

**February 7, 2012, 7:00 p.m.**

City Council Chambers, 333 Civic Center Plaza

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Mayor Ives called the meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

The invocation was offered by Pastor Rob Krenik of Calvary Chapel.

Roll call found Council Members Abercrombie, Elliott, Rickman, Mayor Pro Tem Maciel and Mayor Ives present.

Leon Churchill, Jr., City Manager, presented the Employee of the Month award for February 2012, to Jan Cathey, Public Works Department.

Mayor Ives presented Certificates of Reappointment to the Parks and Community Services Commission to Gloria Saltzman and Linda Jimenez for four year terms which will expire on January 31, 2016.

Mayor Ives recognized D.A.R.E. graduates from Art Freiler and Jacobson Elementary Schools.

1. CONSENT CALENDAR - It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt the Consent Calendar. Roll call vote found all in favor; passed and so ordered.
  - A. Minutes Approval – Regular meeting minutes of November 1, 2011, and closed session minutes of January 17, 2012, were approved.
  - B. Approve a Professional Services Agreement with West Yost and Associates to Prepare a Water Supply Assessment for the Ellis Specific Plan Area – Resolution 2012-022 approved the Agreement for a not to exceed amount of \$24,000.
  - C. Authorization to Waive the Competitive Bidding Process for Centrifuge Rental Services from Karl Needham Enterprises (KNE) of Stockton, California – Resolution 2012-023 waived the competitive bid process.
  - D. Acceptance of the Parks Hard Courts Resurfacing Project - CIPs 78111 & 78121, Completed by Martin General Engineering of Rancho Cordova, California, and Authorization for the City Clerk to File the Notice of Completion – Resolution 2012-024 accepted the project.
  - E. Accept Bid for the Printing of the Grand Theatre Center for the Arts Season Brochure and Arts Education Catalog and Authorize the Mayor to execute any Required Contract Documents – Resolution 2012-025 accepted the bid for services through June of 2014, for a not to exceed amount of \$47,800.

- F. Authorization for Temporary Over Hire of Certain Positions in the Finance Department – Resolution 2012-026 authorized the temporary over hire in the Finance Department for a one time additional expense of \$40,000.
2. ITEMS FROM THE AUDIENCE – None.
3. PUBLIC HEARING FOR A RESOLUTION OF INTENTION TO ADOPT A REVISED GROUNDWATER MANAGEMENT PLAN PURSUANT TO WATER CODE SECTION 10750 - Vanessa Carrera, Management Analyst, presented the staff report. In 1996, the City Council adopted the Northern Delta-Mendota Canal Groundwater Management Plan pursuant to Water Code Sections 10750 et seq., also known as AB 3030. The plan was developed in coordination with other DMC northern agencies, including: Banta-Carbona Irrigation District, Byron-Bethany Irrigation District, Del Puerto Water District, Patterson Irrigation District, West Stanislaus Irrigation District, Westside Irrigation District, San Joaquin County, and the City of Tracy. The City of Patterson plans to become a northern agency member and the revised GMP will reflect their inclusion.

The 1996 GMP includes information on groundwater levels and quality, conjunctive management of groundwater and surface water resources, and measures to protect groundwater resources within the plan area. The revised GMP will include updated information to comply with new provisions adopted by the State Legislature which include:

- The Department of Water Resources (DWR) to establish a priority schedule for monitoring groundwater basins and elevation reports as well as issuing recommendations to local entities to improve water quality;
- Permit local entities to determine best methods of groundwater monitoring to meet local demand;
- The DWR to implement groundwater monitoring if local agencies fail to do so. This will result in loss of eligibility for State grant funds.

The San Luis Delta-Mendota Water Authority has requested all northern agencies to proceed with a public hearing for a Resolution of Intention to adopt a revised GMP. A Notice of Public Hearing was published in the Tri Valley Herald on January 17 and January 24, 2012 pursuant to Government Code 6060 on consideration of the resolution. A subsequent public hearing will be held in approximately 60 days to consider action on the revised GMP.

There is no fiscal impact to the General Fund. The City's share of the Groundwater Management Plan is estimated at \$6,200 and will be funded from the Water Enterprise Fund. There are adequate funds in the approved City budget.

Staff recommended that the Council conduct a public hearing pursuant to Water Code Section 10750 and adopt a Resolution of Intention for revision of the Groundwater Management Plan.

Mayor Pro Tem Maciel asked if aquifer storage was included in the groundwater plan. Ms. Carrera stated yes.

Mayor Ives opened the public hearing. As there was no one wishing to address Council on the item, the public hearing was closed.

It was moved by Council Member Abercrombie and seconded by Council Member Rickman to adopt Resolution 2012-027 of intent to approve a revised Groundwater Management Plan pursuant to Water Code Section 10750. Voice vote found all in favor; passed and so ordered.

