

Water Supply Advisory Committee

Meeting August 27 and 29, 2014

Fellowship Hall, Peace United Church of Christ

Meeting Summary

Use and Meaning of the Meeting Summary:

The Summaries of the Water Supply Advisory Committee are intended to be general summaries of key issues raised and discussed by participants at meetings. The presentation of issues or items discussed is not designed to be totally comprehensive, or reflect the breadth or depth of discussions. However, it is intended to capture the gist of conversations and conclusions.

Where a consensus or other agreement was reached, it will be so noted. Where ideas or comments are from only one or several participants, or where a brainstormed list is presented the content of which was not agreed to by all Committee members, the co-facilitators will to the best of their abilities note these qualifiers. Where the co-facilitators believe that the insertion of additional information would be useful to the group they insert it in this summary and indicate that the insertion comes from them, rather than from the Committee.

An early draft of this summary is sent to Committee Members so that they may provide comments to the co-facilitators and permit the preparation of a more reliable Presentation Draft for review at the Committee's next meeting. If the Members' comments conflict with each other the co-facilitators do their best to resolve the conflict in the Presentation Draft. When Members raise comments about the meeting Summaries, or make other suggestions or comments following meetings that propose changes that are more than "corrections" to the Summaries, the facilitators add these in a section at the end of the item or at the end of the meeting Summary captioned "Post Script".

This meeting consisted of two consecutive daily sessions. The first lasted 4½ hours, the second lasted 4 hours. Here is a list of the members of the Committee. All members attended both sessions except as specified.

10a Materials from August Water Supply Advisory Committee

David Green Baskin, Dana Jacobson (arrived a few minutes late to the first session), Charlie Keutmann (attended the second session, absent from the first), Sue Holt, Rick Longinotti, Sarah Mansergh, Rosemary Menard, Mark Mesiti-Miller, Mike Rotkin (attended the first session, absent from the second), Sid Slatter (absent from both sessions), Erica Stanojevic (absent from both sessions), Doug Engfer, Peter Beckmann, Greg Pepping, David Stearns (Attended the first session, absent from the second).

First Session, Wednesday August 27

Public comment

There was public comment including the following:

- The materials for this meeting are not available on the website

Committee Member updates

Mark Mesiti-Miller reported that members of the Chamber of Commerce have noticed no outreach message about the SANTA CRUZ WATER SUPPLY CONVENTION: OUR WATER OUR FUTURE. Mike Rotkin reported that he will be unable to attend the Committee's Friday session and will therefore miss the report of correspondence received from the community. He reported that all correspondence received from the community has been forwarded to the Committee. Members suggested that members should take it in turns to send a regular letter to the editor of the Sentinel to ensure that there are frequent updates of the Committee's progress.

Co-facilitator's note: no specific action was decided for this suggestion so the suggestion has been referred to the Recon Outreach Subcommittee.

Soquel update

Heidi Luckenbach described recent activities at the Soquel Water District to update the Members.

Agenda review

Co-Facilitator Nicholas Dewar reviewed the meeting's agenda with the Committee. All agreed on the agenda.

Independent Review Panel

Rosemary Menard reported that the IRP Subcommittee had selected four candidates whom they recommend to the Committee for proposal as members of the Independent Review Panel. The candidates are Mike Cloud, Roy Wolfe, Patrick Ferraro, and Brian Ramaley.

In response to questions from Committee Members, Subcommittee members explained that the relationship of candidates to desalination had not been part of the formal grading system used in the selection process. However, some members of the Subcommittee were very concerned about this and so the eventual selections reflect those concerns. Subcommittee members also explained that, although the question of paying for the travel of IRP members to and from the East Coast had been a consideration of the Subcommittee, a greater concern was the availability of each candidate to participate adequately.

