DATE: July 15, 2015

TO: Water Supply Advisory Committee

FROM: Rosemary Menard

SUBJECT: Agreements and Recommendations Framework Overview Memo – Some thoughts about the WSAC Agreement

Note: The material below is an elaboration of material originally presented and preliminarily discussed at the June 19, 2015 Agreement Development Subcommittee.

When I have to respond to the question, "Is the WSAC ever going to get finished on time?" I always say yes. I say yes because I think that the WSAC is nearly ready to switch from analysis mode to the agreement mode and also because I think the form of agreement I'm thinking about doesn't require the WSAC to understand every single detail of what we might do in future.

Rather, I think the recommendations embodied in the agreement could set broad policy direction to guide an implementation process that the Water Department can move forward with as it works towards improving the reliability of Santa Cruz's water supply. And, I think that the agreement can be structured in a way that builds in ways to manage and mitigate identified risks.

As you read this, I'm guessing that at least some of you will be alarmed by the idea that after all the WSAC's work with the details the agreement wouldn't reflect your agreements about the details of what should be done to address the issues you've discussed. I can understand this concern.

The agreement approach I'm thinking about would be built around what I'll call a "sweet spot" of specificity that doesn't include every single detail about the "how" but a lot of very solid detail about the "what." In this case, the "how" is specific portfolio measures such as demand management, ASR and/or in lieu recharge, etc. The "what" is policy statements about the goals, or results we're trying to accomplish.

So, why do it this way? Good question!

One of the chief benefits of including policy direction in the WSAC recommendations is that there is still much work to do to develop and implement projects and programs. Along the way, considerable new information will be developed. That new information, for example, will be in the form of data on aquifer levels after in lieu recharge, or field work results about ASR pilot test wells, or about the availability of land or rights of way to support infrastructure development, or about newer treatment technologies or less costly approaches to accomplishing key outcomes. Having a policy framework in place provides clear guidance to the City about the WSAC's priority outcomes and allows the City's to adaptively manage implementation of programs and projects to achieve the goals based on the new information that is developed.

We've seen this kind of "adaptive management" approach in some of the materials provided to the Committee earlier. In particular, you may remember the Adaptive Pathways approach being developed by a Dutch water planner (see https://www.deltares.nl/en/adaptive-pathways/ which includes a 4.5 min video we were provided several months ago and which some of you may have watched.)

The table below provides an example of what I'm talking about. For example, if the portfolio were to involve winter water harvest, the underlying policy that is being recommended might be as articulated in the left most column in the table below. From the policy, we could identify specific measures, specify details in the How column, and describe risks and uncertainties as well as strategies to manage or mitigate them.

Policy (What)	Measure	Examples of How	Risks and Uncertainties	Risk Management, Risk Mitigation Strategies
Improve our ability to use and store winter water	1. Create storage of 3 billion gallon	1. Provide in lieu recharge to SqCWD and SVWD and develop and implement an ASR program	1. Will in lieu and ASR work technically;	1. Create a SMART[1] goal based plan for determining the technical feasibility of in lieu and ASR
	2. Capture and make useable water with turbidities ranging from 15 to 200 NTU	2. Address transmission and treatment constraints	2. What is the most cost effective way to address high turbidity water?	2. Develop and implement an engineering assessment and cost benefit analysis for Ranney Collectors, vs. a major upgrade of GHWTP vs. a new water plant

The policy type policy level information I'm thinking about as a potential component of the Committee's agreement is probably created by identifying an agreed upon portfolio of measures to recommend and "backing into" policy direction based on the underlying policy goals that are driving the selection of portfolio measures. Identifying these policy goals should be fairly simple, and can likely be achieved quickly. Framing the measures, recommended actions, identified risks and uncertainties and the strategies to manage and mitigate them should flow from the Committee's work to develop their agreements and recommendations.

The goal for the Committee's discussion of this topic at its July meeting is to hear the Committee's thoughts and feedback about this approach and how it might be developed as part of the overall agreement.

[1] See SMART goal description on the next page.

Here's how to make SMART goals:

S **Specific**
State exactly what you want to achieve. Can you break a larger task down into smaller items?

M **Measurable**
Establish clear definitions to help you measure if you're reaching your goal.

A **Action-Oriented**
Describe your goals using action verbs, and outline the exact steps you will take to accomplish your goal.

R **Realistic**
Give yourself the opportunity to succeed by setting goals you'll actually be able to accomplish. Be sure to consider obstacles you may need to overcome.

T **Time-Bound**
Now much time do you have to complete the task? Decide exactly when you'll start and finish your goal.