

DRAFT MINUTES



SPECIAL MEETING

Thursday, August 20, 2026 at 9:00 a.m.

Santa Barbara Fire Training Center, 30 South Olive Street, Santa Barbara CA 93103

COMMISSIONERS Lindsay Coony, Dave Davis, Arturo Keller, Cora Snyder present; Jeff Young absent

COUNCIL LIAISON Kristen Sneddon absent

CITY STAFF Joshua Haggmark, Water Resources Director
Summers Case, Administrative Assistant/Water Commission Secretary

CALL TO ORDER

Chair Davis called the meeting to order at 9:00 a.m.

ROLL CALL

Attendance noted above.

CHANGES TO THE AGENDA

No changes to the agenda were made.

GENERAL PUBLIC COMMENT

No public comment was made.

CONSENT CALENDAR

- 1. Approval of Meeting Minutes for July 16, 2026**
- 2. Construction Manager Contract for Vic Trace Reservoir Replacement Project [Agreement]**
- 3. Contract for WaterSmart Customer Engagement Portal [Agreement]**
- 4. Fiscal Year 2027 Meeting Schedule**

No public comment was made on the consent calendar.

Motion (Keller/Coony) to approve the consent calendar as presented. The motion passed unanimously, with Commissioner Young absent.

ADMINISTRATIVE ITEMS

5. Role and Responsibility of Water Commission

Joshua Haggmark, Water Resources Director, introduced the Role and Responsibility of Water Commission document with minor changes marked for the Commission's approval.

No public comment was made.

Motion (Snyder/Coony) to approve the Role and Responsibility of Water Commission document with recommended updates as presented. The motion passed unanimously, with Commissioner Young absent.

6. Water Resources Department Planning Highlights for Fiscal Year 2027

Mr. Haggmark introduced topics affecting the Water Resources Department as a whole.

CYBERSECURITY

Mr. Haggmark introduced the topic of cybersecurity. Matthew Ward, Water System Manager, Andrew Rhodes, Water Treatment Superintendent, and Cory Olesen, Water Distribution Superintendent, explained that the Supervisory Control and Data Acquisition (SCADA) system that controls the Santa Barbara water system is air-gapped (not connected to the Internet),

AUGUST 20, 2026

and all systems have a switch allowing manual or remote programming updates or manual operation as needed. Mr. Rhodes explained that a recent simulation involved a hacking attack on the Cater Water Treatment Plant; during the simulation, staff participated in a drill on how to switch to manual mode to operate the plant.

Thomas Welche, Wastewater System Manager, explained that SCADA systems for El Estero Water Resources Center and all lift stations are also air-gapped, though some Internet operations are connected for lift stations due to radio connections not connecting well to most lift station locations. Any Internet connections are firewalled and require two-factor authentication for login by staff. Staff does penetration testing to identify vulnerabilities.

Mr. Haggmark discussed City IT services and the vulnerabilities of cloud-based systems such as Cartegraph (work task planning/computerized maintenance management system [CMMS]), Kronos (timekeeping), and WaterSmart (billing and water usage). All carry significant risks and depend on outside vendors for security measures. Mr. Haggmark and Mr. Welche discussed a recent FBI alert about particular devices that had been subject to attack in several states; staff has identified that the City does not have any of those devices.

LABOR AND STAFFING

Mr. Haggmark addressed the City's class and compensation study and progress made by the City Human Resources Department, as well as other developments with staffing.

Administration Division

Mr. Haggmark spoke about bringing the accounting assistants under the Department's Business Manager, Gabriele Cook, and incorporating Ms. Cook into the Department management team.

Mr. Haggmark explained that the Water and Wastewater Rate Studies will begin soon, with a consultant planned to be selected fall 2026/winter 2027. Overhead costs charged by other City departments will necessarily drive up rates; this is largely outside of the Water Resources Department's control.

Mr. Ward discussed the differences in the water system infrastructure compared to other neighboring systems.

Water System Division

WATER TREATMENT

CAPITAL IMPROVEMENT PROGRAM (CIP) SUPPORT: OPERATIONS

Mr. Rhodes explained that the City was close to the maximum allowable limit for diversions from Gibraltar Dam and Reservoir. Water quality is beginning to hit limits for turbidity now. Limiting factor is the Pass-Through Agreement for Gibraltar Dam.

HYDRO-PLANT BYPASS MAINTENANCE

Best management practices are in place, including air/vacuum valves on the penstock.

OZONE CONTACTOR REPLACEMENT AND START-UP

Mr. Rhodes explained that the ozone contactor generator and system (part of the system to treat water at Cater Water Treatment Plant) were replaced recently and tested; the system should be up and running within the next few weeks.

