

# Proposition 1 Implementation Grant Program

## DWR & IRWM Round Table of Regions meeting

May 4, 2018



# AGENDA

- Welcome, Introductions, Announcements – 15 min
- CA Water Plan 2018 & Regional Water Atlas Update – 5 min
- Status of other Prop 1 funding programs - 5 min
- Prop 1 IRWM Implementation Grant Program: PSP Concepts – 85 min
- Wrap Up/Next steps – 10 min



## Groundwater Management

Groundwater is actively managed in the ARB region. From north to south, the ARB region is covered by four groundwater management plans (GMP): Western Placer County GMP adopted in 2007 by the cities of Roseville and Lincoln, Cal American Water, and Placer County Water Agency; northern Sacramento County GMP adopted in 2008 by the Sacramento Groundwater Authority; central Sacramento County GMP adopted in 2006 by the Sacramento Central Groundwater Authority; south Sacramento County GMP adopted in 2006 by the South A

## Environment

Environmental efforts in the ARB region include the River Valley Project and the Lower Arnet

## Climate Change

The ARB IRWM climate change impacts that changes would have impacts on the region's conne

## Tribal Communities

IRWA consulted with DWR in 2011 to identify two recognized tribes in the region. These are the United Auburn Indian Community of

## Governance

The Regional Water Authority (RWA) is a joint powers authority formed in 2001 to assist local water suppliers with protecting and

# REGION AT A GLANCE

## American River Basin IRWM Region

<http://www.nest2o.org/headers/irwm>

### Region Description

The American River Basin (ARB) IRWM region encompasses most of Sacramento County and portions of western Placer and El Dorado counties. Most of the ARB IRWM region is within the lower American River and lower Sacramento River watersheds, with a portion of the southern ARB IRWM region in the lower Cosumnes River watershed. There is a minor overlap area of the IRWM region with the CAGV region.



State IRWM Facts	
Plan Status	Current
Year Most Recent IRWM Adopted	2013
Population	1,544,877 (2013)
Total Area	1,237 sqmi (761,849 acres)
Governance	Joint Powers Authority (JPA)
Lead Agency	Regional Water Authority (RWA)

IRWM Grant Funding Summary	State	Regional	Federal
Prog 50 Planning	\$50,000	\$10,000	\$10,000
Prog 50 Implementation	\$25,000,000	\$125,000,151	
Prog 60 Planning	\$40,000	\$10,000	
Prog 60 Implementation	\$16,000,706	\$37,622,702	
Prog 10 Interwater	\$7,106,524	\$7,675,381	
<b>TOTAL</b>	<b>\$48,121,530</b>	<b>\$192,302,634</b>	

### Key Challenges

- Maintaining sustainable water resources for all uses under all hydrologic conditions
- Maintaining reliable groundwater resources with the presence of several extensive contaminant plumes
- Preserving and improving habitat in a highly urbanized environment
- Protecting a large urban population in a flood-prone environment
- Engaging the public at large as part of the solution to ensuring sustainable water resources

### Principal Goals/Objectives

- Provide reliable and sustainable water resources to meet existing and future needs
- Protect and enhance the quality of surface water and groundwater
- Protect and enhance the environmental resources of the watersheds within the region
- Protect people, property, and environmental resources of region from damaging flooding
- Promote community stewardship of our region's water resources

### Major IRWM Milestones and Achievements

- IRWA approved an IRWM in 2009 by DWR
- Held initial stakeholder meeting to commence current update in November 2009
- IRWM grants are supporting a minimum of 32 projects to at least 25 different organizations
- Web-based interface to improve transparency, communication, and collaboration launched in Feb 2012
- Comprehensive update of IRWM adopted in July 2013

### Water Supply and Demand

The ARB IRWM region primarily relies on a mixture of surface water, groundwater, and recycled water to meet water demands. In 2010, water demands in the region were 785,831 AFY. The ARB IRWM projected 2020 water demands to increase to 850,913 AFY based on land use and population projections.

### Flood Management

Flood management has been identified as one of the region's major challenges. The primary flood management entity within the ARB Region is the Sacramento Area Flood Control Agency (SAFCA). Currently, the Sacramento region has the lowest level of flood protection of any major U.S. metropolitan area. Therefore, one of the ARB IRWM key strategies is to achieve a 200 year flood protection in applicable urban areas by 2025.