The Committee agreed by consensus to recommend all the shortlisted candidates to the City Council for approval as members of the IRP. The Committee also agreed that the IRP Subcommittee should continue with its work concerning the role of the IRP by considering, protocols for assignment of work and communication between the Committee and the IRP, how the IRP might be brought up to speed and what role it will play during Recon and the Real Deal.

Recon Report update

Rosemary responded to questions raised about the Supply/Demand slide deck, and in particular slide #55. She referred to Document P that was included in the meeting packet that provides information regarding the confluence model and the Loch Lomond rule curve. She pointed out that the starting point for the water level in the series of graphs including slide 55 is always the same and is based on November 1 1976.

In answer to questions, she explained that the rule curve can be considered for change as part of proposals recommended by the Committee. She pointed out that the rule curve could be more conservative so that management of Loch Lomond will tend to end each water year with more water in the Loch. However, the current rule curve is considered by the CDFG to be too conservative, because it reduces the amount of instream flows available to fisheries. She drew attention to the tension between different needs that are reflected in discussions about the rule curve.

This discussion is important for future management strategies and it is also important for establishing the baseline.

There is another complication in that the slides in the 55 series do not use the 1977 rule curve; they take 1976-77 hydrology and impose new information about demand and/or apply a more modern rule curve. Teasing this out may be best done between meetings and brought back to the Committee.

Rosemary also noted that a more conservative rule curve would result in more frequent curtailments. In essence this acceptance of curtailment as a normal management practice would make curtailments part of the conservation strategy.

Referring to the report on water losses a committee member suggested that the apparent 100 MGY of remediable water losses should be valued at the cost of replacement using new sources (supply or conservation) rather than at the marginal production cost of existing sources.

Scenarios

Karen Raucher led a discussion of Scenarios for the decision making process. As Karen described each of a series of scenarios, Committee Members paused periodically to consider the criteria associated with the various scenarios and created lists of criteria.

The Committee agreed by consensus to post Karen's slide show at the Committee's website and to distribute a link via email.

Karen explained that at the September meeting Stratus will lead a discussion of scenarios reflecting climate change factors and economic factors so that the Committee can run through these and determine the data it will need to properly consider them.

Criteria

Carie led a further discussion about the criteria and the lists of criteria that the Committee members had compiled. She elicited a list of criteria for the decision model from the Committee members.

Public Comment

The Committee recognized the significance of their decisions regarding this topic and invited public comment. A member of the public made the following point:

- Include flood control as a criterion

After hearing public comment the Committee agreed by consensus that Mike Rotkin, Sue Holt, Dana Jacobs, David Stearns and Rick Longinotti would meet with Karen and Bob Raucher, Rosemary Menard, Carie Fox and Nicholas Dewar at noon the following day to review a compilation of the criteria collected from the Committee and the members of the public during this exercise so that an organized version of this compilation can be provided to the Committee during the Friday session.

Karen commented that she expected to discuss the ‘thriving economy’ and ‘climate change’ scenarios at the next meeting. She also welcomed an additional scenario Doug submitted, which resonates with the “climate-change adapted” criterion that surfaced in the exercise. This scenario looks at a high quality of life but not necessarily a continuation of the same practices or aesthetics as in the past.

A member asked Rosemary to investigate the greenhouse gas offsets developed in Monterey County.

Subconsultant needs

Bob led a discussion about the Subconsultants needed to provide technical support to the Committee. Key technical topic areas were identified that emerged from the discussion on Scenarios and from a preview of some water alternatives. These topic areas and associated needs for specific types of technical expertise

were identified and discussed, With input from the Committee he compiled the following list of criteria for selecting the subconsultants:

- Subconsultants must be willing to accept criticism about their findings and respond positively
- They must have experience doing studies of relevant topics
- They must be available to provide technical services within the expedited timeframe driven by the WSAC process.
- Their personal expertise is more important than the expertise of the firm that employs them
- Anyone who is hired to provide technical assistance to the Committee shall reveal their trade organization relationships and lobbying practices relevant to WSAC projects.

