



Water Department

**Water Commission Agenda**  
**Regular Meeting**  
**7:00 p.m. – Monday, May 5, 2014**  
**Council Chambers**  
**809 Center Street, Santa Cruz**

**Agenda**

**Call to Order**

**Roll Call**

**Presentation** *Organized groups may make presentations to the Water Commission. Presentations that require more than three minutes should be scheduled in advance with Water Department staff.*

**Statements of Disqualification** *Section 607 of the City Charter states that “...All members present at any meeting must vote unless disqualified, in which case the disqualification shall be publicly declared and a record thereof made.”*

*The City of Santa Cruz has adopted a Conflict of Interest Code, and Section 8 of that Code states that no person shall make or participate in a governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect distinguishable from its effect on the public generally.*

**Oral Communications** No action shall be taken on this item.

**Announcements** No action shall be taken on this item.

**Approval of Minutes** ☆ (Pages 5-10)

Recommendation: Motion to approve the April 7, 2014 Water Commission Minutes.

**Consent Agenda** (Pages 11-12)

*Items on the consent agenda are considered to be routine in nature and will be acted upon in one motion. Specific items may be removed by members of the advisory body or public for separate consideration and discussion.*

1. City Council Items Affecting Water ☆ (accept info) (Pages 11-12)

**Items Removed from the Consent Agenda**

**General Business** (Pages 13-23)

*Any document related to an agenda item for the General Business of this meeting distributed to the Water Commission less than 72 hours before this meeting is available for inspection at the*

*Water Administration Office, 212 Locust Street, Suite A, Santa Cruz, California. These documents will also be available for review at the Water Commission meeting with the display copy at the rear of the Council Chambers.*

1. Water Conservation Master Plan ☆ (Pages 13-22)

Recommendation: That the Water Commission 1) review and approve amended goal/objective language, 2) review and approve outline of City Council Technical Memorandum, 3) receive information on budget, staffing, water savings and implementation plan for Program B and C for comparison, 3) affirm or modify Program C as preferred long-range water conservation program, 4) recommend preferred program to City Council for public input and adoption.

2. Operating Budget and Financial Overview ☆ (Pages 23)

Recommendation: Receive Presentation.

3. WSAC Update

Recommendation: Oral Report. Receive Update Only.

**Subcommittee/Advisory Body Oral Reports** No items.

**Director's Oral Report** No action shall be taken on this item.

1. Monthly Status of Water Supply (to be distributed at meeting)

**Documents for Future Meetings** No action shall be taken on this item.

*The following document is being included in this agenda packet in order to provide ample review time. It will be an item of business and will include a staff report at a future meeting.*

**Items Initiated by Members for Future Agendas**

**Adjournment** The next meeting of the Water Commission is scheduled for June 2, 2014 at 7:00 p.m. in Council Chambers.

☆Denotes written materials included in packet

**APPEALS** - Any person who believes that a final action of this advisory body has been taken in error may appeal that decision to the City Council. Appeals must be in writing, setting forth the nature of the action and the basis upon which the action is considered to be in error, and addressed to the City Council in care of the City Clerk.

Other - Appeals must be received by the City Clerk within ten (10) calendar days following the date of the action from which such appeal is being taken. An appeal must be accompanied by a fifty dollar (\$50) filing fee.

The City of Santa Cruz does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, please attend the meeting fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment, please call Water Administration at 831-420-5200 at least five days in advance so that arrangement can be made. The Cal-Relay system number: 1-800-735-2922.

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Water Department

**Water Commission**  
**7:00 p.m. – Monday, April 7, 2014**  
**Council Chambers**  
**809 Center Street, Santa Cruz**

### **Minutes of a Water Commission Meeting**

**Call to Order** – Vice Chair W. Wadlow called the meeting to order at 7:04 p.m. in the City Council Chambers.

#### **Roll Call**

**Present:** A. Schiffrin, D. Schwarm, D. Stearns, W. Wadlow, and L. Wilshusen.

**Absent:** D. Baskin and G. Mead (with notification)

**Staff:** R. Menard, Water Director; T. Goddard, Water Conservation Manager; N. Dennis Principal Management Analyst; S. O’Hara, Assistant Engineer; H. Luckenbach, Deputy Water Director/Engineering Manager; E. Cross, Community Relations Specialist; L. Rossiter, Management Analyst; G. Rudometkin, Administrative Assistant III.

**Others:** Approximately 12 members of the public.

**Presentation** –There were no presentations.

**Statements of Disqualification** – There were no statements of disqualification.

**Oral Communications** – Oral and written communications made by S. McGilvray.

**Announcements** – There were no announcements.

#### **Approval of Minutes**

Commissioner Schiffrin moved approval of March 3, 2013 Water Commission minutes.

Commissioner Stearns seconded.

VOICE VOTE: MOTION CARRIED

AYES: A. Schiffrin, D. Schwarm, D. Stearns, W. Wadlow, and L. Wilshusen

NOES: None.

ABSTAINED: None

#### **Consent Agenda**

1. Draft Capital Improvement Program Budget
2. Communications Update
3. City Council Items Affecting Water

Item 1 pulled - Draft Capital Improvement Program Budget.

Commissioner L. Wilshusen moved the Consent Agenda. Commissioner A. Schiffrin seconded.

VOICE VOTE: MOTION CARRIED

AYES: A. Schiffrin, D. Schwarm, D. Stearns, W. Wadlow, and L. Wilshusen

NOES: None.

ABSTAINED: None

### **Items Removed from the Consent Agenda**

Item 1 - Draft Capital Improvement Program Budget

Oral Communications made by S. McGilvray, Commissioner A. Schiffrin and Commissioner D. Stearns.

R. Menard, H. Luckenbach, and L. Rossiter responded to public and commission questions.

Commissioner A. Schiffrin moved approval of staff recommendation on Item 1 - Draft Capital Improvement Program Budget. Commissioner Wilshusen seconded.

VOICE VOTE: MOTION CARRIED

AYES: A. Schiffrin, D. Schwarm, D. Stearns, W. Wadlow, and L. Wilshusen

NOES: None.

ABSTAINED: None

### **General Business**

#### **1. Draft Final Water Supply Outlook**

Presentation provided by Administrative Services Manager, T. Goddard and responded to Commission questions.