### Water Quality

The region's surface and recycled water are generally of good quality and meet regulatory standards. There are numerous industrial groundwater contamination plumes that have directly impacted or continue to threaten groundwater quality for consumptive uses. Throughout the region, groundwater contamination plumes have forced some wells to be taken out of service and continue to threaten other local groundwater supplies as the plumes migrate.

Authority (RWA) is a joint powers authority formed in 2001 to assist local water suppliers with protecting and ensuring the reliability, affordability, and quality of water services. It was officially recognized as the Regional Water Authority by DWR in 2009.

### Agencies involved in IRWM

	Rancho Solano Community Services District (RSCSD)
	Regional Water Authority (RWA)
UC/UCSD	University of California, Davis (UCD)
	Sacramento Area Oracle Council (SAOC)
	Sacramento Area Flood Control Agency (SAFCA)
	Sacramento County Water Agency (SCWA)
	Sacramento Regional County Geospatial District (SRGSD)
FWA	Sacramento Suburban Water District (SSWD)
WC	San Juan Water District (SJWD)
W	Save the American River Association (SARA)
W	Southwest Sacramento County Agricultural Water Authority (SSCAWA)
Water	The Nature Conservancy (TNC)
W	The Sacramento Water Forum

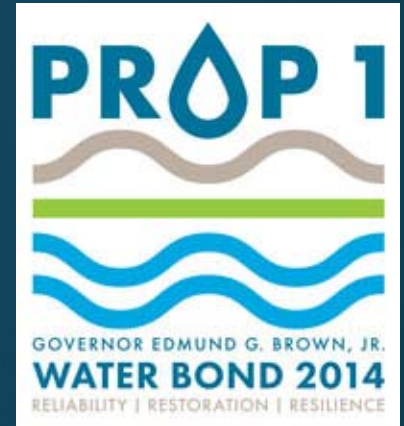
### Integrated Regional Water Management (IRWM)

Recreation on the Sacramento River at the City of Sacramento water supply intake



Sacramento County Agricultural Water Authority (SSCAWA)  
The Nature Conservancy (TNC)  
Sacramento Water Forum

# STATUS OF PROP 1 GRANT PROGRAMS (Water Code 79700 et seq.)



- **Chapter 7 – IRWM (DWR)**

- Planning - \$4.2M awarded to 15 regions
- Disadvantaged Community Involvement – in final stages of awarding \$51M+ to 12 Funding Areas (final proposal from San Joaquin anticipated soon)

- **Chapter 7 – Stormwater (State Water Board)**

[www.waterboards.ca.gov](http://www.waterboards.ca.gov) >> financial assistance



- **Other Chapters/Funding Programs**

[www.resources.ca.gov/bonds\\_and\\_grants](http://www.resources.ca.gov/bonds_and_grants) >> statewide bonds oversight >> Funding Opportunities

Integrated Regional Water Management

Proposition 1 Implementation  
Grant Program  
PSP Concepts

# TOPICS

- Previous Solicitation Process
- PSP Development Principles
- Progress to Date
- Summary of Comments
- PSP Concepts
- Next Steps
- Schedule

# PREVIOUS SOLICITATION PROCESS

- Limited interaction between DWR and Applicants prior to and during solicitation process
- An eligible applicant submitted a single grant application on behalf of an IRWM region
  - Once application was submitted, no additional information could be provided to DWR by the region

# OBSERVATIONS

- Majority of projects funded are quality projects, but also funded projects:
  - With limited benefits
  - With uncertain schedules and permit process
- Many regions with real water resources needs unable to receive funding because applications are not as refined (scored slightly lower) than neighboring regions in extremely competitive funding areas (FAs)
  - May have disenfranchised smaller organizations/DACs from participating in IRWM planning

# PSP DEVELOPMENT PRINCIPLES

- More engagement between DWR and Applicant during solicitation process (opportunity for clarification)
- Projects funded are quality projects for respective IRWM Region
- Maintain competition in the process
- Provide opportunity for projects developed through the DACI program to receive funding

# PROGRESS TO DATE

- Presented preliminary concepts presented to Roundtable of Regions in May and September 2017
- Revised proposed concepts based on comments from Roundtable of Regions and DWR experience