Some also recognized that the selection of firms is worthwhile because they have a “deep bench” of experts and that the Committee can expect the prime consultant to manage any problems that arise with the subconsultants.

The Committee agreed by consensus that Stratus should send a list of recommended subconsultants to committee members by close of business on the following day (Thursday) and that the Committee would advise on the subconsultants during the Friday session.

Santa Cruz Water Supply Convention

Doug Engfer and Sarah Mansergh reported to the Committee the progress of the Subcommittee. Eighteen proponents have confirmed their participation in the event. This will result in the receipt of about 40 ideas. Committee members asked if every effort had been made to find anyone with alternatives to provide.

Several Committee members expressed concern that the option to submit proposals to the Convention had not been circulated sufficiently, emphasizing that “we need to know *every* possibility, turn over *every* rock.”

Doug and Sarah described the issues about which the Subcommittee needed the Committees direction and proposed various recommendations.

The Committee reached consensus on the following directives to the Subcommittee:

- The date of the Convention will be changed to Thursday October 16.
- The event will be called the SANTA CRUZ WATER SUPPLY CONVENTION: OUR WATER OUR FUTURE.
- Civinomics will prepare a software tool for participating members of the public to use to assess the proposed alternatives. This will be a relatively simple tool.
- The Committee members will use the online decision model to rate the proposed alternatives.
- The Committee recommends that the City should run advertisements in the press to ensure that all potential proponents and participants are aware of the Convention.
- The September 11 deadline for submittal of proposals may be postponed to an appropriate date later in September.

Materials resulting from the previous meeting

The Committee could not reach agreement about some wording in the Action Agenda for July that relate to the Committee's discussion in July of growth and the General Plan. It was agreed to continue the discussion to the Friday session when growth will again be discussed.

Public Comment

The Committee invited public comment before adjourning. Members of the public made the following points:

- Many items that will be proposed at the Convention are multi-disciplinary so the technical consultants will need to consider them from that perspective.

- The Committees Charter is too narrow because it doesn't allow for consideration of ideas that have not been looked at in the past. The Committee should not repeat the omissions of the past.
- The Committee must look beyond "fatal flaw" conclusions and ask "what will it take to resolve any fatal flaw."
- During the proposed plenary sessions of the Convention, please give proponents more than two minutes each to present their proposals.

Evaluation of the session

Eight Committee Members entered evaluations of this session at SurveyMonkey.

- How well did the session meet your needs?
 - Most, although not all, felt that it met their needs.
 - Some noticed progress with scenarios and criteria so that the decision tool is starting to take shape.
 - One noticed uneven progress and that some segments of the agenda seemed to lack purpose.
- How did this session help the Committee work towards its long-term goal?
 - Some Members noticed that this session helped the Committee forwards.
 - One member felt the session did not advance the Committee towards its goal, and that it demonstrated that reliance on consensus can permit a single Member to hold up the Committee's work.
 - One Member appreciated the process that ensured participation by all Members and the limits imposed on the amount of public comment.
- What were the strengths and weaknesses of the session?

10a Materials from August

Water Supply Advisory Committee

- Although some members felt the time was well spent others reported a lack of efficiency, and an inability to reach decisions that seemed obvious.
- Some called for more assertive facilitation to keep participants closer to the agenda topics. One felt railroaded by the agendas of individual Committee Members.
- One reported too much emphasis on procedures and decision tools instead of substantial water-related items.
- One noted how problems with audio-visual equipment consistently interfere with the Committee's work.
- What would you like to see at the next meeting?
 - Several called for more control of the meetings, more drive and urgency in the facilitation to stay on topic and on schedule and greater clarity about the purpose of each agenda item.
 - One noted a need for more public participation.
 - One appreciated the brownies and hoped for more next time.
 - Some noted the need to reach decisions on critical issues and one felt that the Committee's indecisiveness was producing the appearance that the Committee's consultants are indecisive.

