



**MEETING MINUTES  
TUESDAY, MAY 2, 2023**

**CLOSED SESSION 5:00 – 5:50 PM  
AGENDA 6:00 PM  
BUDGET WORKSHOP**

**Recorded Meetings:** Recorded meetings are available on the District's website:  
<https://www.soquelcreekwater.org/AgendaCenter>

*Note: The May 2, 2023 Board Meeting video is heavily distorted due to technical issues with the audio system at the meeting location.*

**0. CALL TO ORDER AND ROLL CALL**

President Christensen called the meeting to order at 5:03 pm at the Capitola City Council Chambers.

**Board Members Present:**

Carla Christensen, President  
Dr. Bruce Jaffe, Vice-President  
Dr. Bruce Daniels, Director,  
Dr. Thomas LaHue, Director  
Rachél Lather, Director

**District Counsel**

Joshua Nelson, District Counsel

**Staff Members Present:**

Ron Duncan, General Manager  
Shelley Flock, Water Resources Manager  
Taj Dufour, Engineering Manager  
Leslie Strohm, Finance and Business Services Manager  
Traci Hart, Human Resources Manager  
Nick Emmert, Operations and Maintenance Manager  
Melanie Mow Schumacher, Special Projects-Communications Manager / Assistant General Manager  
Ryan Kinney, Supervising Accountant  
Emma Western, Executive Assistant/Board Clerk

**Others Present:**

Cameron Tana, Montgomery and Associates

**1. CLOSED SESSION**

- 1.1 Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section §54956.9(d)(1)  
Steinbruner vs. California Coastal Commission, et al., San Francisco County Superior Court Case No. CPF-20517119; CA First District Court of Appeals Case Nos. A163079, A163199  
Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV01517

Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV02699; CA Sixth District Court of Appeals Case No. H050093

- 1.2 Conference With Labor Negotiators  
Agency designated representative(s): Ron Duncan, Traci Hart, Melanie Mow Schumacher, Leslie Strohm  
Employee Organization: Service Employees International Union (SEIU)
- 1.3 Closed Session Pursuant to California Government Code Section 54597(b)  
Personnel Session to Evaluate Performance of General Manager
- 1.4 Conference With Labor Negotiators  
Agency designated representative(s): Carla Christensen  
Unrepresented Employee: General Manager
- 1.5 Conference With Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: 1 Case (Claim of Bernt Barbera)

At 5:04 pm, President Christensen announced that the Board will enter closed session to discuss Items 1.1, 1.2, 1.3, 1.4 and 1.5.

**CONVENE TO CLOSED SESSION – 5:04 pm**

**RETURN TO OPEN SESSION – 5:51 pm**

President Christensen adjourned the closed session and returned to open session at 5:51 pm.

President Christensen called a 10-minute recess at 5:51 pm. The meeting resumed at 6:01 pm.

President Christensen reported that the Board discussed Items 1.1, 1.2, 1.3, 1.4 and 1.5 in closed session. No reportable action was taken.

**2. PUBLIC HEARING – None**

**3. BOARD MEMBERS’ OPPORTUNITY TO REMOVE ITEMS FROM CONSENT AGENDA**

None removed.

**4. CONSENT AGENDA**

MOTION: Director LaHue; Second: Vice-President Jaffe; To approve Consent Agenda Items 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.11, 4.12 and 4.13. Motion passed by unanimous roll call vote.
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- 4.1 Approval of Minutes  
4.1.1 March 21, 2023 – Regular Meeting Minutes  
**Action: Approved**
- 4.2 Board Planning Calendar  
**Action: Approved**

- 4.3 Special Board Assignments Status Report  
**Action: Approved**
- 4.4 Production Reports  
**Action: Approved**
- 4.5 Finance Status Report  
**Action: Approved**
- 4.6 Public Outreach Committee Meeting Summary  
**Action: Approved**
- 4.7 Water Resources Management and Infrastructure Committee Meeting Summary  
**Action: Approved**
- 4.8 Finance and Administrative Services Committee Meeting Summary  
**Action: Approved**
- 4.9 Informational – Annual System Water Production Status Report, 2022  
**Action: Approved**
- 4.10 Consider Extending Revisions to Purchase Authority Thresholds  
**Action: Approved**
- 4.11 3300 Maplethorpe Subdivision, Accept as Complete, CWO 19-081  
**Action: Approved**
- 4.12 Association of California Water Agencies (ACWA) 2023 Elections  
**Action: Approved**
- 4.13 2022 Consumer Confidence/Water Quality Report  
**Action: Approved**

**5. ORAL AND WRITTEN COMMUNICATIONS (items not on the Agenda)**

Written communications addressed to the Board are available on the District's website:  
<https://www.soquelcreekwater.org/AgendaCenter>

Due to audio system issues in the meeting room, President Christensen called a 25-minute recess at 6:10 pm. The meeting resumed at 6:35 pm.

**6. REPORTS**

6.1 District Counsel – Oral Report

General Counsel Nelson reported the following:

- Governor Newsom rescinded the statewide drought declaration.
- There are pending bills related to remote public meetings. General Counsel Nelson will continue to monitor the proposed legislation.

