

NIPOMO COMMUNITY SERVICES DISTRICT

Tuesday, October 2, 2012

1:30 P.M.

SPECIAL MEETING MINUTES

SUPPLEMENTAL WATER ALTERNATIVES EVALUATION COMMITTEE

APPOINTED COMMITTEE MEMBERS

MICHAEL K. NUNLEY, CHAIRMAN (NON-VOTING)
PETER V. SEVCIK, VICE CHAIRMAN (NON-VOTING)
CRAIG ARMSTRONG (VOTING)
DAN GARSON (VOTING)
DENNIS GRAUE (VOTING)
KATHIE MATSUYAMA (VOTING)
ROBERT MILLER (VOTING)
DAVE WATSON (VOTING)
DAN WOODSON (VOTING)

PRINCIPAL STAFF

MICHAEL S. LEBRUN, **GENERAL MANAGER**
LISA BOGNUDA, **ASST GM/FINANCE DIRECTOR**

MEETING LOCATION - District Board Room
148 S. Wilson Street, Nipomo, California

1. CALL TO ORDER, FLAG SALUTE AND ROLL CALL

Chairman Nunley called the Special Meeting of October 2, 2012, to order at 1:30 p.m. and led the flag salute. At roll call, all committee members were present.

2. GENERAL MANAGER'S REPORT

General Manager Michael LeBrun made himself available for questions from the Committee.

Public Comment:

John Snyder, Nipomo resident, asked to include a general item for public comment at the Committee meetings. He discussed his interpretation of an appeal hearing in the Santa Maria Valley Groundwater litigation during the previous week. He noted the Committee should look at Oxnard GREAT Program and the Pajaro Valley water projects. He also stated he would be available to provide information on the litigation issues to the Committee.

Member Garson asked if the Committee was tasked with looking at a physical water supply solution, as opposed to a legal solution. Mr. LeBrun responded that the Committee had a narrow focus on ranking physical water supply alternatives and would not need to research the current litigation. The Board would select and implement the final water supply solution and would continue to work through the current litigation.

The Committee voted to receive the report.

3. REVIEW DRAFT MINUTES FROM SEPTEMBER 24, 2012, COMMITTEE MEETING

The Committee approved the meeting minutes. There was no public comment.

4. PRESENTATION OF THE ORANGE COUNTY GROUNDWATER REPLENISHMENT SYSTEM AND OXNARD GREAT PROGRAM

Chairman Nunley provided a brief overview of the objectives, elements, and current status of the Oxnard GREAT Program. He provided a link to the City's website.

Member Garson asked how Oxnard is paying for this program. Chairman Nunley responded the funding sources included ARRA (American Recovery and Reinvestment Act of 2009) and other grant programs. He also noted the program was a multiple-year program and did not know if bonds were sold or other financing methods were pursued.

Member Woodson asked if Oxnard could find qualified staff, or whether they needed to train their staff, to operate and maintain the system. Chairman Nunley stated that was a challenge for many agencies and he did not know how the City approached it – options could include training their own staff, hiring staff with special training, or contracting with an outside entity for that work.

Member Miller asked if Oxnard had published costs per acre-foot for their water supply based on the GREAT Program. Mr. Nunley stated he did not find that information but encouraged the Committee members to research the website referenced in the presentation.

Member Miller asked if the agricultural users were willing customers and if they recognized their groundwater resources were dwindling prior to engaging in the program. Chairman Nunley stated he did not know the history of their involvement or what public relations issues may have arisen initially.

Chairman Nunley then provided a brief overview of the objectives, elements, and current status of the Orange County Groundwater Replenishment System. He provided a link to the Orange County Water District's website for the program.

Public Comment:

John Snyder, Nipomo resident, stated that he thought there was a groundwater settlement behind both of these programs that determined how they funded these programs and what the agencies worked out in the settlements. He recommended the Committee explore these issues further.

Member Graue asked if the Orange County program had met its goals to prevent seawater intrusion. Chairman Nunley stated future elements of the program are being planned but he did not know the level of success that had already been achieved.

Member Graue noted Carlsbad was building a large desalination program.

