



Desalination Task Force Minutes
3:00 p.m. – Wednesday, February 18, 2009
City of Santa Cruz Water Department Conference Room
212 Locust St, Suite A, Santa Cruz California

For the purpose of preparation of the minutes the following terms will be used throughout the current and all future minutes. The City of Santa Cruz/Soquel Creek Water District Desalination Task Force will be referred to as the “Task Force.” The City of Santa Cruz will be referred to as the “City” and the City of Santa Cruz Water Department will be referred to as the “SCWD.” The Soquel Creek Water District will be referred to as “SqCWD.” A member of the Soquel Creek Water District Board of Directors will be referred to as “Director” and the Soquel Creek Water District General Manager will be referred to as “General Manager.” A member of the Santa Cruz City Council will be referred to as “Councilmember” and the Director of the City of Santa Cruz Water Department will be referred to as “Water Director.”

Call to Order Chair M. Rotkin called the meeting to order at 4:00 p.m. in the City of Santa Cruz Water Department Conference Room.

Roll Call

Present: Director B. Daniels, Director D. Kriege, Councilmember D. Lane (alternate) and Councilmember M. Rotkin (Chair).
Staff: Deputy Water Director L. Almond, General Manager L. Brown, Water Director B. Kocher, Public Outreach Coordinator M. Schumacher.
Others: Brent Haddad, Project Agreement Facilitator.

Presentation There were no presentations.

Statements of Disqualification There were no statements of disqualification.

Oral Communications There were no oral communications.

Announcements

Director Kriege reported that Desalination Project Coordinator H. Luckenbach made a very interesting and informative presentation to the Soquel Creek Water District Board of Directors at a recent meeting.

Informational Items No action was taken on this item.

Approval of Minutes

Director B. Daniels moved to approve the January 21, 2009 Desalination Task Force minutes as amended to include the full text of the seven Capital Cost Allocation principles that the Task Force agreed upon. Councilmember D. Lane seconded.

VOICE VOTE MOTION CARRIED
AYES: B. Daniels, D. Kriege, D. Lane and M. Rotkin.
NOES: None.

General Business

1. 2009 Task Force Meeting Schedule

This item was continued to next meeting scheduled for Wednesday, March 18, 2009 at 4 p.m. at Soquel Creek Water District Board Room, 5180 Soquel Drive, Soquel, California.

2. 2009 Election of Officers

Chair M. Rotkin opened the floor to nominations for Chair and nominated Director B. Daniels.

Councilmember D. Lane moved to close nominations and elect Director B. Daniels as Desalination Task Force Chair. Director D. Kriege seconded.

VOICE VOTE MOTION CARRIED
AYES: B. Daniels, D. Kriege, D. Lane and M. Rotkin.
NOES: None.

Chair B. Daniels opened the floor to nominations for Vice-chair and nominated Councilmember M. Rotkin as Vice-chair.

Councilmember D. Lane moved to close nominations and elect Councilmember M. Rotkin as Desalination Task Force Vice-chair. Director D. Kriege seconded.

VOICE VOTE MOTION CARRIED
AYES: B. Daniels, D. Kriege, D. Lane and M. Rotkin.
NOES: None.

3. Multi-year Budget: Desalination Program

Water Director Kocher provided the staff report and answered task force questions on this item.

The Task Force requested that staff open discussions with the University in regards to reducing or restructuring financial agreement for the improvements that are being required after dismantling the pilot plant at the Long Marine Laboratory.

Councilmember M. Rotkin moved approval of the multi-year budget estimate. Director D. Kriege seconded.

VOICE VOTE MOTION CARRIED

AYES: B. Daniels, D. Kriege, D. Lane and M. Rotkin.
NOES: None.

4. Independent Technical Advisor – Contract Renewal

Deputy Director L. Almond provided the staff report and answered task force questions on this item.

Director D. Kriege moved to recommend approval of the scope of work and budget with Kennedy/Jenks Consultants as Independent Technical Advisor to the scwd2 Desalination Program. Councilmember M. Rotkin seconded.

VOICE VOTE MOTION CARRIED

AYES: B. Daniels, D. Kriege, D. Lane and M. Rotkin.
NOES: None.

5. Draft Project Plan & Agreement – Issues Settled/Issues to be Settled

The Draft Project Plan & Agreement is an ongoing work product and standing agenda item.

1. Production scheduling: priority system.

The task force requested that the paragraph on the proposed clause regarding repeated heavy summer utilization of the desalination plant be deleted.

Comments were made by Water Commissioner A. Schiffrin stating that a 59% City and 41% SqCWD capital cost share does not seem fair or equitable since SqCWD will have the right to the water produced more often than the City. It is important that the public perception of the cost share is equitable for both agencies.

The task force held a lengthy discussion in regard to Commissioner Schiffrin’s comments and determined that the production scheduling priority system and capital cost allocation as presented by Dr. Haddad has been agreed upon by the task force.

2. Draft Emergency Call for Desalinated Water Principles and Procedures.

Task Force Comments:

The second principle should be rewritten using positive language.

The language must be very clear and specific to prevent misuse or abuse of desalinated water.

The language should be stated in a way that would be useful to an arbitrator.

The term “emergency” needs to be clearly defined, possibly using the Webster’s dictionary definition.

The emergency duration should not necessarily be 30 days.

3. Capital Cost Allocation

The task force requested that principle ii. System Preparation be expanded to include information on how water will be delivered to SqCWD.

4. Interim MOU between agencies.

The task force generally agreed with the concept of the current MOU being amended to include specific information on how the project will proceed and what the next steps are and what each agency's responsibilities are.

Councilmember M. Rotkin moved approval in concept on the broad principles presented in 1) Production Scheduling: priority system; 2) Draft Emergency Call for Desalinated Water; Principles and Procedures; 3) Capital Cost Allocation; and 4) Interim MOU between agencies as discussed today; and the Project Agreement Facilitator will refine the principles as technical agreements for further discussion and approval Director D. Kriege seconded..

VOICE VOTE MOTION CARRIED

AYES: B. Daniels, D. Kriege, D. Lane and M. Rotkin.

NOES: None.

Program Managers' Report

An abbreviated Program Managers' report included information that the weekend storms provided a turbidity event at the pilot plant; negotiations continue on the energy minimization and greenhouse gas reduction study and the water from the pilot plant is being made available for sampling.

Public Outreach No action was taken on this item.

Items Initiated by Members for Future Agendas

Director Kriege requested that a review and discussion of the current MOA be on the next agenda to possibly reconsider the cost share for outstanding items covered by that agreement.

Adjournment

The meeting was adjourned at 5:15 p.m. until the next regular meeting of the Desalination Task Force scheduled for Wednesday, March 18, 2009 at 4:00 p.m. in the Soquel Creek Water District Board Room, 5180 Soquel Drive, Soquel, Santa Cruz, California.

Respectfully submitted,

Staff