Summary of Commission Questions/Comments:

- Questions were asked pertaining to historical levels of the reservoir.
- Comment was made that if the reservoir was full last June of 2013 then essentially the reservoir went down by 33% through the summer.
- Comment was made that we went for a 5% reduction last year and anticipated a 25% reduction in the reservoir, and now expectation is a 20% reduction on top of what was in place last year.
- Request to elaborate on the assumption of zero production from Laguna Creek, is there any latitude in there for an unexpected development that was alluded to.
- Question was asked if the City of Santa Cruz should be more aggressive than just stage 3 water restrictions.
- Question was asked since the Water Department staff reports back to the Commission regarding water status at every meeting it is assumed if significant

deviation from the end of season projection is seen that it will be brought back for additional discussion on whether to stay at stage three or move onto stage four.

Public comments:

Oral communications made by R. Longinotti and S. McGilvray.

Commissioner A. Schiffrin moved to accept staff's recommendation. Commissioner D. Schwarm seconded.

VOICE VOTE: MOTION CARRIED

AYES: A. Schiffrin, D. Schwarm, D. Stearns, W. Wadlow, and L. Wilshusen

NOES: None.

ABSTAINED: None

## **2. Long-Term Conservation Master Plan Workshop II**

Presentation provided by Assistant Engineer, S. O'Hara. Assistant Engineer, S. O'Hara, Water Director, R. Menard, as well as Bill and Lisa Maddaus of Maddaus Water Management Inc. responded to Commission questions.

Summary of Commission Questions/Comments:

- Question was asked if the Water Department was officially recommending Conservation Plan C.
- Clarification was asked concerning Table 1. Saturation Levels of High Efficiency Fixtures in 2012, under the faucets column it states that 4%-88% of businesses have adopted water efficient faucets, is there indication as to why it is such a broad range.
- Question was asked as to how these further investments in conservation would be funded.
- Question was asked if high efficiency water rebates would go up.
- Question was asked that it states in the Water Conservation Master Plan that it would take advantage of new technology as it might come on-line but it isn't clear where exactly it is accounted for and what that would be.
- Question was asked regarding seasonality; is there any way that this Conservation Plan C model could reflect the disparate values between reservoir water and year round water.
- Comment was made that in a Santa Cruz water supply scenario; seasonal water is much more valuable.
- Comment was made that the City is aiming for 2 million gallons per day in conservation savings and some of these programs in the Master Plan offer 5 million gallons a year in conservation savings.
- Comment was made that rather than ask to optimize a different program than Conservation Plan C, it might be helpful to us if there was a qualitative notation; for example; which of those items are especially helpful from a seasonal perspective that would at least inform the Commission, the Council, and members of the public which kind of items in there have a special focus such as seasonality.

- Question was asked regarding measure number 5, the customer billing report & services measure, regarding the capability of this system relating to the rate study and looking at potential variable rates based on water usage.
- Question was asked if there has been any discussion on the ultra-high efficiency toilets and various other products of that nature being included into the City's plumbing code or will it stay a rebate program in perpetuity.
- Comment was made that the Water Conservation Master Plan goal objective states, "*The City of Santa Cruz's stated objective is to develop a Water Conservation Master Plan to maximize water efficiency in the most equitable and cost-effective manner to the extent practical for implementation by City staff.*" Clarification requested as to whose water efficiency is being referred to; the community's, service areas, etc.
- Comment was made regarding the Water Conservation Master Plan as it refers to the City of Santa Cruz whereas service area would be a more comprehensive term.
- Clarification was asked regarding one of the Water Conservation Master Plan Goal/Objectives stating to "*Maintain long-term plan for complying with SB X7.7 and meeting the gallons per capita per day (GPCD) target by 2020*"; explanation to provide what SB X7.7 refers to as well as what the particular target is from that legislation.

Public Comment:

Oral Comments made by G. Prepping, R. Longinotti, S. Holt, and S. McGilvray.

Deliberation:

- Staff in conjunction with Commissioners collaborated to wordsmith the Water Conservation Master Plan Goal/Objectives.
- Commission was asked for tentative agreement on certain steps.
- Commission was asked if they have tentative agreement on the most cost efficient program or the components of the most cost efficient program, which would be program B and then build upon that to try to get to program C knowing there will be different measures that would be added, subtracted or modified.
- Commissioners requested to move onto Program C as it was the recommendation.
- Commission was asked if they have tentative agreement on Program C and if tentative agreement on Program C is agreed upon then measures out of Program C can be added, subtracted or modified.
- Commissioner requested to include measures 5 – Customer Billing Report & Service and measure 24 – Install sensor-activated faucets.
- Clarification asked for why measure 11 – Residential ultra-high efficiency toilets was gone with rather than measure 12 – Install high-efficiency toilets, showerheads, and faucet aerators in residential buildings.
- Recommendation to include in measure 5 – Customer Billing Report & Service
- Question asked if a third party contractor would be brought into execute measure 5.



- Deliberation concluded with going with Program C and adding recommended measure 5 and coming back with some additional recommendations and modifications to measure 24 to meet the intent in a more cost effective manner.

Commissioner Stearns moved that Commission recommend preferred Program C as it was amended tonight subject to review to the adjustments in the objective and the modified measures as well as implementing the gray water program in response to drought which is part of Program D that will be moved into Program C which was stated in the staff report. Commissioner Schwarm seconded.

VOICE D. Schwarm, D. Stearns, W. Wadlow, and L. Wilshusen

NOES: None.

ABSTAINED: A. Schiffrin

#### **4. WSAC Update**

Water Director, R. Menard provided the staff report and responded to Commission questions.

Summary of Commission Questions/Comments:

- Question was asked if the letter included with the report was a draft or sent.
- Question was asked if the Water Department Staff was recommending bringing in Consulting group Stratus.
- Clarification was asked if it was understood that some people on the Water Supply Advisory Committee, that has not yet had a meeting, are opposed to Stratus.

#### **5. Agenda Strategy**

Water Director, R. Menard provided the staff report and responded to Commission questions.

Summary of Commission Questions/Comments:

- Question was asked concerning the timeline of the rate study.

**Subcommittee/Advisory Body Oral Reports** No items.

**Information Item** (Pages 114-135) No action shall be taken on this item.

1. Budget for Implementation of Stage 3 Water Rationing
2. Reimbursement for Capital Expenditures Prior to Debt

Summary of Commission Questions/Comments:

- Commission requested to place future Information Items on the Consent Agenda.

