, Deputy Board Secretary

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Sanford K. Smith, Board President