Public Comment:

General Manager LeBrun stated both programs were responding to seawater intrusion and both were adjudicated basins. He noted that similar to the District's work, he would assume there were efforts prior to each crisis to develop water supply options and prevent adjudication. The Committee voted to receive both presentations.

5. ASSIGN ALTERNATIVES TO SUBCOMMITTEES

Chairman Nunley presented a proposal for subcommittee members and assignments, as follows:

Subcommittee	Members	Alternatives for Evaluation
1	Armstrong Graue Matsuyama	<ul style="list-style-type: none"> • State Water • Seawater • Agricultural and industrial reuse
2	Miller Watson Woodson	<ul style="list-style-type: none"> • Santa Maria Waterline Intertie Project • Surface water • Recycled wastewater from municipal facilities
3	Matsuyama Garson Graue	<ul style="list-style-type: none"> • Conservation/ Graywater • Local Groundwater

Member Watson asked if these alternatives were the final list for evaluation, or if there would be an initial screening step prior to beginning the evaluation process. Chairman Nunley stated it was his understanding the Committee members would perform some screening of delivery options, treatment technologies, pipeline routes, etc., as they conduct the evaluations.

Member Watson recommended focusing all the alternatives on the District's long-term water supply need of 6200 acre-feet per year (AFY). He said the initial acquisition of 2500 AFY should be considered in light of ultimately delivering 6200 AFY, or within a reliable portfolio of supplies to deliver 6200 AFY.

Member Armstrong asked if the Committee was constrained by the targeted amounts and dates in the Bylaws (1000 AFY by June 2015, 3000 AFY in near future through an ultimate goal of 6200 AFY). Member Watson asked if this was a conflict between the Committee's objectives and the Bylaws.

Member Matsuyama stated the Bylaws were telling a conflicting story – the Committee has latitude for conducting the evaluation, but is tied to the delivery schedule and quantities in the Bylaws.

Member Woodson noted the Tribune article stated the District would move forward with the phased Santa Maria Waterline Intertie Project unless the Committee identified a different approach. He asked if that project would be deferred if the Committee identified desalination or another approach that would require more time but ultimately ranked higher.

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Chairman Nunley stated the Bylaws included goals and schedules documented in the Water Master Plan and other District planning efforts. He stated the concerns of the Committee could be addressed within the evaluation process without conflicting with the District's Bylaws.

Member Matsuyama expressed concerns that the Committee's activities were too restricted by the Bylaws and would result in ranking the Phased Santa Maria Waterline Intertie Project highest by default.

Member Watson stated he believes there are other alternatives that could compete with the Santa Maria Waterline Intertie Project, and the Committee should talk about some of the alternatives that could meet the timeframes prior to addressing others that appear to take more time. In addition, several alternatives could be pursued simultaneously that would meet both short-term and long-term goals.

Member Armstrong noted there had not been enough analysis to determine if implementation schedules would meet the schedule in the Bylaws.

Chairman Nunley suggested the subcommittees could develop the implementation schedules for each alternative within their work, then the Committee could reconvene to put alternatives together that would meet the ultimate goals if one alternative would not meet all the Bylaw requirements.

Member Graue stated he thought the subcommittees would need to spend time evaluating each alternative prior to addressing likelihood of meeting the schedule in the Bylaws.

Member Miller said there was a risk that if the Santa Maria Waterline Intertie Project is selected, some members of the community might feel the outcome was decided before the process began. However, if the Committee looks at the list of alternatives it covers a broad range of water supplies and a robust analysis could call more attention to alternatives with a longer implementation schedule but greater overall benefits. He also advocated reconvening the full Committee more frequently to share information and make the entire process more collaborative and robust.

Member Graue stated that some alternatives in different groups may need to consider the same process. It would be less efficient to have different groups studying the same treatment process or technologies, but it could also help the analysis overall to have multiple groups looking at the same technologies as long as there is not too much overlap.

Chairman Nunley noted his role would be to share information among the subcommittees if useful tools or analyses are developed and the Committees could also meet more frequently.

Member Graue asked if this would constitute a sequential meeting and Brown Act violation. Chairman Nunley stated he would not carry conclusions between subcommittees, only references and/or tools developed in the work in order to prevent this from being a concern.