**Documents for Future Meetings** No action shall be taken on this item.

**Items Initiated by Members for Future Agendas**

**Adjournment** The next meeting of the Water Commission is scheduled for May 5, 2014 at 9:35 p.m. in Council Chambers.

Respectfully submitted,

Gloria  
Rudometkin

Digitally signed by Gloria Rudometkin  
DN: cn=Gloria Rudometkin, o=City of  
Santa Cruz, ou=Water,  
email=grudometkin@cityofsantacruz.c  
om, c=US  
Date: 2014.02.10 09:12:05 -08'00'

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Staff



**WATER COMMISSION  
REPORT**

DATE: May 5, 2014  
TO: Water Commission  
FROM: Water Director  
SUBJECT: City Council Items Affecting Water

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**City Council Meeting of April 8, 2014:**

North Coast System Rehabilitation - Phase 3 - Permitting and CEQA Support Services - Contract Amendment No.4 (WT)

**Motion carried** to approve Contract Amendment No. 4 with LSA Associates Inc. (Richmond, CA) for initial study preparation and permitting support services.

North Coast System Rehabilitation - Phase 3 - Design and Construction Support Services - Contract Amendment No. 2 (WT)

**Motion carried** to approve Contract Amendment No. 2 with Hatch Mott MacDonald (Pleasanton, CA) for design and construction support services.

Budget for Implementation for Stage 3 Water Rationing - Budget Adjustment (WT)

**Resolution No. NS-28,761 was adopted** amending the Water Department's FY 2014 Budget to authorize expenditures in the net amount of \$419,656 to address the financial impact of implementing Stage 3 water rationing.

Water Supply Reliability – Multidisciplinary Work Effort: Economics, Policy, Environmental Sciences, Natural Resource – Award of Contract (WT)

**Motion carried** to refer this item to the Water Supply Advisory Committee to discuss and provide feedback to Council on the sourcing of technical and analytical work, paying full attention to the urgency for timeliness in moving the project forward, and bring back to Council for decision on May 13, 2014.

Reimbursement for Capital Expenditures Prior to Debt Issuance (WT)

**Resolution No. NS-28,762 was adopted** to permit the City of Santa Cruz Water Department to reimburse itself for capital expenditures incurred earlier than 60 days prior to the issuance of debt.

**City Council Meeting of April 22, 2014:**

Water Production Electricity – Budget Adjustment (WT)

**Resolution No. <ResNumber> was adopted** appropriating funds and amending the Fiscal Year 2014 budget in the amount of \$63,988 to fully fund the Water Production electricity expenses.

2014 Water Supply Outlook (WT)

**Motion carried** to affirm the February 25, 2014 decision declaring a Water Shortage Emergency and directing the Water Department to implement Stage 3 actions based on the attached projection of water supply availability for 2014.



## WATER DEPARTMENT MEMORANDUM

DATE: April 29, 2014  
TO: Water Commission  
FROM: Susie O'Hara, Assistant Engineer II  
SUBJECT: Water Conservation Master Plan: Shared Vision Meeting #3

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**RECOMMENDATION:** That the Water Commission 1) review and approve amended goal/objective language, 2) review and approve outline of City Council Technical Memorandum, 3) receive information on budget, staffing, water savings and implementation plan for Program B and C for comparison, 3) affirm or modify Program C as preferred long-range water conservation program, 4) recommend preferred program to City Council for public input and adoption.

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**BACKGROUND:** Work on the Water Conservation Master Plan (WCMP) began in March of 2013. Since that time, the Water Commission has provided feedback and guidance on three distinct planning phases: 1) analysis of system-wide demand projections and establishment of demand planning baseline; 2) evaluation of system-wide conservation potential; and 3) identification and study of potential conservation measures. At its April 2014 meeting, the Water Commission deliberated on and adopted WCMP goal/objective language as well as the preferred long-term conservation program.

### DISCUSSION:

#### Water Commission Adopted Goal/Objective Language and Preferred Program

The following amended goal/objective language reflects the April 7<sup>th</sup> Water Commission meeting feedback.

*The City of Santa Cruz's Water Conservation Master Plan will maximize our community's efficient use of water in the most equitable and cost-effective manner to the extent practical for implementation by City staff. Key priorities of the WCMP include:*

- *Capitalize on opportunities to meet the future water needs of the Santa Cruz Water Department customers through cost-effective and sustained water conservation and water use efficiency efforts;*
- *Demonstrate environmental stewardship and foster innovative, responsible and efficient practices;*

- *Commit to and implement a water conservation program that supports the health of rivers, streams and groundwater integral to the region’s quality of life and economy.*
- *Monitor and measure performance to ensure conservation potential is being met as forecasted.*

*Achieving these goals will allow us to:*

- *Maintain and exceed the water savings already achieved by the City of Santa Cruz; identify the best path to achieve those savings and to monitor commitments to the California Urban Water Conservation Council (CUWCC) Memorandum of Understanding Regarding Urban Water Conservation (MOU);*
- *Maintain long-term plan for compliance with SB X7.7 and meet the gallons per capita per day (GPCD) target by 2020;*

The Water Commission adopted an amended Program C to be implemented to meet these objectives. Program C consists of both passive (plumbing codes with no cost to the City) and active elements. Plumbing code measures account for 45% of the future conservation potential achieved and is independent of any program. Recommended active measures for Program C fall within one of four categories: general measures, residential measures (indoor), commercial measures (indoor) and irrigation measures (outdoor). The following table summarizes the active elements of the recommended plan:

Table 1. Summary of Active Elements for Program C

<b>General Measures</b>	<b>Residential Measures (Indoor)</b>	<b>Commercial Measures (Indoor)</b>	<b>Irrigation Measures (Outdoor)</b>
Water Loss Control Program	Real Customer Water Loss Reduction – Leak Repair and Plumbing Emergency Assistance	CII MF High-Efficiency Washer Rebate	City Code Requirement for New Landscaping
Install Advance Metering Infrastructure (AMI)	Single Family Water Surveys	Promote Restaurant Spray Nozzles	Residential Single Family Landscape Conversion or Turf Removal (Current)
Water Budget Based Billing	High Efficiency Faucet Aerator/Showerhead Giveaway	High Efficiency Urinal Program	Residential Multifamily and CII Landscape Conversion or Turf Removal (Current)
Public Information Program Including Various Outreach & Education Approaches	Residential Ultra High Efficiency Toilet (UHET) Rebates	School Building Retrofit	Expand Outdoor Water Survey and Water Budgets
Customer Billing Report and Service*	Residential Washer Rebate (Intensive)	Customized Top Users Incentive Program	Rotating Sprinkler Nozzle Rebates
	Require High Efficiency Clothes Washers in New Development	CII and MF Surveys and Top Water Users Program (top customers from each customer category)	Residential Gray Water Retrofit*
	Require Hot Water on Demand/Structured Plumbing in New Developments	Public Restroom Faucet Retrofit*	Provide Rain Barrel Incentive
	Toilet Retrofit at Time of Sale		

\*Measures modified or included based on Water Commission feedback

Program B and C Administration and Implementation

The Water Commission asked staff to provide forecasted costs, staffing requirements, and implementation plan for Program C. Presented below is the administrative and implementation analysis for both amended Program C and the most cost effective alternative, Program B, for the purpose of comparison. Both programs offer a similar total volume of conservation savings (Approximately 9% difference water savings between programs; Program B 2030 Water Saved: 487 MGY, Program C 2030 Water Saved: 532 MGY; Approximately 60% difference cost increase between programs; Program B present value cost: \$8,346,000, Program C present value cost: \$13,425,000). Program comparisons are shown in Figures 1-6.

