

SAN JUAN WATER DISTRICT

Board of Director's Workshop Minutes

April 16, 2015 – 4:00 p.m.

BOARD OF DIRECTORS

Ted Costa	President
Pam Tobin	Vice President
Ken Miller	Director
Dan Rich	Director
Bob Walters	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Shauna Lorance	General Manager
Keith Durkin	Assistant General Manager
Teri Hart	Board Secretary/Administrative Assistant
Ryan Bezerra	Legal Counsel

OTHER ATTENDEES

Mary Lynn Scherrer	Customer
Don Simmons	Customer
Al Dains	Citrus Heights Water District (CHWD)
Bob Churchill	CHWD
Hilary Straus	CHWD
Lucy Eidam Crocker	Crocker & Crocker
Kate Motonaga	San Juan Water District (SJWD)
Tony Barela	SJWD
Judy Johnson	SJWD
Vicki Sacksteder	SJWD
Mitch Dion	SJWD

AGENDA ITEMS

- I. Public Comment**
- II. Review and Discussion of Governor's Drought Executive Order and SWRCB Regulatory Framework**
- III. Review and Discussion Regarding Impacts on SJWD and Potential Response Measures**
- IV. Public Comment**
- V. Closed Session**
- VI. Open Session**
- VII. Adjourn**

President Costa called the meeting to order at 3:30 p.m.

I. PUBLIC COMMENT

Mr. Bob Churchill addressed the Board and introduced the new CHWD Assistant General Manager, Hilary Straus.

Ms. Lorance conducted a presentation on *2015 Drought Conservation Requirements*. A copy of the presentation will be attached to the meeting minutes. The presentation covered Current Requirements, Governor's Executive Order, SWRCB Draft Rules, What We Did in 2014, and What to Do in 2015. Ms. Lorance covered agenda items II and III together in her presentation.

II. REVIEW AND DISCUSSION OF GOVERNOR'S DROUGHT EXECUTIVE ORDER AND SWRCB REGULATORY FRAMEWORK

III. REVIEW AND DISCUSSION REGARDING IMPACTS ON SJWD AND POTENTIAL RESPONSE MEASURES

Ms. Lorance explained that Board direction is needed regarding the Water Stage Declaration, Meter Reading, Monthly Billing, Number of Water Days, Targeting High Water Users, Enforcement, and Drought Rates. She explained that there are budget impacts to most of these items.

The Board discussed the topics below in more detail:

- Per Capita is the water usage divided by 3.7, which is the household average that the Department of Water Resources provided to SJWD
- SJWD will work with RWA regarding conservation grants
- SJWD does not provide a cash for grass rebate at this time, however, there may be grants available for this program in the near future
- SJWD provides rebates for irrigation improvements, high-efficiency washing machines, high-efficiency toilets, and hot water demand systems
- Reductions are for retail residential water users
- Water stage declaration to a stage 4
- Changing meter reading to once per month in order to place online for customers
- Billing monthly in addition to the monthly meter reading
- Two days per week watering unless the Board has another plan in place
- Targeting high water users and enforcement level
- Enforcement of conservation efforts when dealing with Home Owners Associations and other such scenarios
- Dissemination of information to the public
- Possible implementation of Drought Rates

Vice President Tobin moved to stay at Stage 3. Director Walters seconded the motion. Vice President Tobin withdrew her motion after the Board discussed the topic.

The Board discussed the differences between conservation stage 3 and stage 4. In addition, they discussed the possibility of a modification or enhancement of either stage to meet the Governor's executive order. The Board discussed whether an ordinance change was required or if the Governor's executive order was sufficient to implement without an ordinance change. Mr. Bezerra suggested that the Board agree on what needs to be changed and then approve as one item.

The Board discussed the upcoming meeting of the SWRCB and possible changes to the regulations. Director Miller voiced concern regarding ponds and wildlife, and the assumption that ponds are being filled with SJWD potable water. Vice President Tobin suggested that the ordinance reflect that ponds cannot be filled with potable water. Ms. Lorance commented that she does not believe that the SWRCB will change their regulations and in the meantime staff would like direction from the Board.

