



Santa Cruz County Business Council

January 9, 2014

Infrastructure & Transportation Committee Meeting

Committee Members Present

Karl Philipovitch (Chair), Graniterock

Kelly Dillon, Marianne's Ice Cream

Peggy Dolgenos, Cruzio Internet

Richelle Noroyan, UCSC

Ted Burke, Shadowbrook Restaurant

Joe Foster, SCCBC

Meeting Notes

1. *Call to Order:* Meeting began shortly after 7:30 AM
2. *Introductions:* Mr. Philipovitch welcomed the group, asked everyone to introduce themselves and then opened the floor for our guest speaker.
3. *Guest Speaker:* Kim Adamson, General Manager, Soquel Creek Water District (SCWD)
 - 3.1. *Handout/Visual:* Ms. Adamson began by handing out a one page document that explains what SCWD is currently working on right now. This document discussed the exploratory talks for a supplemental supply that are on-going. Additionally, there were some visuals related to salt-water intrusion.
 - 3.2. *Current state of affairs:* SCWD has 15,000 customers. The District is nestled in between other water districts that have more access to water. SCWD customers, if a supplemental source is not identified, will face significantly higher bills than their neighbors that are part of another water district. If a supplemental supply is not identified, the economy within SCWD will suffer greatly.
 - 3.3. *Regional Partnerships:* Discussion about the joint desalination process with the City of Santa Cruz took place. Ms. Adamson noted that SCWD actually went through the public discourse process in the late 1990's; similar to what the City is doing right now.
 - 3.3.1. Even if the regional project with the City of Santa Cruz does not come to fruition, Ms. Adamson said that partnership within the region will be key to solving our community-wide water issues.
 - 3.3.2. Discussion ensued about the shortcomings associated with messaging related to the regional desalination project. The group talked about some of the key points that were missed by the general public: the



Santa Cruz County Business Council

- 3.4. *On-going Exploratory Talks:* SCWD's Board of Directors and staff are holding monthly, public meetings to discuss possible/viable water supply alternatives.
 - 3.4.1. Recycled water is starting to look like a possibility, with discussions about how to set up the infrastructure ongoing.
 - 3.4.2. SCWD - \$120 million for a District-only desal plant. This project would be similar in scope to the regional desal project, except it would service only SCWD customers.
 - 3.4.3. Still looking at Deep Water Desal. A major concern is that the intake and outfall would not be owned by the entities that own the desal plant...it would be owned by the server farm proprietor. This is a big concern for SCWD.
 - 3.4.4. SCWD is looking at surface water transfers, for example, excess flow from the San Lorenzo River in the off-season. Problem here is that we are limited by our infrastructure...upsizing pipe is cheap, but it would require a \$90 million upgrade to the City's water treatment plant. Also, it should be noted that this hasn't come to fruition here because of activists speaking out against it.
 - 3.4.5. Purple pipe for irrigation has been discussed, but ultimately it will be useless because we will be able to use waste water for potable water within the next 8-10 years (possibly).
- 3.5. *Absence of a Supplemental Source:* Ms. Adamson was asked by the Committee members to discuss what would happen if a supplemental source is not identified in the near future.
 - 3.5.1. If we don't do anything...no new water supply of any kind...that would cost SCWD \$117 million due to the loss of revenue, the plumbing retrofits, etc. within the service area. \$70 million could be bond funded, but the rest of it would be pay as you go by the customers. Bills would significantly rise.
 - 3.5.2. There is concern about the issue of private customers drilling their own wells instead of asking for an official water hook up. Customer could by pass SCWD and go directly to the County for approval.
- 3.6. *Additional Steps:* Ms. Adamson talked about some additional steps that could be taken in order to address the water issue on a regional basis
 - 3.6.1. Outreach to the private well owners to form a private well stakeholder group. The purpose would be to allow them to be a part of the conversation. Keep in mind that salt water intrusion will affect private wells, too. It was mentioned that there is an area in Soquel where the ground water is 18 feet below sea-level. Concerns all around are rising.
 - 3.6.2. We might see a "ground water management district" coming out this at some point. Support from the business community will be needed for this.



Santa Cruz County Business Council

- 3.6.3. Ms. Adamson mentioned that the possibility of forming a replenishment district plan could be on the table. She mentioned that the area of southwest Washington where she previously worked had a could focused on this. It was a regional group, not focused only on one jurisdiction.
- 3.6.4. Economic Impact Study: The group discussed this item at length as it has been a topic of conversation for some time. Ms. Adamson said that SCWD is starting to move forward on making this happen within their service area. That said, all those around the table agreed that the scope of the study must be regional in order for the information to be of value.

3.7. Key Takeaways from the Conversation (Action)

- 3.7.1. The Committee will draft a "cliffs notes" version of our conversation for distribution to our entire membership...for educational purposes
- 3.7.2. The Committee will draft a letter from our Board of Directors to submit to the County Board of Supervisors urging them to specifically address water in the County's economic vitality plans moving forward. Additionally, we will reach out to our individual members asking them to submit letters of encouragement, too.
- 3.7.3. The Committee will do our best to actively participate, either in-person or in-writing, in the exploratory discussions that are on-going at SCWD.

4. Committee Goals for 2014

- 4.1. The Committee discussed the work plan that has been developed for us to follow in 2014. One concern is making sure that, in addition to the guidelines of the work plan, the Committee has measurable goals laid out in front of it.
 - 4.1.1. Commit to meeting with up to six (6) public works-related officials
 - 4.1.2. Meet in-person at least every other month
 - 4.1.3. Draft/submit letters of support/comment on a regular basis
 - 4.1.4. Distribute key talking points to the entire membership about items the Committee is addressing. This is for educational purposes.
 - 4.1.5. Host at least one (1) all members breakfast program during the year.
 - 4.1.6. The Committee will continue to visit about this and will formalize these goals at our February meeting.

5. Next Meeting

- 5.1. The group discussed the merits of meeting on a monthly basis. Right now, the plan is to meet again next month and determine our schedule moving forward at that time.
- 5.2. February 13, 2014 @ 7:30 AM - The meeting will NOT have a guest speaker.