Member Garson suggested all the Committee members could take one alternative at a time, review it, then reconvene to discuss their analysis. At the next meeting the Committee would move onto the next alternatives.

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Member Armstrong noted that he prefers the subcommittee approach since some of the issues will require more investigation and coordination with outside entities than others.

Member Matsuyama stated all the members are connected to others in the community and could share the information among the Committee members if all members worked on the same alternatives.

Chairman Nunley responded his concerns would be that each alternative requires the full 3 or 4-month schedule, and conducting a thorough analysis would be difficult if one alternative is reviewed at a time. He suggested more frequent meetings could offer the collaboration discussed by the Committee members. He noted a professional team would require a year for this process.

Member Garson asked if this analysis would be meaningful if it could not realistically be accomplished by a professional team in less than a year. Chairman Nunley noted the one-year timeline would not be required for the Committee's work because there are more reference materials (studies, environmental documents, etc.) available now, and that he thought the 4 months would be reasonable for conducting the analysis.

Member Watson noted he thought this conversation was important in determining how to conduct the evaluation itself. He said the Committee could have each subcommittee take on an alternative, request answers to questions posed by the Committee, and then bring back the answers to the full Committee.

Chairman Nunley noted the Committee could determine which ranking criteria are higher priority to the Committee by establishing ranking criteria and then using a weighting system, for instance. This would allow the Committee to meet their own objectives while still working within the Bylaws.

Member Miller stated a hybrid approach (subcommittee work with more frequent Committee meetings) would meet address the concerns stated by the other members. He recommended this approach. Member Garson stated he agreed and this would help the Committee move forward if problems arise with getting information or answering important questions.

Member Garson also suggested the Committee could develop ranking criteria before forming subcommittees. Member Graue compared this to the "Consumer Reports" ranking and also recommended developing a similar ranking scheme.

Member Miller proposed working in parallel on the ranking criteria and the subcommittee evaluations. Chairman Nunley noted that he included a proposed approach in Item 6 that assumed these processes would be performed in parallel. He briefly provided an overview of the Item 6 "draft work plan" and suggested the Committee consider performing some of the evaluation prior to establishing ranking criteria. He also noted the outline presented in the prior meeting (September 24, 2012) was presented as an approach to organize the group's thoughts. In addition, he noted there is no time limit or schedule for completion of the Committee's work and they maintain control over the approach and the schedule.

Public Comment:

General Manager LeBrun reminded the Committee that the Board itself has limited powers and responsibilities, and cannot mandate a regional water supply solution or certain planning requirements. The Board had attempted to provide guidelines for the evaluation process so that the Committee would have a manageable work effort and also to reflect the Board's limited authority to implement or guide some water resource planning efforts (such as various regional efforts).

He noted the District Board had expressed to the County that they would move forward with a citizens' group to evaluate water supply alternatives and invited the Board of Supervisors to participate or head this effort, but no response was provided. The County also recently approved an industrial project outside of the District and noted the project could receive water from Nipomo's supplemental water project, and the General Manager cited this as an example of the District's limited authority.

Member Miller suggested moving the Surface Water alternative to the third subcommittee, but some other members responded that they would like to keep the alternative grouping as proposed. He noted that this would be acceptable to him as originally proposed.

Member Garson suggested moving forward with the subcommittee groups as proposed and the Committee could revisit the grouping later.

The Committee voted to accept the subcommittees and alternative assignments as proposed in the Staff Report.

6. DEVELOP WORK PLAN FOR PERFORMING ALTERNATIVE EVALUATION

Chairman Nunley presented a proposed outline (attached), schedule and work plan for consideration by the Committee.

