

MEMORANDUM

To: Water Advisory Committee
From: Chris DeGabriele, Chair, Technical Advisory Committee
Subject: Water Contractor Comments on May 2010 Draft SCWA Water Supply Strategy Action Plan

July 29, 2010

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Upwards of 120 individual comments were submitted by the eight Water Contractors on the subject SCWA Water Supply Strategy Action Plan. The latest of those comments were received on Wednesday, July 28th; thus, there has not been time to compile and coordinate this memo with my fellow TAC members.

Each of the Water Contractor's individual letters/documents submitting comments can be viewed on the SCWA website. It is my understanding that the Agency intends to respond to each of the individual Water Contractor comment letters. On September 14th, the Agency Board of Directors will consider the Water Supply Action Plan modified to incorporate or address Water Contractor comments. The SCWA Water Supply Action Plan is intended to be a living document and will be updated again once the Urban Water Management Plan and the financial planning model is completed in approximately one year's time.

Addressing or identifying each of 120 plus comments in this memo would be lengthy, so I've taken the approach to identify areas where two or more contractors have made similar comments on the Water Supply Action Plan. I believe the overarching comments from the contractors are twofold: 1) the Water Contractors appreciate the invitation of the SCWA Board, General Manager and staff to provide input and participate in this planning effort. This opportunity is valued, and the Water Contractors desire to continue this collaborative planning effort with the Agency in the future including any updates to the Water Supply Action Plan; 2) The costs of these actions should be disclosed and clearly communicated to the Water Contractors to determine the benefits of implementation, funding options and water rate implications.

Comments submitted by any two or more water contractors (and paraphrased by me) on the Water Supply Strategy Actions follow:

Water Supply Strategy Action 1 – Address Dry Creek Summer Flows

1. Add an immediate action to seek federal funding to help offset the cost of projects and studies required to fulfill Biological Opinion requirements (Windsor, Santa Rosa, Cotati, Valley of the Moon, North Marin).
2. Establish milestones to evaluate the effectiveness of miles 1 through 3 of Dry Creek

habitat enhancement efforts and accelerate the by-pass pipeline if habitat enhancement is not successful or the by-pass pipeline is more cost-effective than habitat enhancements (Windsor, Santa Rosa, North Marin).

Water Supply Strategy 2 – Modify Operation of Russian River System

1. It's not clear how Agency water rights reporting is a strategic action (Windsor, Santa Rosa, Cotati, North Marin), nor how SCWA can propose to modify the Lake Pillsbury storage curve when SCWA has no underlying water right or ownership in said project (Windsor, North Marin).

Water Supply Strategy 7 – Improve Transmission System Reliability

1. Include replacement of the rubber dam as a reliability project (Santa Rosa, Petaluma, North Marin).

Water Supply Strategy 8 – Take Advantage of Energy and Water Synergies

1. Carbon-free energy is generally more expensive and may trigger large wholesale water rate increases and the path to carbon-free water is not clear. It is recommended to pursue only if it does not increase the cost for ratepayers (Windsor, Rohnert Park, Cotati, Petaluma).

Water Supply Strategy 9 – Implement Integrated Water Management

1. Generally supported and suggested to add groundwater banking to this strategy. Request a "look ahead" milestone schedule for water supply decisions and allow temporary side agreements for transfer or wheeling of contracted water supply during drought periods. With regard to base demand systems, the advantages and disadvantages for both SCWA and the water contractors should be analyzed (Windsor, Santa Rosa, Rohnert Park, Cotati, Petaluma, Sonoma, North Marin).

1. Water Supply Strategy 10 – Overcome Organizational Fragmentation to Promote Efficiency of Water System Operations and Planning

1. The benefits of collaboration platform are not clear and more definition/description is needed (Windsor, Santa Rosa, Petaluma, North Marin).

2. Survey of elected officials to study possible Agency governance structures should be taken as Immediate Action (Santa Rosa, Valley of the Moon, North Marin).

Additionally the Water Contractors identified additional several actions proposed in their own service territories.

City of Cotati - AMR pilot project, Water Smart Software Pilot Project, Groundwater Banking Feasibility Study, Regional Data, Management Collaboration Platform, Feasibility of Joint Flood Control/Water Supply Project.

City of Sonoma – three proposed municipal wells included in the 10-year capital improvement program.

City of Petaluma – Cotati pipeline to Corona vault, Willow Brook/Lichau Detention Ponds, Denman Flat Retention and Recharge, Adobe Creek Sedimentation Basins, Penngrove Sanitary Pump Station Upgrade.

NMWD – Stafford Lake Solar Project to power Stafford Lake Water Treatment Plant, NMWD Energy Efficiency Project to eliminate pumping at Kastania Pump Station.