Adjourn

Second Session, Friday August 29

Public comment

One member of the public commended the Committee members for their good work. Another recommended participation in a seminar that he will present on September 9th and 10th from 7 to 9 p.m.

Correspondence received from the Community

As expected, the Corresponding Secretary, Mike, was absent from this session. He had previously told the Committee that he will be absent until September 27. Sue Holt volunteered to temporarily take Mike's place as Corresponding Secretary. The Committee approved her temporary appointment by consensus.

Reflections on yesterday's session

A member of the public praised the quality of the brownies.

Committee members noted the amount of issues that had been carried over to the second session and asked that issues be resolved rather than "kicked down the alley."

Rick Longinotti reflected on Mark Mesiti-Miller's reports about his communications with the stakeholder groups that he represents and felt re-inspired to communicate with the stakeholder groups that he represents.

Bob reflected on the various scenarios that he and Karen have mapped out and the "Sustainable Santa Cruz" scenario that Doug Engfer had helped articulate. He spoke of the scenario that describes Santa Cruz responding to climate change and finite resources by giving up green gardens etc. Others suggested that Santa Cruz could keep its gardens but they would be gardens with different types of plant life.

Review agenda for this session

The Committee reviewed the agenda and agreed by consensus that they would accept discussion of Decision Rules in the form of a white paper and would not discuss it further at this meeting.

A Member asked for discussion about the protocols for managing the use of the IRP and the scope of its work. Members recognized that the IRP Subcommittee will be able to consider this and IRP Subcommittee members reported that the Subcommittee will meet early in September to work on this.

Members asked for the scenarios to reflect uncertainties with respect to the economy and the scarcity of resources as well as considering jobs created by water policies. They asked how to make a connection between the economic resources of the region and the situation of the local water resource.

Review updated online decision model and consider Rating Scales

Carie presented the results of Thursday's working group and asked for comments by e-mail by the Committee members or on posters by the Committee members or members of the public.

The Committee considered the details of the development of criteria and rating scales for the decision model. The Committee agreed by consensus that:

- The criteria presented would be defined by Rosemary and reviewed by Dana, then shared with the Committee if time allows or input directly into the first draft of the model (and edited there by the Committee) if time is short;
- Bob and Karen will add criteria as they see the need;
- Bob and Karen will develop the first draft of the ratings. These are not likely to be reviewed prior to the release of the web model, but of course each committee member can make whatever changes to the ratings s/he wishes;
- Stratus will use the "working group" of Committee Members including Dana, Doug and Sue, consultants, staff and facilitators as sounding board and advisors as they develop these materials.

Committee Members noted that directing Stratus to do all of this work themselves, rather than closely involving the Committee or members of the public, will improve consistency in the initial model.

Subconsultant instructions

The Committee considered the selection of subconsultants that they began in the first session. Committee Members explained how they were unable to perform the due diligence consideration of the candidates listed by Stratus because they had not received information about the specific individuals within large companies, some options had been added late and some of the candidates did not even have information available on the internet.

Public Comment

The Committee recognized the significance of their decisions regarding this topic and invited public comment. A member of the public made the following point:

- The Committee should consider people from this community for roles as subconsultants such as Andy Fisher. Including community members would build confidence in any eventual outcome.