<b>Table 2: Conservation Program Measures</b>		
<b>Measure Name</b>	<b>Program B</b>	<b>Program C</b>
Water Loss Control Program	X	X
Install AMI	X	X
Water Budget Based Billing	X	X
Public Information Program Including Various Outreach & Education Approaches	X	X
Customer Billing Report and Service*		X
Real Customer Water Loss Reduction – Leak Repair and Plumbing Emergency Assistance	X	X
Single Family Water Surveys	X	X
High Efficiency Faucet Aerator/Showerhead Giveaway	X	X
Residential High Efficiency Toilet (HET) Rebates	X	
Residential Ultra High Efficiency Toilet (UHET) Rebates		X
Residential Washer Rebate (Current)	X	
Residential Washer Rebate (Intensive)		X
Require High Efficiency Clothes Washers in New Development	X	X
Require Hot Water on Demand/Structured Plumbing in New Developments		X
Toilet Retrofit at Time of Sale	X	X
CII MF High-Efficiency Washer Rebate		X
CII Incentives	X	X
Promote Restaurant Spray Nozzles	X	X
Customized Top Users Incentive Program	X	X
High Efficiency Urinal Program		X
Public Restroom Faucet Retrofit*		X
School Building Retrofit	X	X
City Code Requirement for New Landscaping	X	X
Residential Single-family Landscape Conversion or Turf Removal (Current)	X	
Residential Single-family Landscape Conversion or Turf Removal (Intensive)		X
Residential Multifamily and CII Landscape Conversion or Turf Removal (Current)		X
Expand Outdoor Water Survey and Water Budgets		X
Rotating Sprinkler Nozzle Rebates		X
Residential Gray Water Retrofit*		X
Provide Rain Barrel Incentive		X

