

Portfolio 20 Implementation Strategy

We recommend the City move forward on investigating the implementation of an optimized DPR (BB3-Optimum) solution and the implementation In-Lieu or ASR or some hybrid combination of the two (BB1&2-Hybrid). Because both solutions have significant merit and, at this time there is insufficient information upon which to base a final decision, and it would not be fiscally prudent to commit to one or the other or both until such information is available, we recommend the City further explore both approaches using the same level of effort to develop BB3-Optimum as to develop BB1&2-Hybrid.

Because there are a large number of issues that must be addressed and resolved for successful implementation of BB1&2-Hybrid, there is a much higher level of uncertainty with regards to implementing BB1&2-Hybrid when compared to BB3-Optimum. However, we also recognize implementing BB1&2-Hybrid has certain advantages to system resiliency (potential for 3bg of storage for our use and improved regional water security). Accordingly, we suggest the following adaptive management protocol be used to guide the City's actions over the next five years: In the event, BB1&2-Hybrid proves to be legally feasible (agreements with neighboring districts and water rights issues resolved), technically feasible (will actually work as desired i.e. the City will be able to extract from the aquifers the water it will need within ten years), and be comparable to BB3-Optimum in cost to the ratepayers (within 5%), work on BB3-Optimum should stop and BB1&2-Hybrid solution should be implemented. Otherwise, work on the BB1&2-Hybrid should stop and the DPR-Optimum solution should be implemented.