In order to respond to the continuing concerns of Committee Members about the need to properly examine the suitability of the proposed subconsultants without further delaying the project, the Committee agreed by consensus that:

- Stratus may proceed with the process of contracting the following subcontractors:
 - John Rosenblum
 - George Tchobanoglous
 - Pueblo Water Resources Inc.
 - Trussell Technologies
 - Hydrometrics
 - Andy Fisher

- Jeff Hagar
 - Shawn Chartrand
 - Martha Lenihan
 - Sean Skaggs
 - Brown & Caldwell
- However, Bob may only task these subcontractors with jobs limited to familiarizing themselves with the work of the Committee and preparing and negotiating scopes of work. Before other tasks can be assigned:
 - Bob will as soon as possible provide sufficient information about these candidate individuals and firms so that Committee Members can satisfy themselves about the suitability of the candidates for the job of technical subconsultant, and
 - Committee members will review this information and will reply to Stratus within 48 hours (these hours being business days) of receiving it either with additional questions or with their conclusion as to the suitability of the candidate.
 - Stratus may assume that, if two business days elapse after it has delivered information about a candidate or provided answers to a Committee Member's questions about that candidate, that Committee Member is satisfied that the candidate in question is suitable as a subcontractor.
 - None of these subconsultants, even after they have been contracted, will be tasked with any job, except for the preparatory tasks described above, until all questions of Committee Members about their suitability have been settled using the time limits described above.

Facilitator's note: In any event, under the May agreement about subcontracting, Bob may only task subconsultants with work after discussion with the Committee. Under the same agreement, ongoing tasks will be discussed at each meeting.

The Committee further agreed by consensus that:

- As tasks are identified for any subconsultant, Bob, via Rosemary, will circulate to all Committee Members copies of substantive correspondence describing this tasking (including relevant emails and Task Orders) and will also forward to all Committee Members all substantive communications received from subconsultants regarding the tasking process and products delivered by the subconsultants in response to those tasks.
- As an exception to this agreement Stratus will not forward to the Committee any correspondence with the ESA attorney or the water rights attorney if that correspondence is considered privileged.
- Committee Members will communicate with members of the consulting team by sending all such communication to Rosemary. She will send copies of such correspondence to the rest of the Committee and communicate it to the Committee's consulting team.

Discussion of this topic included questions about the use of members of the IRP as a resource to help Committee Members evaluate the candidate subconsultants. Rosemary asked Committee Members not to separately engage with members of the IRP, but to send any questions for the IRP to her so that she will act as the IRP's point of contact.

One of the Committee members pointed out that asking the same group of people to weigh in on the choice of consultants and subsequently to evaluate that person's work creates a potential conflict of interest.

In order to provide less hurried opportunity for subconsultant-committee dialog, while giving the full Committee the opportunity to hear the dialog, the Committee Members also discussed the use of subconsultants to make presentations about specific topics as part of an "Enrichment Forum" activity parallel to the work of WSAC. This would include presentations and question & answer sessions; this could be scheduled to take place immediately before a regular session of the Committee or could be sponsored by another organization.

Technical consultant for Real Deal

To ensure time for sufficient discussion of this topic, and because it was running behind schedule, the Committee agreed to move this agenda item from later in the agenda to this point.

Committee Members described concerns about foregoing the opportunity to evaluate a wide range of candidates for the Real Deal. Some felt that this decision should be delayed so that the Committee could get to know Bob and Karen's capacities better. Some had specific concerns about Bob who had not yet shown the capacity that was expected of him. Another was concerned that Stratus had been originally selected based on a RFP for an economic analysis of a specific project rather than the provision of technical support for the Committee's consideration of Santa Cruz's future water situation. He would prefer to compare Stratus with the entire field of consultants available for this general technical support role. They felt that an opportunity for such a comparison would only be made available by issuing a RFP/RFQ describing the tasks at hand. Another was concerned that two members who had expressed reservations in May were absent and should have an opportunity to weight in.

Others argued that changing from Stratus to another consultant at the end of Recon would significantly delay the progress of the Committee.

After significant discussion, the Committee was unable to agree by consensus to approve Stratus for the Real Deal at this time, so it agreed by consensus to ask the Water Department to conduct a consultant selection process that will permit it to compare Stratus with other firms capable of providing the necessary expertise during the Real Deal. They acknowledged that this might result in the re-selection of Stratus. It further agreed by consensus to ask Rosemary to explain to Bob the concerns of some Committee Members about his performance so that he can demonstrate his true capacity.