\*Measures modified or included based on Water Commission feedback

Comparison Data

Figure 1: Program B Costs

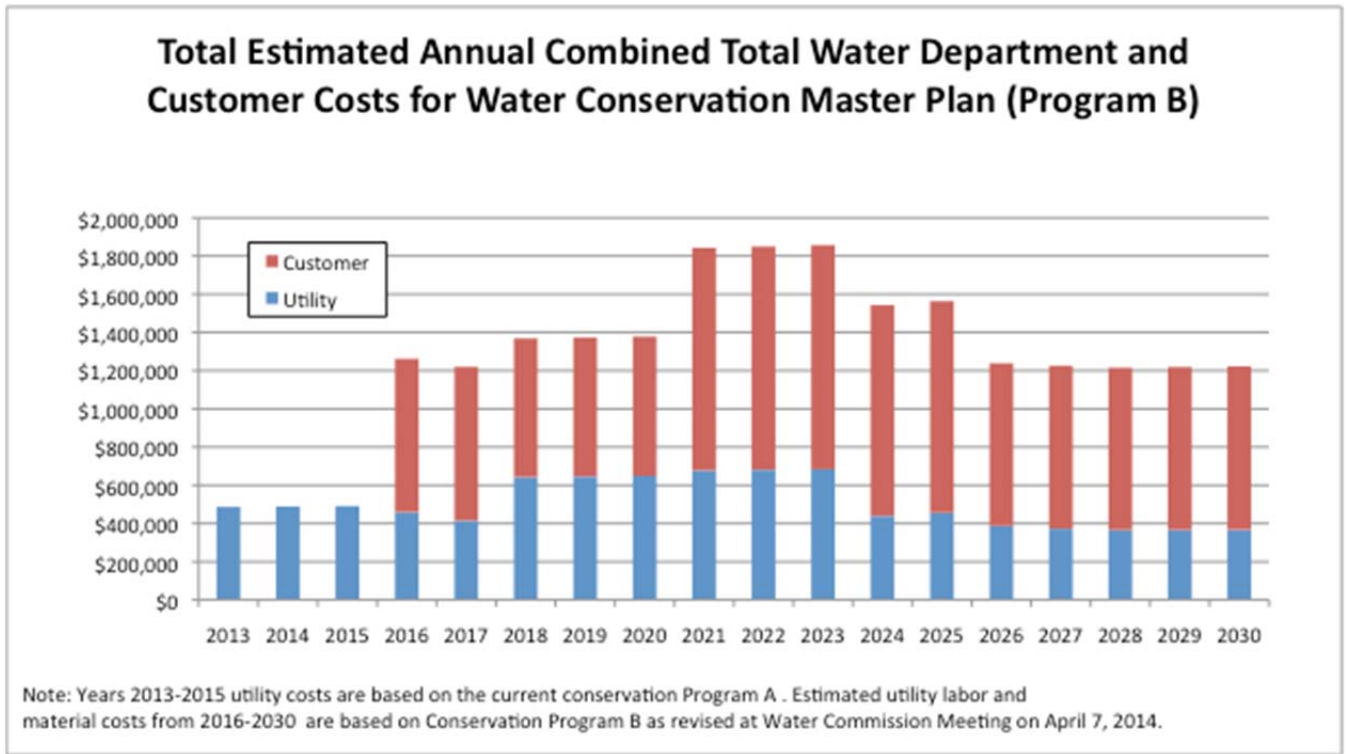


Figure 2: Program B Staffing

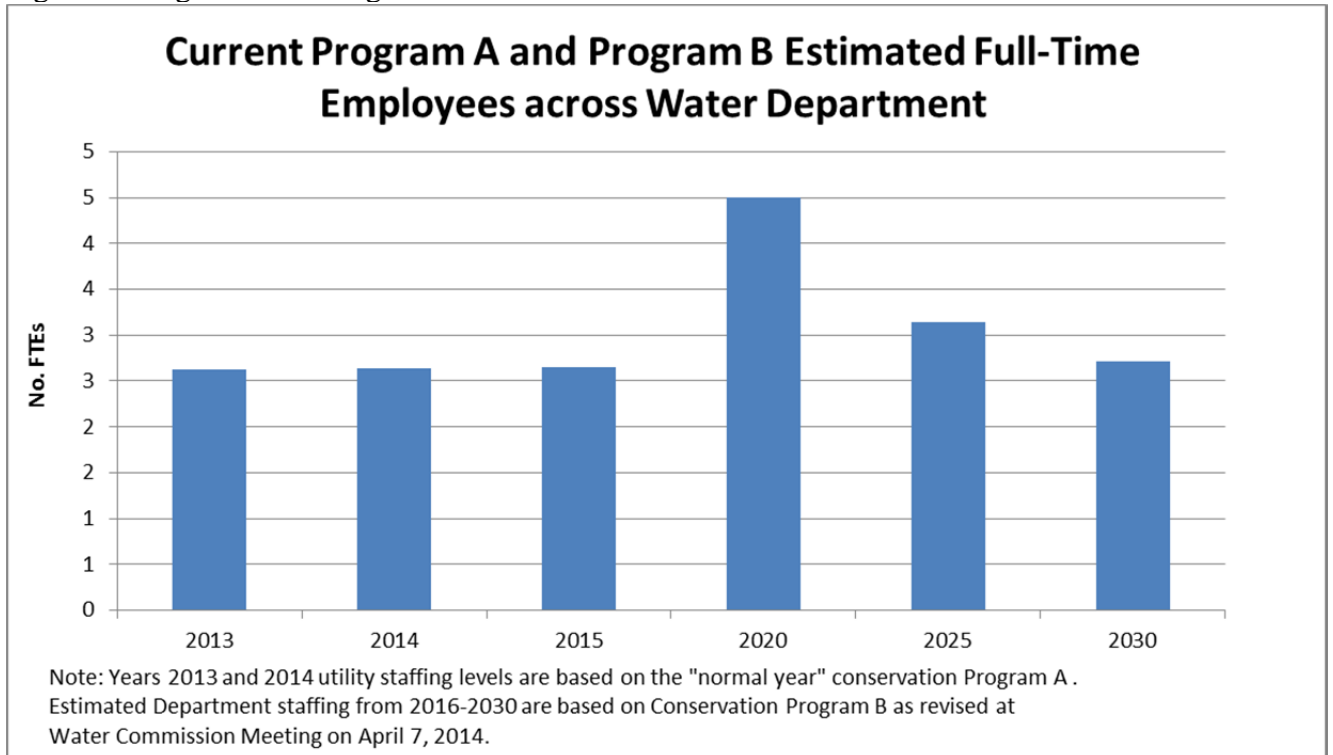




Figure 3: Program C Costs

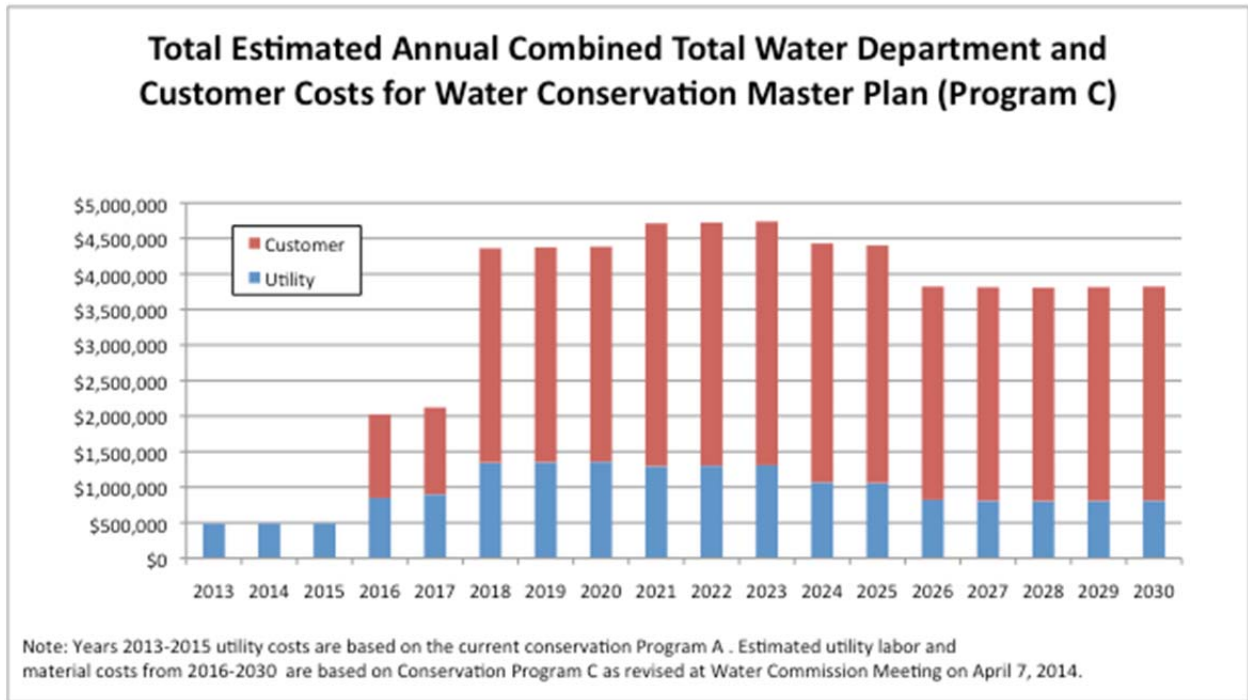


Figure 4: Program C Staffing

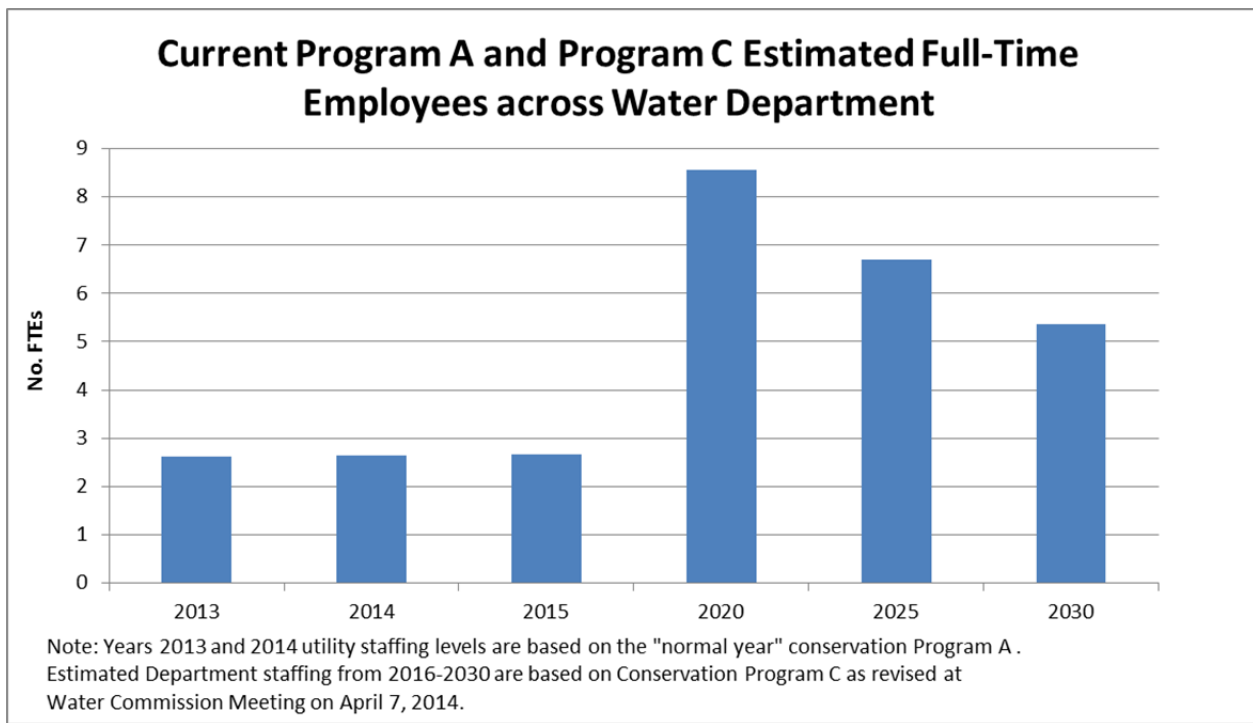


Figure 5: Program B and C Cost Comparison

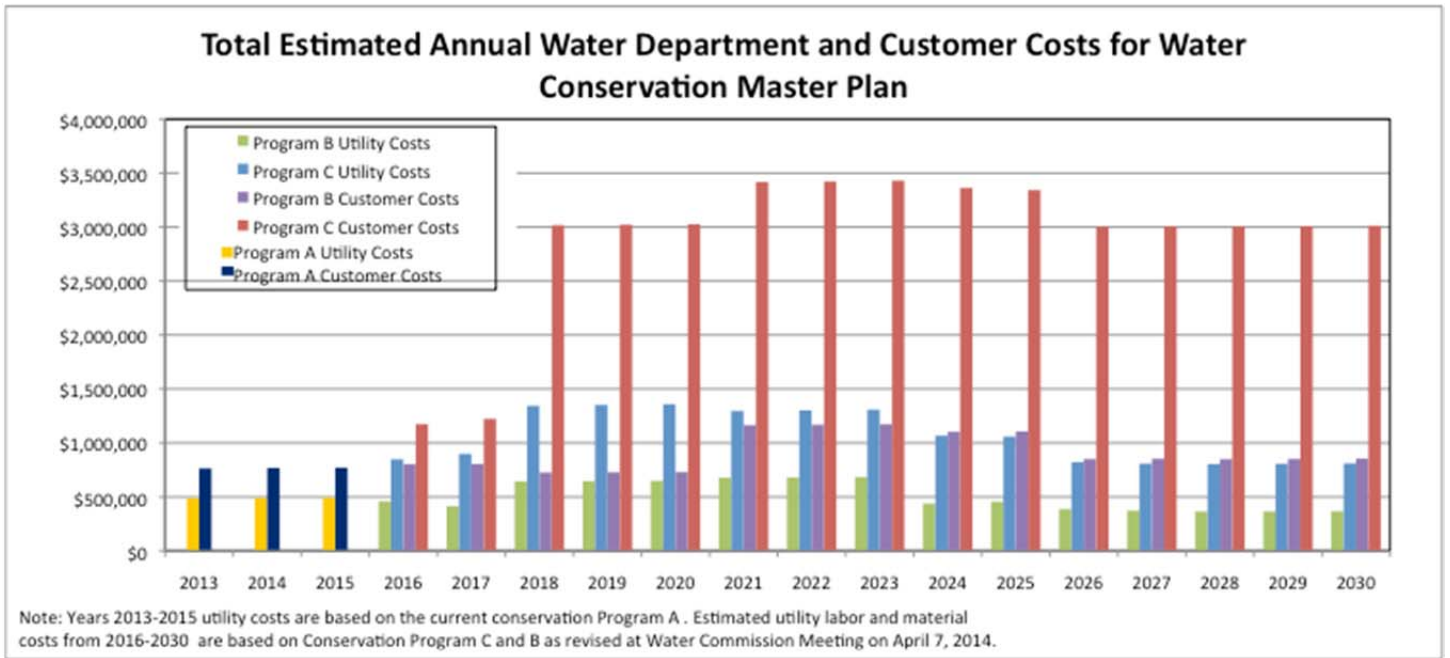


Figure 6: Program B and C Staffing Comparison

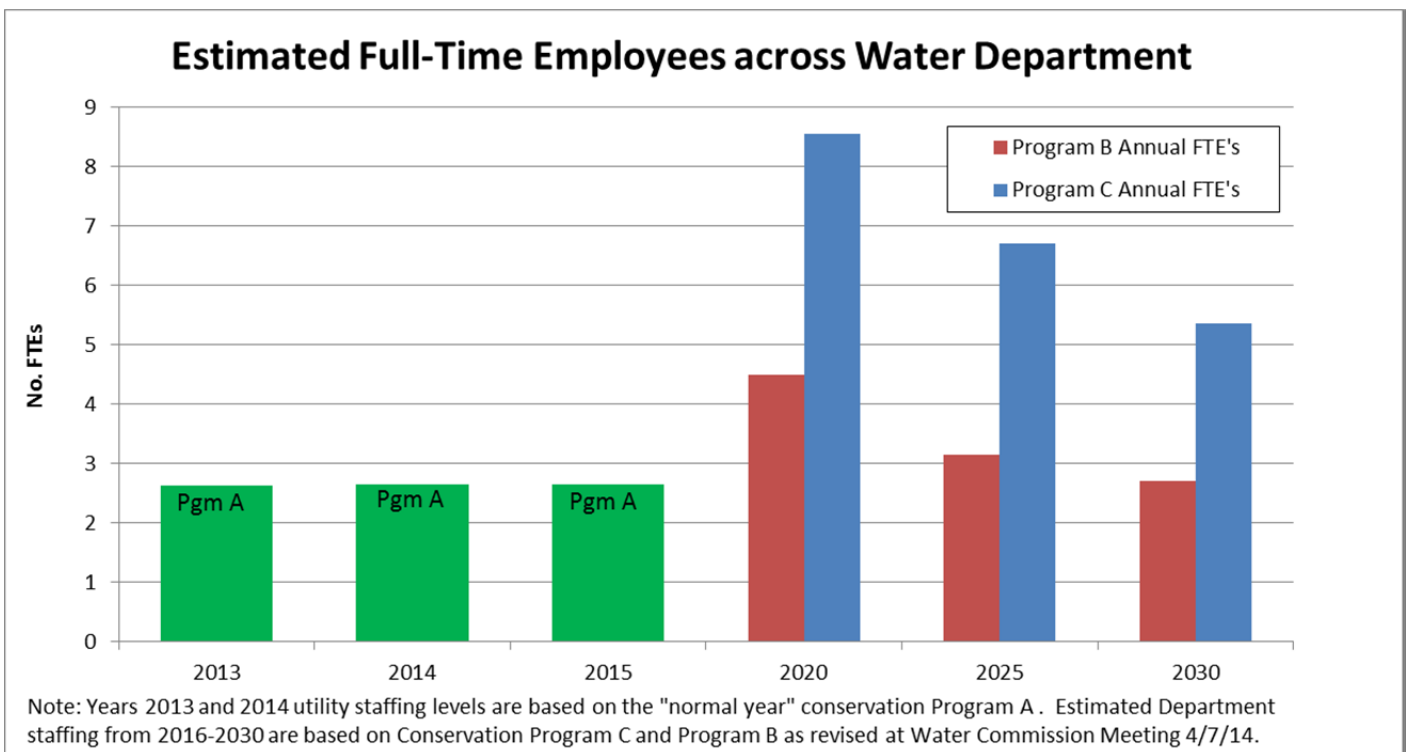


Figure 7: Program C Implementation Plan

City of Santa Cruz Water Conservation Program Proposed Implementation Schedule																		
Measure	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Reduce Water Loss																		
AMI																		
Water Rates																		