WATER DISTRIBUTION

STAFFING

Water Distribution is making significant progress in staffing; there are far fewer vacancies, and there have been ten promotions in Water Distribution in the past year. Some employees who had left the City came back, not necessarily for promotions but to return to comparable roles, as they valued the Water Distribution workplace culture and team.

CIP SUPPORT: OPERATIONS

Water Distribution is increasing its capital improvement project work, which requires full staffing. Only the operations team can go out and do this work; it is not possible to hire on-demand water operators from outside the City.

Staff continues with preparation for taking Vic Trace Reservoir offline in 2029; Wood Rogers, a consulting firm, has been contracted to assist with this.

GROUNDWATER PROGRAM

AQUIFER STORAGE AND RECOVERY STATUS

PREPARATION FOR RESTARTING GROUNDWATER PRODUCTION IN 2028

Dakota Corey, Water Supply and Services Manager, explained that the groundwater study with USGS has been completed, and groundwater efforts have not previously had an operations supply program, as groundwater was typically a drought-only water supply. Teams across divisions are working together to build a strong operations function for the groundwater program.

GIBRALTAR DAM AND RESERVOIR

DIVISION OF SAFETY OF DAMS

Recently, staff have been working with the California Water Resources Department Division of Safety of Dams (DSOD) to achieve compliance related to changes to regulations. Staff recently made a visit to Gibraltar Dam with DSOD inspectors. Mr. Haggmark explained that the design of Gibraltar Dam is different from the designs of many other dams managed by the DSOD; compliance with a DSOD regulation to open each dam gate annually would lead us to lose a major part of our water supply. Staff continues to coordinate with the DSOD on this issue.

EMERGENCY ACTION PLAN (EAP) UPDATE

Recent update to the Gibraltar Dam EAP, which is regulated by CalOES. The Department recently joined with City Emergency Services staff to host a tabletop exercise with several regional agencies. The exercise was an opportunity to practice incident response using the updated EAP. The exercise helped identify vulnerabilities while testing procedures for emergency notifications, and staff is currently updating the EAP to incorporate recommendations made by tabletop exercise participants.

SPILLWAY DESIGN

The Gibraltar Dam spillway will have to be strengthened with a capital improvement project.

CARETAKER'S RESIDENCE REHABILITATION PROJECT

This project is in progress; so far, the project is on schedule and on budget.

QUONSET HUT

Upgrades to the quonset hut also needed but not required by law; this will be one of the projects staff brings before Water Commission in the future.

CAPITAL IMPROVEMENT PROGRAM

WATER MAIN REPLACEMENT (ONGOING)

Staff will return to the Commission with an item related to this program during the upcoming fiscal year. The team has replaced 6% of water mains over the past fiscal year. Demand for water main replacement work currently exceeds budget.

TRANSMISSION MAIN RENEWAL

Staff will bring this item back before the Commission for the award of contract action, most likely in winter 2026-27.

CATER RESERVOIR RESILIENCY PROJECT

This project will come back before Commission, likely in January 2027.

VIC TRACE RESERVOIR REPLACEMENT PROJECT

This project will come back before Water Commission in the fall of 2026. Kelly Bourque, Senior Project Engineer, discussed comments on the recent environmental impact report for this project.

GIBRALTAR DAM RESIDENCE PROJECT

This project is ongoing.

Wastewater System Division

WASTEWATER COLLECTIONS

STAFF DEVELOPMENT

Mr. Welche shared that the Wastewater Collections team is currently fully staffed after a long period of understaffing.

Staff recently participated in a sanitary sewer overflow (SSO) simulation drill to help the team practice what would happen in a sewer overflow event.

WASTEWATER TREATMENT

OPERATOR TASK BOOK DEVELOPMENT

The team is starting to develop task books to help in training staff and codifying what is needed to move up from position to position within the organization. The task books will identify which particular skills are expected within each job classification.

PREPARATION FOR POTENTIAL IMPACTS OF EL NIÑO

It is not completely clear what will happen with the coming El Niño weather pattern, so the Wastewater System team is preparing for possible impacts.

WASTEWATER SYSTEM CAPITAL

WASTEWATER COLLECTION SYSTEM

There have been new approved housing developments with increased density in areas originally planned and fitted out with wastewater infrastructure for single-family homes. Often, construction of multiple new developments in one area will require infrastructure upgrades.

Water Supply and Services Division

STATE WATER PROJECT (SWP): OPTIONS FOR OPTIMIZING THE CITY'S STATE WATER ALLOCATION

Ms. Corey explained that staff has been discussing sales of State Water Supply water, though no clear path forward has yet been identified for the future. There was a sale of some water to a Kern County agency this year, because the water looked in danger of being lost to spill.

COST OF WATER ANALYSIS

The cost of water analysis was recently updated by Ms. Hoffenberg and Ms. Showers, Water Resources Analysts, based on 2024 data. Staff will bring this topic back to Water Commission in the future.