4. AUTHORIZATION OF PROFESSIONAL SERVICES AGREEMENT WITH WEST YOST ASSOCIATES FOR AQUIFER STORAGE AND RECOVERY DEMONSTRATION PROGRAM – 2012 AND AUTHORIZATION FOR THE MAYOR TO EXECUTE THE AGREEMENT
5. AUTHORIZATION OF INTERIM RENEWAL CONTRACTS BETWEEN THE UNITED STATES BUREAU OF RECLAMATION AND THE CITY FOR PROVIDING CENTRAL VALLEY PROJECT WATER SERVICE AND AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE THE AGREEMENTS
6. AUTHORIZATION OF SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$250,000 FOR STORAGE OF SURPLUS WATER IN SEMITROPIC WATER STORAGE DISTRICT

Steve Bayley, Public Works Deputy Director, presented an overview of agenda items 4, 5, and 6 which were discussed together.

ASR involves the injection of treated potable surface water into a groundwater basin, via an ASR well, and extracting the stored water at a later date from the same well. The use of ASR will greatly enhance the reliability of the Tracy water supply, especially in drought conditions, by allowing surplus water in wet years to be stored for use during dry years. It will also assist in meeting the stringent salinity standards for Tracy's wastewater discharge proposed by the RWQCB, by improving Tracy's source water supply.

The ASR project commenced in 2001, and was temporarily halted in 2004 after a RWQCB hearing in which Tracy was denied a permit to proceed because of concerns of treated drinking water contaminating the underground aquifer. At the hearing, the RWQCB suggested that Stanislaus River water would be the best water for Tracy to use for ASR. Since then the City has proceeded towards the use of Stanislaus River water and the ASR program by having Production Well No. 8 designed and equipped as an ASR well. The well is located at the corner of Tracy Boulevard and Sixth Street.

In 2011, the ASR demonstration project was a short term, temporary storage of 300 acre-feet of treated drinking water from the Stanislaus River (the South San Joaquin Irrigation District water supply). Injection occurred during the months of January through April. The water remained underground for several months and was extracted during subsequent months to determine the rate of degradation of disinfection byproducts and other geochemical changes. The movement of the water was monitored using data collected from monitoring wells. Almost all the water that was injected was pumped out using Production Well No. 8 and after testing, was pumped into the water distribution system for use.

The 2012 demonstration project will build upon the data obtained in 2011. The project will inject approximately 600 acre-feet of water during the winter and extract this same water to meet peak-hour pumping demands during July, August and September.

This will simulate planned future operations designed to improve the water quality. A portion of the water will remain in the ground in storage until late fall; it will then be tested to determine the rate of degradation of disinfection byproducts. The fate of the disinfection byproducts is necessary to determine that the injected drinking water is not "polluting" the groundwater basin. Upon successful completion of the 2012 project, sufficient data will have been collected to prepare an environmental document for a permanent program.

In 2004, the Bureau of Reclamation (Bureau) authorized contract assignments between the City and Banta Carbona Irrigation District (BCID), and the City and the West Side Irrigation District (WSID). The contract assignments provide for delivery of 7,500 acre feet of water per year (5,000 acre-feet from the BCID contract and 2,500 acre-feet from the WSID contract) from the Delta-Mendota Canal. In 2004, both BCID and WSID had Interim Renewal Contracts with the Bureau and these agencies have subsequently renewed these contracts into Long-Term Renewal Contracts. In 2007, 2008 and 2010 the City entered into Interim Renewal Contracts, the most recent of which expires on February 28, 2012.

It is anticipated that the 7,500 acre-feet contract assignments will be incorporated into a future City/Bureau long-term contract. The City's existing long-term contract with the Bureau for 10,000 acre-feet of water per year is scheduled to expire in 2013. The City and the Bureau have been negotiating a new Long-Term Renewal Contract for a combined contract amount of 17,500 acre-feet of water. As the long-term contract is not ready for execution, it is necessary to enter into Interim Renewal Contracts for the next two years. The Bureau has provided Interim Renewal Contracts for execution by the City. The Interim Renewal Contracts have a term effective March 1, 2012 through February 28, 2014.

The City has 6,000 acre-feet of unused US Bureau of Reclamation (Bureau) water available that must be used by February 29, 2012, or it will be turned back to the Bureau and lost for City use. This surplus water is the result of excess rainfall last year, and water availability exceeding water demand. Staff has planned to bank 2,000 acre feet of Bureau water in the Semitropic Water Storage District (Semitropic) at a cost of approximately \$250,000. This includes purchasing, conveying and storage of the water. There are adequate funds available in the FY 11-12 budget for this purchase.

As a result of the current dry winter, staff recommends banking an additional 2,000 acre feet of water. Semitropic has agreed to bank this water for Tracy. An acceleration of water banking would occur by putting a total of 4,000 acre-feet into storage this year.

The total cost of banking 4,000 acre-feet is approximately \$500,000. Per the agreement with Semitropic, the City is purchasing a total storage capacity of 10,500 acre-feet. The agreement has been executed by the City and Semitropic, and Bureau approval is pending. The Bureau will provide provisional approval for banking the 4,000 acre-feet. Environmental compliance has also been completed. Once the water is banked, it is available for immediate return to the City should the need arise.

Mayor Ives asked if the City uses so much SSJID water, what is done with this water. Mr. Bayley stated it is sent back and was available if needed by the City.