General Public Information																		
Public Info																		
Res Leak Assistance																		
Res SF Survey																		
Plumbing Fixture Giveaway																		
Res HET Rebates																		
Res UHET Rebates																		
HECW Rebates A																		
HECW Rebates B																		
HECW - New Dev																		
Hot Water On Demand - New Dev																		
Toilet Retrofit TOS																		
CII MF Common HECW																		
CII Incentives																		
Pre-Rinse Noz Giveaway																		
CII Surveys																		
HEU Program																		
Public Restroom Faucet Retrofit																		
School Retrofit																		
Landscape Ordinance																		
Res SF Turf Removal A																		
Res MF CII Turf Removal A																		
Expand Irr Survey Water Budgets																		
Sprinkler Nozzle Rebates																		
Gray Water Retrofit																		
Support Residential Rain Barrel																		
<b>Number of Active Measures:</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>17</b>	<b>17</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>20</b>	<b>20</b>	<b>19</b>	<b>18</b>	<b>17</b>	<b>17</b>	<b>17</b>

Note: Years 2013-2015 are current program A. Years 2016-2030 are Program C.

Data Analysis

Given the implementation schedule noted above, water savings achieved over time for both Program B and C is very consistent. Long-term demands for both programs are noted below in Figures 8 and 9.

Figure 8: System-Wide Water Demands (Million Gallons per Day)

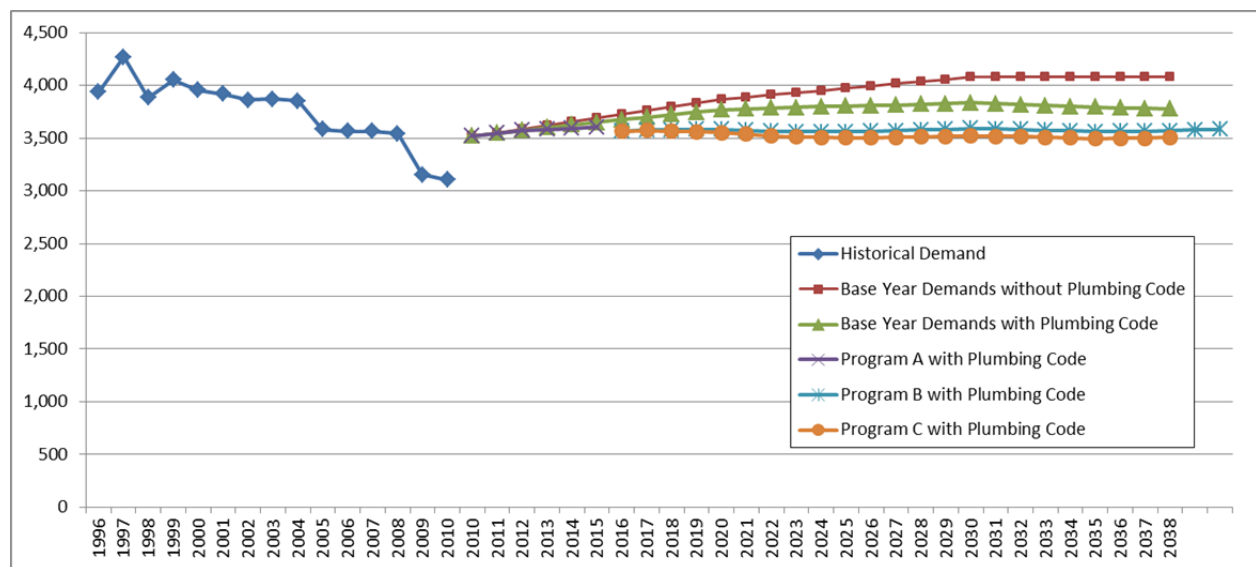
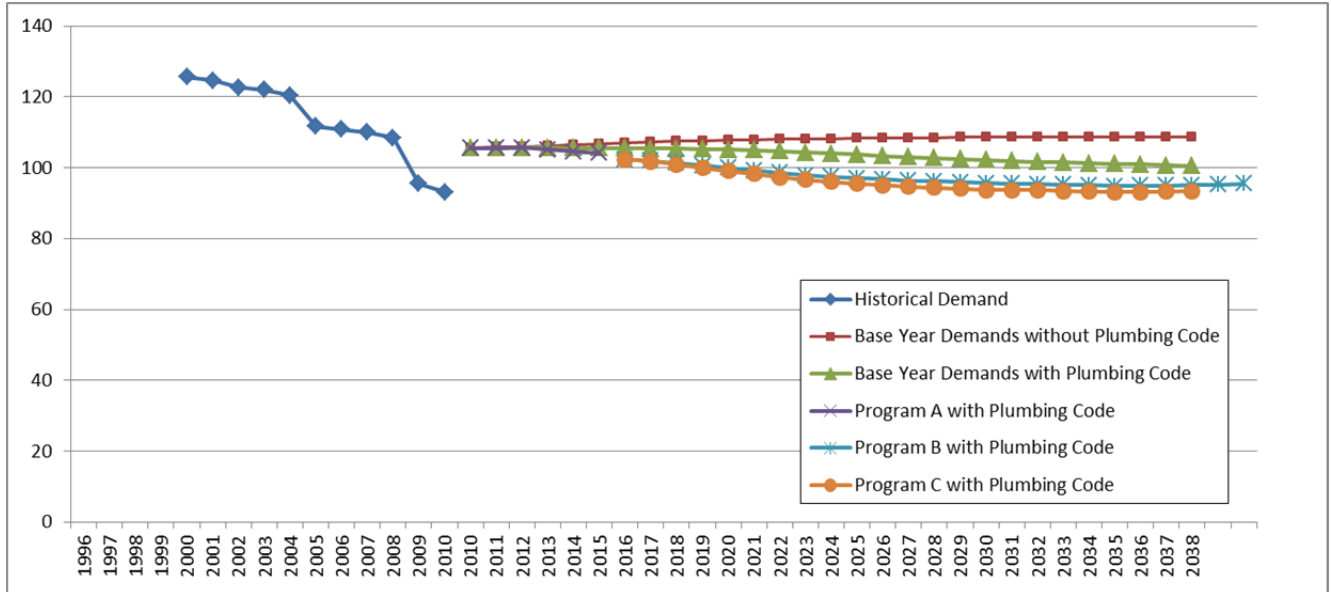