Mr. Bezerra informed the Board that the SWRCB adopted regulations in mid-March requiring 2 days per week watering unless an agency adopts alternate conservation plans. In addition, the SWRCB released a proposed framework last week which requires between 10% and 35% water conservation assigned by tiers, along with other conservation requirements such as no watering medians.

The Board discussed the topic and directed staff to bring back information on the following options with the associated anticipated costs:

Vice President Tobin's Suggestion:

- Stage 3 – modified, change to stronger wording than “Warning”
- 2-day per week watering
- Achieve 35% water conservation – targeting high water users
- Consider monthly meter reading at a future date
- No new landscaping per the requirements of the state
- No median watering

Director Rich's Suggestion:

- Stage 4 – modified
- Additional public outreach
- 2-day per week watering
- Target high water users
- No monthly meter reading

President Costa's Suggestion:

- Stage 3 - enhanced
- 2-day per week watering
- Review pond restrictions
- No monthly meter reading
- No water cops
- Contact high water users

Ms. Lorance will provide the most current SWRCB mandates separate from the Board's suggestions.

Director Walters suggested that the Reconnection Fees, which are not subject to Prop. 218 notice requirement, be utilized. Ms. Lorance commented that it would be assumed that a Drought Rate would be utilized as well.

In response to Director Miller's comments, Mr. Bezerra explained that it is proposed that the \$10,000 per day fine would not be considered by the SWRCB until after February 2016 which would give agencies until then to reduce water use by the percentage required of them. In addition, Mr. Bezerra explained that along with the existing SWRCB reporting requirements, agencies will have to report the gallons per capita per day.

Director Miller requested that staff provide information on the high water users to show if they conserved more how much water would be saved. In addition, he suggested that the District look at adding an over-use charge for those customers who use over an allotted amount.

Vice President Tobin suggested that the District's website include an overall retail production tracking graphic to show if the District as a whole is reaching the 35% conservation requirement.

In response to Director Rich's question, Mr. Bezerra explained that the Drought Rates were previously approved by the Board after the required Prop. 218 notice and therefore they could be implemented by Board approval as long as the implemented drought rate is not over the cap established in the approved Drought Rates.

In response to Director Walters' question, Ms. Lorance explained that there are separate drought rates for stages 3-5, which could be implemented for each stage. Mr. Durkin explained that the Drought Rates were established by Bob Reed so that the customer's bill remains approximately the same if they meet the conservation requirement.

Ms. Lorance will develop a recommendation to the Board based on the direction and discussion from today's workshop.

For information only; no action requested.

IV. PUBLIC COMMENT

Mr. Bob Churchill informed the Board that CHWD reaffirmed Stage 3 by resolution and added the Governor's items. He commented that working with ordinances and not resolutions makes it difficult to react. Ms. Lorance explained that SJWD has to follow the Community Services District rules. In addition, he suggested that SJWD discuss irrigation restrictions with the county building departments. Ms. Lorance commented that the irrigation restrictions will be included in the District's will serve letters. Ms. Lucy Eidam Crocker commented that ACWA is working on messaging regarding growth and development and will have some will serve messaging available.

Mr. Don Simmons addressed the Board and voiced concern regarding filling of swimming pools and a possible safety hazard if not allowed to fill his pool. Ms. Lorance explained that existing pools can be filled to maintain correct water levels; however, a customer cannot drain a pool to refill it with District potable water.

Mr. Al Dains informed the Board that CHWD adopted a modified Stage 3 with a 3-day per week watering schedule but gave direction to staff to recommend the Governor's 2-day per week proposal. Ms. Lorance commented that agencies can have special watering schedules with industrial, such as golf courses, as long as they meet a 25% reduction.

President Costa called for Closed Session at 5:30 pm.

V. CLOSED SESSION

1. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(b); significant exposure to litigation involving state and federal administrative proceedings and programs affecting District water rights

President Costa returned to Open Session at 5:35 pm.

VI. OPEN SESSION

1. There was no reported action during closed session.

VII. ADJOURN

The meeting was adjourned at 5:35 p.m.

EDWARD J. "TED" COSTA, President
Board of Directors
San Juan Water District

ATTEST:

TERI HART, Board Secretary