Mayor Pro Tem Maciel asked if the Banta Carbona and the West Side Irrigation water came from the Delta Mendota. Mr. Bayley stated yes.

Mayor Ives asked Mr. Bayley to explain the term "semitropic". Mr. Bayley stated it was just a name and didn't have any specific significance.

Council Member Abercrombie asked what was in store for the City this summer if it stayed so dry. Mr. Bayley stated it would be an interesting test year. Historically SSJID supplies much of the water but does not have much storage and relies on river flow. Mr. Bayley added the City should receive a good allocation from the Bureau and that there should be no restrictions this year.

Mayor Pro Tem Maciel asked if it would be cost prohibitive to modify the infrastructure so groundwater could be used for landscaping. Mr. Bayley stated it is not the way the City would want to go because of the horsepower of the well pumps. Mr. Bayley added purple pipes are being installed in new subdivisions and are planned for the Holly Sports fields.

Mayor Pro Tem Maciel asked if the semitropic water was more of a credit. Mr. Bayley stated yes. It was referred to as an exchange.

Council Member Elliott asked if the semitropic storage facility was underground. Mr. Bayley stated yes, under the farm fields.

Council Member Elliott asked if there was any danger of the City not being able to access the water that was sent south through the exchange. Mr. Bayley stated there was always an associated risk, but it could be written off since the City is dealing with one of the largest suppliers of water.

Mayor Ives asked if there were certain months when the City was entirely on SSJID water. Mr. Bayley stated yes.

Council Member Rickman asked if the 9,000 acre feet of water was obtained every year. Mr. Bayley stated the City pumps enough to keep the wells active but the City doesn't use anywhere near the 9,000 acre feet.

Council Member Rickman asked if the City replaces the water that is taken out. Mr. Bayley stated it is replaced naturally.

Mayor Ives opened the public hearing.

Robert Tanner, 1371 Rusher Street, inquired about a water source going to Southern California in the future and what effect, if any, would that have on Tracy. Mr. Bayley stated if the project were to go through, there were positive and negative effects for Tracy. Mr. Bayley stated the negative affect would be that the City would have to pay its proportionate share of that water; the positive affect may be higher quality water.

As there was no one further wishing to address the Council, the public hearing was closed.

Staff recommended that:

1. City Council authorize a Professional Services Agreement with West Yost Associates for the Aquifer Storage and Recovery Demonstration Program - 2012 and authorize the Mayor to execute the agreement;
2. Authorize Interim Renewal Contract No. 7-07-20-W0045-IR13-B and Interim Renewal Contract No. 14-06-200-4305A-IR3-B between the United States and the City of Tracy providing for Project Water Service – Central Valley Project, California and authorize the City Manager to execute the agreements;
3. Authorize a supplemental appropriation in the amount of \$250,000 for purchase, delivery and storage of an additional 2,000 acre-feet of water in the Semitropic Water Storage District.

It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt Resolution 2012-028 authorizing a Professional Services Agreement with West Yost Associates for Aquifer Storage and Recovery Demonstration Program for 2012 and authorizing the Mayor to execute the agreement. Voice vote found all in favor; passed, and so ordered.

It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt Resolution 2012-029 authorizing Interim Renewal Contracts between the United States Bureau of Reclamation and the City for providing Central Valley Project Water Service and authorizing the City Manager to execute the agreements. Voice vote found all in favor; passed, and so ordered.

It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt Resolution 2012-030 authorizing a supplemental appropriation in the amount of \$250,000 for storage of surplus water in Semitropic Water Storage District. Voice vote found all in favor; passed, and so ordered.

Mayor Ives stated that he works with a lot of water districts in the State of California and does not believe any of them have as diverse a water supply as Tracy. Mayor Ives applauded Steve Bayley and staff for what they have done for the City.

7. ITEMS FROM THE AUDIENCE – None.

8. COUNCIL ITEMS

- A. Appointment of City Council Subcommittee to Interview Applicants for Two Vacancies on the Planning Commission - As of March 18, 2012, there will be two vacancies on the Planning Commission due to term expirations. The vacancies are being advertised and the three week recruitment period will close on February 9, 2012. In accordance with Resolution 2004-152, a two-member subcommittee is needed to interview the applicants and make a recommendation to the full Council.

Mayor Pro Tem Maciel and Council Member Abercrombie volunteered to interview the applicants.

Council Member Abercrombie thanked the community for the donations made at the yard sale held to raise money for Sherley Villagomez, a 7-year-old girl who attends Central Elementary School, and is battling personal issues. Council Member

Abercrombie stated the donations consisted of 15 pick-up loads which earned \$9,300 for the family.

Council Member Abercrombie gave a "shout out" to his eldest son who leaves for Afghanistan soon, and for his youngest son who will graduate from boot camp in the near future.

9. ADJOURNMENT - It was moved by Council Member Abercrombie and seconded by Council Member Rickman to adjourn. Time 7:58 p.m.

The above agenda was posted at the Tracy City Hall on February 2, 2012. The above are summary minutes. A recording is available at the office of the City Clerk.

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Mayor

ATTEST:

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City Clerk