Selection of Subcommittees and Beginning of Evaluation	October 2, 2012
Development of Alternative Analysis by Subcommittees (Including Subcommittee Meetings)	October 2 through week of November 12 th , 2012
Committee Meeting - Development of Ranking Criteria	Week of November 12 th , 2012
Completion of Alternative Analysis by Subcommittees	Through Week of January 7 th , 2012
Committee Meeting - Subcommittees to Present Alternatives	Week of January 7 th , 2013
Committee Meeting – Perform Ranking	Week of January 14 th , 2013
Committee Meeting – Review Rough Draft of Report	Week of January 28 th , 2013
Committee Meeting – Finalize Report	Week of February 11 th , 2013

Member Matsuyama noted she was concerned with the schedule for the analysis considering the holiday season, particularly since there is no deadline for the work. She requested stretching the schedule to accommodate the holidays.

Member Miller proposed modifying the outline to separate Cost from Constraints and include it after the Schedule item. Members Matsuyama and Watson expressed support. Member Watson stated the subcommittees could perform the bulk of the evaluation, without cost opinions, in the next 2 or 3 weeks. He also stated the Committee could get as much done as possible prior to Thanksgiving and various members expressed support.

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Member Miller suggested the Committee meet again during the first week of November to review progress, and the Committee members discussed meeting on November 1.

Member Watson stated the Committee may need staff to perform some analysis or help establish meetings when they regroup at the next meeting. Chairman Nunley stated he would be available to help with those efforts.

Member Watson asked if the Committee could discuss ranking criteria at the next meeting and proposed including this as an agenda item for the next meeting, in case there was adequate time to address it. If not, it could be deferred to a future meeting. Various members discussed this.

There was no public comment.

The Committee voted to modify the schedule proposed above and meet on November 1 at 1:30 PM to review draft deliverables from the subcommittees and to add ranking criteria as a topic if time allows. The subcommittees will provide a progress report by October 29, 2012 for assembly by Chairman Nunley as part of the meeting packet, no later than 24 hours prior to the meeting. The Committee also voted to revise the schedule as follows:

Selection of Subcommittees and Beginning of Evaluation	October 2, 2012
Development of Alternative Analysis by Subcommittees (Including Subcommittee Meetings)	October 2 through week of November 12 th , 2012
Committee Meeting – Progress and Development of Ranking Criteria (if time allows)	November 1
Committee Meeting - Development of Ranking Criteria	Week of November 12 th , 2012
Completion of Alternative Analysis by Subcommittees	Through Week of January 21st, 2012
Committee Meeting - Subcommittees to Present Alternatives	Week of January 21st, 2013
Committee Meeting – Perform Ranking	Week of January 28 th , 2013
Committee Meeting – Review Rough Draft of Report	Week of February 11th, 2013
Committee Meeting – Finalize Report	Week of February 25 th , 2013

7. DISCUSS NEED FOR SPOKESPERSON TO PROVIDE UPDATE TO THE BOARD

Chairman Nunley noted this would be a standing item for all meetings and the Bylaws require the Committee to present the alternatives being evaluated, as well as Committee members assigned to the alternatives, to the Board of Directors.

Member Matsuyama asked if a written report would be required. Chairman Nunley stated this could be a verbal update. General Manager LeBrun noted the presentation would be the first item on the agenda and that a written report could be submitted to the Chairman for distribution to the Committee if needed.

There was no public comment.

The Committee voted for Member Matsuyama to serve as Spokesperson at the next Board meeting.

8. PRESENT REFERENCE DOCUMENTS FOR REVIEW AND ACCEPTANCE

Chairman Nunley presented the standing item.

Member Woodson asked if industry standards such as professional society manuals (American Water Works Association and National Sanitation Foundation) and guidelines should be included. Chairman Nunley stated he assumed industry standard documents would be acceptable without needing to specify them. He noted that other reports, documents, etc., should be brought to the Committee as members identify them.

There was no public comment.

Member Miller noted that discussions with individuals relevant to the evaluation may end up being documented. Chairman Nunley agreed that it would be important to make sure those discussions are with individuals with the appropriate authority or knowledge.

The Committee had no action.

9. SET NEXT COMMITTEE MEETING DATE AND TIME

The Committee voted to meet on November 1 at 1:30 PM at the end of Item 6. Member Matsuyama noted that subcommittees would be meeting as well.

There was no public comment.

The Committee had no action.

10. ADJOURN

The meeting adjourned at 3:30 PM.

ATTACHMENT:

Revised Outline per Committee comments