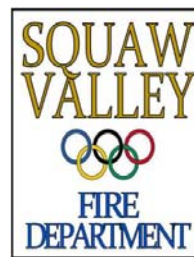




SQUAW VALLEY PUBLIC SERVICE DISTRICT



REDUNDANT WATER SUPPLY – PREFERRED ALTERNATIVE EVALUATION: Phase 1 - Water Supply Feasibility Summary and Gap Analysis

DATE: February 25, 2014

TO: District Board Members

FROM: Mike Geary, General Manager

SUBJECT: Redundant Water Supply / Preferred Alternative Evaluation: Phase I: Water Supply Feasibility Summary and Gap Analysis

BACKGROUND: The Board approved a proposal from Farr West Engineering for this three-phase project at its October, 2013 meeting for \$225,000. The Board also authorized staff to enter into a Funding Agreement with the State of California's Department of Water Resources as part of the Local Groundwater Assistance Grant Program for the same amount to reimburse the District for the evaluation.

The *Redundant Water Supply / Preferred Alternative Evaluation* is composed of three phases and is scheduled for completion in December, 2014. The phases are:

1. Phase I: Water Supply Feasibility Summary and Gap Analysis
2. Phase II: Evaluation of Water Supply Source(s) from Phase I Gap Analyses
3. Phase III: Preferred Alternative Evaluation

The development of a reliable water supply has been identified as the District's number one goal in many of its long-term Strategic Plans, including its current Plan, which reads:

Goal 1 – Water Supply. Develop and maintain a high quality water supply that meets the needs of our community today and in the future.

To that end, the District and others have completed millions of dollars worth of analyses and evaluations to develop high quality water sources in sufficient quantity to meet the needs of the community, even during drought and other emergency conditions. Most of those investigations have been in Olympic Valley and have occurred since the valley was first settled in the 1940's.

DISCUSSION: The Water & Sewer Committee and the Board of Directors in October, 2013 directed staff to summarize and communicate the results of prior feasibility analyses of water supply sources in and outside of the Olympic Valley watershed and to evaluate any gaps in these prior investigations to assess each potential source's feasibility. This revised and expanded evaluation serves to effectively demonstrate the District's efforts investigating local sources and its environmentally sustainable approach to fulfill its duty to provide reliable and redundant water supply to its customers and visitors.

The purpose of this phase of the project is to review and summarize the water supply investigations that have been performed by the District and others in past evaluations of local water sources. This memorandum summarizes this work and presents the purpose, findings, and conclusions of these previous water supply investigations. The Phase I investigation also identifies gaps in evaluations of other potential local water sources. These gaps will be addressed and further evaluated in Phase II of the project.

The attached Technical Memo is in Draft form; the Final version will include responses to comments from the District's Board of Directors at this February 25, 2014 Board Meeting.

ALTERNATIVES: This item is for informational purposes only and no action is requested of the Board of Directors.

FISCAL/RESOURCE IMPACTS: The DWR grant will reimburse expenses incurred by the District to perform the evaluation to a maximum of \$225,000. The contract with Farr West Engineering is estimated to cost the same. Internal expenses for staff to participate in the preparation of the evaluation and administer both the consultant and DWR grant contract have been budgeted in the 2013-14 Capital Budget for \$50,000 and are expected to be much less.

RECOMMENDATION: This item is for informational purposes only and no action is requested of the Board of Directors.

ATTACHMENTS: Redundant Water Supply – Preferred Alternative Evaluation: Phase 1 - Water Supply Feasibility Summary and Gap Analysis Draft.

DATE PREPARED: February 19, 2014