




**COUNCILMEMBER CHRIS CATE
CITY OF SAN DIEGO
SIXTH DISTRICT**

MEMORANDUM

DATE: April 24, 2015
TO: Halla Razak, Director, Public Utilities Department
FROM: Councilmember Chris Cate 
SUBJECT: City of San Diego Sustained Drought Plan

In response to the Governor's recent Executive Order calling for a 25 percent reduction in water usage, and the subsequent allocation actions by the Metropolitan Water District of Southern California, it is incumbent upon City leadership to take aggressive action.

At the special Environment Committee hearing of April 10, 2015, I was pleased to hear your department is exploring opportunities to accelerate the Pure Water San Diego program (Pure). Several Councilmembers, including myself, expressed support for this effort and I'd like to reiterate that now.

No stone should go unturned as your team evaluates options for expediting Pure. We are facing unprecedented hydrological conditions and 37 million Californians are now impacted by this prolonged drought. We must develop a plan that results in enhanced local water supply for this current drought and beyond.

While short-term solutions should also be pursued with conservation and efficiency measures at the top of the list, we must be prepared for a sustained drought.

This memorandum seeks to obtain information that will allow stakeholders to assist the City's efforts to ensure we protect and maximize current water supply while building new locally-controlled, sustainable supply. In order to ensure that we do not lose precious time during this emergency, I respectfully request that the responses be provided as quickly as possible, even if that means providing responses piecemeal.

Pure Water San Diego

According to the PUD, nearly \$16 million is budgeted in Fiscal Year 2016 to begin tasks associated with Pure.

1. Can you please outline the tasks that have been completed this fiscal year, as well as a detailed schedule for the next three years? Please identify which tasks can be expedited and for those that cannot be expedited, please specify the barriers and impediments.
2. What is the detailed schedule for environmental review? What components are being handled internally and what components are being managed by outside firms? Which department and firms are engaged? Does the schedule anticipate any litigation or opposition?
3. Has all of the land necessary for the program been acquired? If not, what is the schedule for doing so and what are the critical deadlines?
4. What is the average procurement timeframe for PUD contracts? Specifically, how much time is typically needed for contract negotiations and processes from the time a selection is made to the point at which the contract is approved by Council? Also the average time from Council approval to when the contract is signed by the City Attorney, and lastly, the duration from City Attorney approval to when the first task order is issued? If I missed any critical milestones within the procurement process, please provide those details.
5. What are the barriers or impediments to accelerating the procurement process and what Council action or resources are necessary to remove these impediments?
6. What construction delivery method is the PUD planning to pursue and could an alternative delivery method accelerate the program? If not, please specific the specific reasons.
7. What is the critical point in the schedule at which a final decision must be made to pursue indirect versus direct potable reuse (DPR)? If we could secure regulatory approval for DPR, what would be the impact on the schedule? Please provide the dates and schedule that would go along with this scenario recognizing that the DPR regulatory approval would have to be secured by a specific date in order for everything to stay on track or be expedited.
8. How does cash flow impact the implementation timeline? If cash flow was not an issue (additional front-end funding was available) how much time could be saved for implementation?
9. Is the PUD closely coordinating with Public Works to ensure that capacity challenges will not result in delays? Please provide specific schedules, plans and/or processes that help demonstrate that efforts have been made to prevent delays. What is the Plan B if things don't go as planned and how can the matter be mitigated?
10. Is there a plan for engaging external construction management support?
11. How will staff and contractors be held accountable to deadlines and budget?

Proposition 1 Funding

The City has recently sent letters to the State Water Resources Control Board regarding the draft funding guidelines for Proposition 1.

1. Have our state lobbyists been asked to assist in advocating for these requested amendments? If so, what are the specific tasks they are working on and the plan that they have developed to help the City maximize state funding?
2. Aside from Proposition 1, what other State funding sources are being pursued?
3. Have our state lobbyists been tasked with exploring all opportunities to secure state funding including legislation (that, for example, could allocate funds from places such as the Cap and Trade funds)? How are we engaging our local delegation?

General Progress Updates

1. Please provide a detailed status report on the status of each recommendation of the Water Policy Implementation Taskforce including details regarding any barriers or challenges to incomplete items and expected deadlines for completion.
2. Has the City developed a drought offset plan as outlined in Drought Level 3? If not, what is the deadline for completing this and what is the process? I urge the PUD to engage stakeholders in this process if it is incomplete.
3. Is real-time billing available for the automated meter infrastructure (AMI) system that is being implemented? What are the costs of expanding AMI citywide and how much time is necessary to transition? Will meet and confer be required prior to implementation?
4. What, if any, comparative data programs for water savings or programs have the Department considered utilizing within customer bills? The SDG&E utility bill is an example of this and provides data for how a customer's usage compares to neighbors within a geographic area.
5. What is the current status of the City's Smart Water Initiative? What other water leak or efficiency technologies are available? Please provide cost estimates and implementation timelines.
6. How much funding is allocated within the Fiscal Year 2016 budget for conservation, including education and outreach efforts? Please provide budget details including the split between internal and external support and enterprise fund versus general.
7. Have our State lobbyists been tasked with pursuing legislation or regulations that could enhance water supply or reduce wasteful use of water (e.g. watering medians with potable water).
8. Have our federal lobbyists been tasked with exploring legislation that could provide relief for California during this prolonged drought, in collaboration with the State's lobbyists?
9. How is the City engaging and activating civic groups that have expressed a desire to assist the City with education, outreach and direct lobbying of regulators and State legislators? Who is the lead staff person for this effort and has a strategic plan been developed?
10. When will the cost of service study be released and do you anticipate any delays as a result of the recent court ruling on tiered rates?
11. What efforts are being pursued to ensure that the City is leading by example on water conservation?
12. What will it take to get reclaimed water, where existing purple exists, but is not fully connected, to connect large users like: Caltrans, Businesses, Parks and

Neighborhoods? Are projects that are currently planned to be connected to the purple pipe system able to be streamlined in order to provide relief to the potable water system?

cc: Honorable Mayor Kevin L. Faulconer
Honorable Environment Committee members
Andrea Tevlin, Independent Budget Analyst