WATER CONSERVATION

NONFUNCTIONAL TURF WATERING BAN

The Division recently finalized the Water Conservation Strategic Plan; one part of this involves the recent Statewide ban on nonfunctional lawn (meaning turf that is not used for recreational purposes). The City must adopt the State's ordinance by the end of calendar year 2026. Mr. Haggmark noted that the Department is working to minimize the impact of this for the community, and the actions taken are no more restrictive than required by the State.

This item will come before Water Commission in September 2026.

METERING AND CUSTOMER SERVICE

Ms. Corey recognized Hammurabi Days' work expanding and improving the water metering program since he became Water Services Superintendent.

METER TESTING AND VALIDATION

Working with Supply and E-Source to develop a comprehensive meter testing approach. All meters were installed around the same time, so age of meter may not be the best criterion, but staff is working on solid criteria for replacement moving forward.

Mr. Days explained batch testing before installation is a key part of the testing program, and digital testing criteria have been developed.

WATER RESOURCES WAREHOUSE OPERATIONS

The Water Resources Department recently took over warehouse operations, previously operated by the Finance Department. Developing an inventory system using existing software is one associated project. The City is looking into splitting out warehouse space for particular workgroups. Mr. Haggmark explained that taking on operations of the warehouse is a cost-saving measure with the City's General Fund.

SEWER LATERAL INSPECTION PROGRAM (SLIP)

SLIP BUSINESS CASE

Staff will return to Water Commission with this item in Winter 2026/27.

LABORATORY

The Water Resources Laboratory continues to successfully meet its requirements; the Laboratory's second annual audit is coming up soon.

Special Project and Desalination Division

Bradley Rahrer, Principal Project Manager, introduced Greg Paul, Water Treatment Superintendent, and briefly discussed project status on several desalination initiatives.

DESAL CONVEYANCE

DESAL LINK PROJECT

Mr. Haggmark explained that the contractor involved with the Desal Link Project is in negotiations to pay for costs to repair parts of the infrastructure; this will be a settlement agreement. When this is resolved, staff will bring an update to Water Commission.

TRANSMISSION MAIN RENEWAL

CATER YARD PIPING

PRODUCT WATER PUMP STATION

Not all projects above are based at the Charles E. Meyer Desalination Plant, but all are part of the desalination program; Mr. Rahrer gave a brief overview of projects, as there was more detail to be provided in the next item on the agenda.

No public comment was made.

7. Settlement Agreement for the Charles E. Meyer Desalination Plant Design-Build-Operate Contract

Mr. Rahrer gave background and an update on the recent settlement with IDE Americas, Inc., related to the Charles E. Meyer Desalination Design-Build-Operate Contract. The settlement went to a City Council closed session in late July 2026 and was approved by Council at the regular meeting of August 4, 2026.

The Design-Build-Operate (DBO) contract was executed in 2015; plant operating since 2017. There have been numerous disputed claims from both the City and IDE. City claims liquidated damages of approximately \$17.5 million. Amendments to the contract were made in 2024 (Amendment 1) and 2025 (Amendment 2).

Mr. Paul explained upcoming projects and efforts to make the desalination plant more resilient, optimizing energy use.

The new nameplate capacity of the plant will be 3800 acre feet; changed from previous measure.

One part of the new agreement will add 18 more pressure vessels, increasing daily production capacity by 20%. Interconnect filtrate; supply filtered water to each MPD. Brine to backwash improvements to enhance backwash effectiveness. Micronic filter replacement, high pressure pumps VFD replacement (MPD A/B), Backwash sump pump replacements; filter media trough installation; brine sump pump replacement; chemical storage relocation project.

Other key terms of the agreement include independent validation testing overseen by a City-hired consultant. Raw water quality study jointly funded by City and IDE. The settlement agreement does not include admission of liability by either party. All other DBO contract provisions remain in effect.

No public comment was made.

8. Cater Water Treatment Plant Joint Powers Agreement Renegotiation

Mr. Haggmark introduced Dana Hoffenberg, Water Resources Analyst, and gave general background information about the William B. Cater Water Treatment Plant Joint Exercise of Powers Agreement (Cater JPA). Ms. Hoffenberg gave a presentation about current efforts to renegotiate the Cater JPA with member agencies.

No public comment was made.

Motion (Snyder/Coony) to forward this item on to the City Council for approval. The motion passed unanimously, with Commissioner Young absent.

DEPARTMENT UPDATE

9. Director's Report

Mr. Haggmark updated the Commission on recent Water Resources Department activities.

No public comment was made.

Motion to adjourn at 11:37 a.m.

ADJOURNMENT Chair Davis adjourned the meeting at 11:37 a.m.

MINUTES SUBMITTED BY Summers Case, Water Commission Secretary