



Desalination Task Force Minutes Regular Meeting

4:00 p.m. – Wednesday, July 15, 2009

**Soquel Creek Water District Board Room
5180 Soquel Drive, Soquel California**

The Desalination Task Force consists of two members of the Soquel Creek Water District Board and two members of the City of Santa Cruz City Council.

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 B. Daniels called the meeting to order at 4:10 p.m. in the Soquel Creek Water District Board Room.

Roll Call

Present: Director B. Daniels, Director D. Kriege, and Councilmember M. Rotkin.
Staff: General Manager L. Brown and Water Director B. Kocher.
Others: Brent Haddad, MBA, Ph.D. - Project Agreement Facilitator.

Presentation There were no presentations.

Statements of Disqualification There were no statements of disqualification.

Oral Communications

Councilmember M. Rotkin reported that he attended a recent City Water Commission meeting with Dr. Haddad to explain how the Task Force arrived at the capital cost share. The Water Commission suggested that the 59%-41% split of capital costs be changed to 55%-45%. This is justified if only first priorities to use of water from the facility are used to allocate capital costs,

not access to plant capacity. The Commission requested that Councilmember Rotkin provide this information to the Task Force and City Council for consideration.

The task force requested that this item be included on a future agenda.

Announcements There were no announcements.

Approval of Minutes

Councilmember M. Rotkin moved approval of the minutes of the June 17, 2009 Desalination Task Force meeting as submitted. Director D. Kriege seconded.

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

Informational Items

1. Status of UCSC Long Marine Laboratory Modifications

No action was taken on this item.

General Business

1. Cancel August 19, 2009 Desalination Task Force Meeting

Councilmember M. Rotkin moved that the Desalination Task Force cancel its regularly scheduled meeting for August 19, 2009. Director D. Kriege seconded.

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

2. CEQA/NEPA Legal Support Services

The task force requested that the City "Standard Form" contract documents be modified for this and future contracts to include in the preamble a reference to the cooperative work of the scwd² Desalination Program and acknowledge that all work is being done for the City and the Soquel Creek Water District.

Director D. Kriege moved approval of the agreement as amended by the comments above with Remy, Thomas, Moose and Manley, LLP for Legal Support Services during development of environmental documentation for the scwd² Desalination Program. Councilmember M. Rotkin seconded.

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

3. CEQA/NEPA Environmental Consulting Services

The task force requested that the contract documents be modified as noted in item No. 2 and include a statement that Strelow Consulting cannot be selected to provide the CEQA/NEPA environmental document preparation for the scwd² Desalination Program .

Director D. Kriege moved approval of the agreement as amended by the comments on Item 2 and above with Strelow Consulting for Environmental Support Services during development of environmental documents for the scwd² Desalination Program. Councilmember M. Rotkin seconded.

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

4. Marine Mammal Monitor

Director D. Kriege moved ratification of the agreement with Kinnetic Laboratories, Inc. in the amount of \$19,777 for the marine mammal monitoring for the Offshore Geophysical Survey. Councilmember M. Rotkin seconded.

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

5. Offshore Geophysical Study – Ecosystems Management Associates, Inc. (ECO-M), Contract Amendment No. 1

Councilmember M. Rotkin moved approval of Contract Amendment No. 1 with EcoSystems Management Associates Inc. (ECO-M) in the amount of \$72,760 for the Offshore Geophysical Study. Director D. Kriege seconded.

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

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

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

Project Agreement Facilitator Haddad led the discussion on the four documents presented for task force comment:

EIR Process and Co-Lead Agencies for CEQA

After review of the discussion document the Task Force determined that its preference is still that SqCWD and the City be Co-lead agencies for the preparation of the project level EIR.

JPA versus non-JPA Contract plusses and minuses

The Task Force reviewed the discussion document and took no action.

Sequencing of the EIR process

The Task Force reviewed the discussion document and made the following comments:

No. 6 should be split to have Issue Notice of Preparation and 7. Determination of the Scope of EIR. Clarify that both agencies will be providing notices.

No. 12 change re-circulate the EIR to make EIR available to concerned agencies.

It is important to be clear on who will be doing what tasks, i.e. who holds the scoping meetings, issues the Notice of Preparation and Completion, etc.

Include a discussion of how the joint meeting would be held and what actions would be taken by each agency.

Governance Issues and Proposals

Ownership of the plant is based upon on capital contribution. Remove the word joint.

The “successor group” must have a set of bylaws and the ability to make decisions as required.

In the event of an emergency, a system to notify both agencies “presiding officer and executive” will be necessary.

The agreement must include a comprehensive discussion of how expansion of or changes in the partnership would be handled.

Program Managers’ Report

A. Work Schedule -- No report

B. Upcoming Tasks

Pilot Study: Process Selection Workshop is planned for July 20 and 21.

C. Additional or Amended Tasks

ECO-M Contract Amendment No. 1 on today’s agenda.

D. Contacts with Regulatory Agencies/Requests from Regulatory Agencies

Met with Coastal Commission on July 1st to discuss Energy Plan and Intake Study and found that our approach on both to be consistent with its goals and objectives.

E. Contracts

- Kinnetic Laboratories, Inc. (Marine mammal monitoring)
- Remy, Thomas, Moore & Manly, LLP, Attorneys at Law (Legal consultation CEQA/NEPA)
- Strelow Consulting (Environmental Consultation CEQA/NEPA)

F. Public Outreach Program

Program Managers jointly submitted a letter to the editor of the Santa Cruz Weekly for publication in response to a blogger that has been making inaccurate and misleading statements about the scwd2 Desalination Program.

An Information Meeting will be held on the evening of September 24 at New Brighton Middle School.

G. Budget

Grant payments have been received from the State for the Intake Study.

H. Report of Findings No report.

Items Initiated by Members for Future Agendas No items were initiated.

Adjournment

The meeting was adjourned at 6:04 p.m. until the next regular meeting of the Desalination Task Force is scheduled for Wednesday, September 16, 2009 at 4:00 p.m. in the Soquel Creek Water District Board Room, 5180 Soquel Drive, Soquel, California.

Respectfully submitted,

ss/Donna Paul

Staff