Figure 9: System-Wide Water Demands (Gallons per Person per Day)



Comparative analysis of costs and staffing provides greater context around the administrative considerations of implementing a comprehensive conservation program. While offering a modest increase in water savings (45 MGY), Program C is twice the utility cost and staffing profile than Program B. In addition, customer costs for Program C are two to three times greater than Program B. This is due in large part to measures “Residential Multifamily and CII Landscape Conversion or Turf Removal (Current)” and “Require Hot Water on Demand/Structured Plumbing in New Developments”, which place a heavy cost burden on the customer.

Figure 10: Require Hot Water on Demand/Structured Plumbing in New Developments

Results	
Average Water Savings (mgd)	
0.002790	
Lifetime Savings - Present Value (\$)	
Utility	\$52,724
Community	\$52,724
Lifetime Costs - Present Value (\$)	
Utility	\$565,985
Community	\$2,517,659
Benefit to Cost Ratio	
Utility	0.09
Community	0.02
Cost of Savings per Unit Volume (\$/mg)	
Utility	\$17,920

Figure 11: Residential Multifamily and CII Landscape Conversion or Turf Removal (Current)

Results	
Average Water Savings (mgd)	
0.010568	
Lifetime Savings - Present Value (\$)	
Utility	\$190,431
Community	\$624,338
Lifetime Costs - Present Value (\$)	
Utility	\$287,964
Community	\$17,668,747
Benefit to Cost Ratio	
Utility	0.66
Community	0.04
Cost of Savings per Unit Volume (\$/mg)	
Utility	\$2,407

## Next Steps

It is expected that the Water Conservation Master Plan visioning process will continue as outlined below.

- **May Water Commission Meeting** – Affirmation of preferred long-range conservation program.
- **Future City Council Meeting** – Consideration and adoption of preferred long-range conservation program with public comment/participation (timing to be determined).

## City Council

Staff intends to prepare a technical memorandum (TM) for the Council’s review. The TM outline is included below for the Water Commission’s information.

### **City Council Water Conservation Master Plan Summary Technical Memorandum**

#### **1. Executive Summary**

- Need and Plan Objectives
- Planning process
  - o Graphic with steps
  - o Schedule for completion
- Results
  - o Measures Selected (*table of descriptions from Water Commission recommended program*)
  - o Schedule
  - o Budget (*annual bar chart graphic*)
  - o Staffing (*summary of ramp up needed*)

#### **2. Overview of Plan**

- a. Purpose & Need
- b. Goals & Objectives
- c. Steps in Planning Process
  - i. *Graphic on Steps taken*

#### **3. Demands**

- a. Basis for Demand Forecast
  - i. Graph of the demand forecast without the plumbing code or conservation savings

#### **4. Conservation Savings**

- a. Code and Standards (passive) savings
- b. Active Conservation
  - i. SB X7-7 and CUWCC Goals
    - 1. Utility Operations
    - 2. Education
    - 3. Incentives
    - 4. Mandates
- c. Modeling Process
  - i. Screening of Measures
    - 1. *Appendix with all measures considered*

- ii. Measure Results
  - 1. *Table of Benefit/Costs for all measures*
- iii. Program Scenarios
  - 1. *Checkbox table*
- d. Recommended Program Scenario
  - i. Final Measures
    - 1. Utility Operations
    - 2. Education
    - 3. Incentives
    - 4. Mandates
  - ii. Budget
    - 1. Bar Chart Graphic
  - iii. Staffing
    - 1. Table
  - iv. Implementation Suggestions
    - 1. Table
- e. Impacts on Future Demands
  - i. New Development
  - ii. Influence on Water Supply Reliability

## **5. Conclusion**

- a. Overall outcomes
- b. Savings targeted
- c. Future implementation
- d. Next steps

### Future Considerations

It is expected that an advisory body such as the Water Commission, City Council or Water Supply Advisory Committee will analyze the WCMP from the perspective of several additional considerations. For example:

1. Conservation as a preferred supply alternative: When potential water supply alternatives are identified, it will be necessary to circle back to the “avoided costs” assumptions in the WCMP to affirm the assumptions and recommended strategy.
2. Program funding strategy for long-range water conservation program: A range of alternative strategies for funding long term conservation efforts will be developed and evaluated. At least one alternative will consider a more transparent method of linking the cost of new development to long term conservation program investments.



## WATER DEPARTMENT MEMORANDUM

DATE: April 29, 2014  
TO: Water Commission  
FROM: Rosemary Menard, Water Department Director  
SUBJECT: FY 2015 Operating Budget Overview

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RECOMMENDATION: Receive Information Regarding the FY 2015 Operating Budget.

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An early version of the FY 2015 Water Department Operating Budget will be forthcoming and emailed to Commissioners prior to the meeting on May 5, 2014.

The Water Department budget hearing is currently scheduled for Tuesday, May 27, 2014 at 7:00 PM.