In response to a question posed by Vice-President Jaffe, General Counsel Nelson stated that proposed legislation could be adopted by October 2023.

7. **ADMINISTRATIVE BUSINESS**

7.1 Conditional and Unconditional Will Serve Letters – *None*

7.2 Presentation on the Santa Cruz Mid-County Basin Water Year 2022 Annual Report and 2023-2024 Water Shortage Stage Evaluation and Declaration

Ms. Flock reviewed Item 7.2, explaining that the District’s water shortage stage declaration and curtailment target is typically evaluated once a year based on supply conditions. The District is currently in a Stage 3 Water Shortage Emergency and has been in a Stage 3 since 2014.

Ms. Flock reviewed the current state of the curtailment trigger conditions (i.e. rainfall totals and groundwater conditions). She requested that the Board consider declaring a water shortage stage (that will be effective for the for the remainder of 2023 and the beginning of 2024), based on the information presented.

Ms. Flock introduced the District’s hydrogeology consultant, Cameron Tana of Montgomery & Associates (M&A), who presented the Santa Cruz Mid-County (SCMC) Basin Water Year 2022 Annual Report and other related information. He discussed the following:

- Rainfall, Water Year Type, and Water Use
- Seawater Intrusion Status through March 2023
- Status of Other Sustainability Indicators
- Progress on Groundwater Sustainability Plan (GSP) Implementation
- Key Takeaways from SCMC 2022 Annual Report

Mr. Tana’s presentation is available on the District’s website:  
<https://www.soquelcreekwater.org/AgendaCenter>

Board discussion ensued regarding the rainfall recharge relationship shown in Figure 1: Estimated Annual Deep Recharge for Calibrated PRMS Model vs. Precipitation for the Santa Cruz Cooperative Station (Page 192 of the Board Packet). Mr. Tana stated that he plans to update the graph using the current model. Directors stated that rainfall/recharge is not a linear relationship (as shown in the model), and acknowledged that there are other important factors not included in the model, such as timing, temperature, saturation, etc.

Ms. Flock stated that the groundwater-based triggers indicate a Stage 3 water shortage emergency (with an associated 25% curtailment target). Staff recommends the Board continue under the current Stage 3 Declaration (with no emergency rates).

MOTION: President Christensen; Second: Director Lather; To continue the Stage 3 Water Shortage Emergency with no Emergency Rates under Resolution 19-08. Motion passed unanimously.
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7.3 Approve Selection of Consultant for the Water Rates and Water Capacity Charge Studies

Mr. Duncan reviewed Item 7.3, stating that staff recommends the Board accept the proposal submitted by Raftelis Financial Consultants to perform the Multi-Year Finance Plan and Water Rate Study and the Water Capacity Study, as well as conduct the necessary outreach to inform customers of any rate impacts.

Board discussion ensued regarding Raftelis' proposed outreach assistance. Vice-President Jaffe questioned if the dedicated outreach and corresponding fees are worthwhile. Discussion ensued.

Ms. Mow Schumacher noted that the agreement is for time and materials, with a not-to-exceed amount of \$161,410. Mr. Duncan added that there are two appointed board members (President Christensen and Director Lather), on the Ad Hoc Water Rates Advisory Committee (WRAC). The WRAC may help guide the Board and provide recommendations on what level of outreach is needed.

Directors expressed support for dedicated outreach on the rates.

MOTION: Director LaHue; Second: President Christensen; To approve the proposal submitted by Raftelis Financial Consultants to perform the 2023 Multi-Year Finance Plan and Water Rate/Water Capacity Fee Study. Motion passed unanimously.

MOTION: Director LaHue; Second: President Christensen; To authorize the General Manager to sign a purchase order to Raftelis Financial Consultants in the amount of \$161,410. Motion passed unanimously.

7.4 Retirement Resolution in Appreciation of Stella Dominguez – 34 Years of Service to the District

Ms. Hart read aloud Resolution 23-05, in honor of Stella Dominguez.

MOTION: Director Lather; Second: Director LaHue; To adopt Resolution No. 23-05 in appreciation of Stella Dominguez, Customer Service Representative II. Motion passed by unanimous roll call vote.

**8. BUDGET WORKSHOP**

8.1 Fiscal Year 2023/24 Budget Workshop

Ms. Strohm and Mr. Kinney held a Budget Workshop for preparation of the fiscal year (FY) 2023/24 budget. The presentation is available online:  
<https://www.soquelcreekwater.org/AgendaCenter>

Board discussion ensued, and staff responded to a variety of questions.

Mr. Kinney confirmed that a complete draft of the FY 2023/24 budget will be presented to the Board at the June 6, 2023, Board Meeting. Input received at that meeting will be incorporated in the final 2023/24 budget, which will be brought to the Board, if needed, for approval at the June 20, 2023, Board Meeting.

**9. ADJOURNMENT**

President Christensen adjourned the meeting at 8:31 pm.

SUBMITTED:



Emma Western, Board Clerk

APPROVED:



Carla Christensen, President