Santa Cruz Water Supply Convention

The Committee agreed by consensus that the deadline for receipt of proposals should be postponed to September 18. Carie explained the importance of the process of reducing the number of proposals for consideration by the Committee, and explained that the Convention Subcommittee will need to be part of the development of that process and the presentation of that process to the Committee at its September meeting.

In September there will be a Committee “dry run” of parts of the Convention process.

Recon Outreach Subcommittee update

Charlie Keutmann reported that Sue participated in his radio show in August, that the Subcommittee has further developed the concept of a speakers’ bureau and is looking for volunteers to take part in outreach activities.

Attitudinal Survey Concept Paper

The Committee agreed by consensus to recommend the Attitudinal Survey to the Council. It also agreed by consensus to direct the Recon outreach Subcommittee to monitor the development of this survey on behalf of the Committee. Greg, Sue and Doug asked for an opportunity to review the survey instrument.

Update to Council

David Baskin volunteered to represent the Committee in presenting the Update to the Council. The Committee Members by consensus accepted his offer with grateful applause.

Committee members noted that the draft of the Staff Report includes documentation that is out-of-date such as the RFQ for IRP members. Rosemary agreed to remove such out-of-date material and include information about the development of criteria and the selection of the IRP.

Growth

Toby Goddard presented a selection of graphs from the report of “Historic Water Demand Related to Growth” and answered questions. Members asked for an economic analysis of the water intensity of the local economy showing any trends over time. Rosemary replied that there maybe a suitable study recently prepared for Santa Barbara that she will be able to draw from and find comparable local data.

10a Materials from August

Water Supply Advisory Committee

PRESENTATION DRAFT

Materials resulting from the previous meeting

The Committee considered this item that was continued from the Wednesday session. The Committee approved by consensus the Summary for the July meeting.

The Committee considered changes proposed to the Action Agenda for July and agreed by consensus to approve the Action Agenda including an amendment to the agreement in the Action Agenda regarding growth so that it corresponds with the wording used in the Summary. This wording is as follows:

The Committee agreed by consensus that using water scarcity to change the GP growth levels is *not* part of the Committee's decision space. However, there are several growth issues that are still part of the Committee's discussion:

- Impacts to growth beyond the GP's planning horizon
- The relationship between GP growth and increased water needs
 - The effect of additional water-neutral policies
 - Analysis of existing policies which might be water-neutral

Agenda for September

Carie facilitated a brief discussion about the agenda for September. She described the draft agenda as follows:

Main items:

- Further development and discussion of two of the scenarios: Economy and Climate Change
- Improvements to the decision model
- Dry-run of the Convention

Other items:

- Recon Report update (includes slide-deck)
- Real Deal Subcommittee

- IRP: how to use it
- Growth: information related to jobs, economic growth, etc.
- Outreach activity
- Attitudinal Survey update
- Vulnerability
- Subconsultants
- RFQ for Real Deal Consultant

Oral communication

Members of the public made the following comments:

- The Committee must ensure that it complies with the Brown Act
- The Committee discusses growth as if it exists in Santa Cruz, but there is no growth here. The only small population growth is the result of some additional students at UCSC

Evaluation of the session

Two Committee Members entered evaluations of this session at SurveyMonkey.

- How well did the session meet your needs?
 - Although saying that the session was better than the Wednesday session, one Member lamented the inability to complete all items on the agenda.
- What were the strengths and weaknesses of the session?
 - One member appreciated the continued progress, but regretted the time spent on some agenda items that necessitated the curtailment or deletion of some agenda items.
- What would you like to see at the next meeting?

10a Materials from August

Water Supply Advisory Committee

- One Member asked for better time budgeting on potentially controversial topics or topics that induce discussion in order to avoid having to rush through topics to stay on schedule.

Adjourn

PRESENTATION DRAFT