# SUMMARY OF COMMENTS

- Support additional engagement between DWR and IRWM Regions
- Concerns regarding proposed CEQA requirements, particularly for Disadvantaged Communities and Tribes
- Scoring – Support deferring to local project selection as “competitive” process
- Most critical needs should be determined by Region

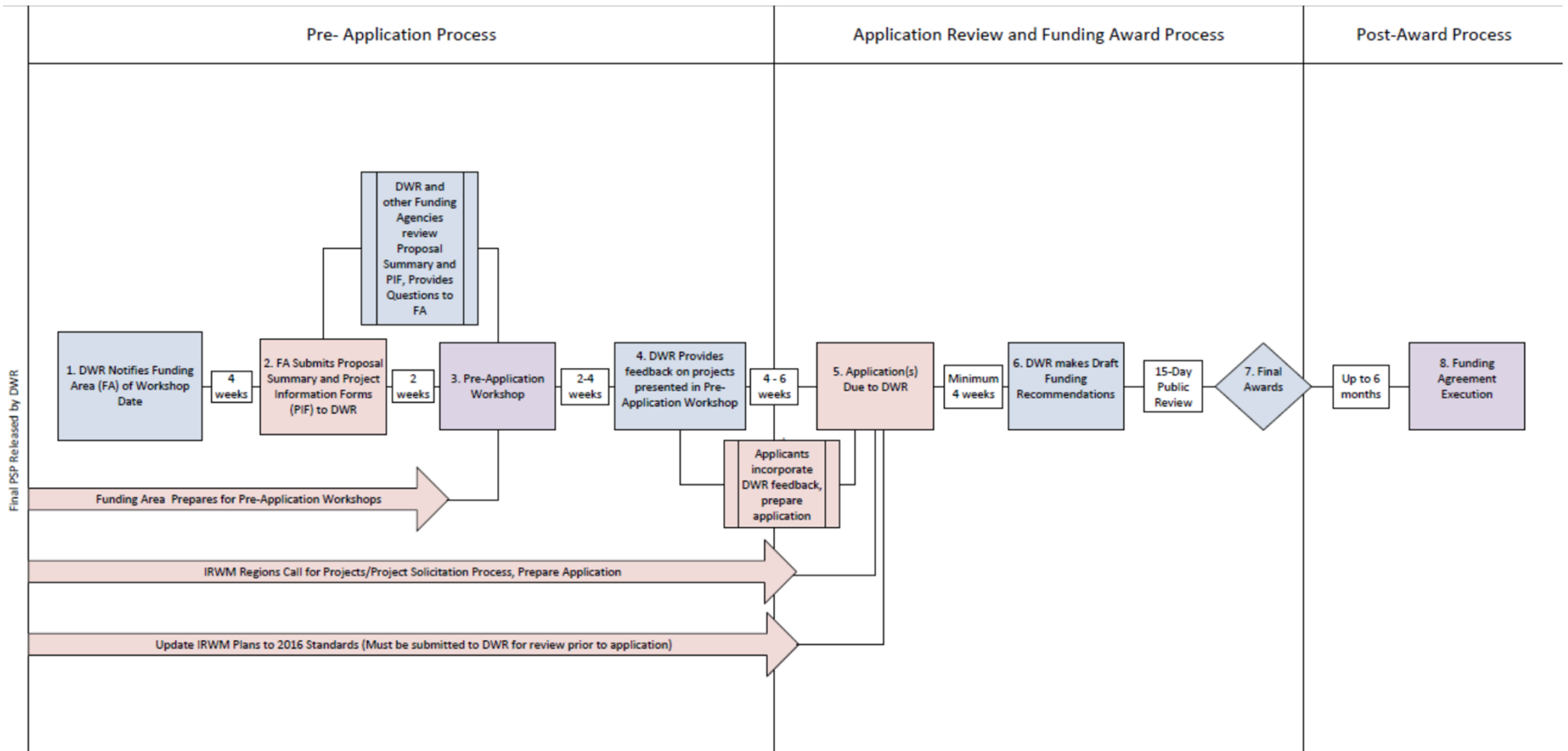
# PSP CONCEPTS

1. Solicitation Process
2. Pre-Application Workshop Components
3. Proposal and Project Eligibility Requirements and Scoring Criteria
4. Funding Available in Round 1
5. Cost Share Requirements and Reimbursement Eligibility Date

Proposition 1 IRWM Implementation PSP Concepts

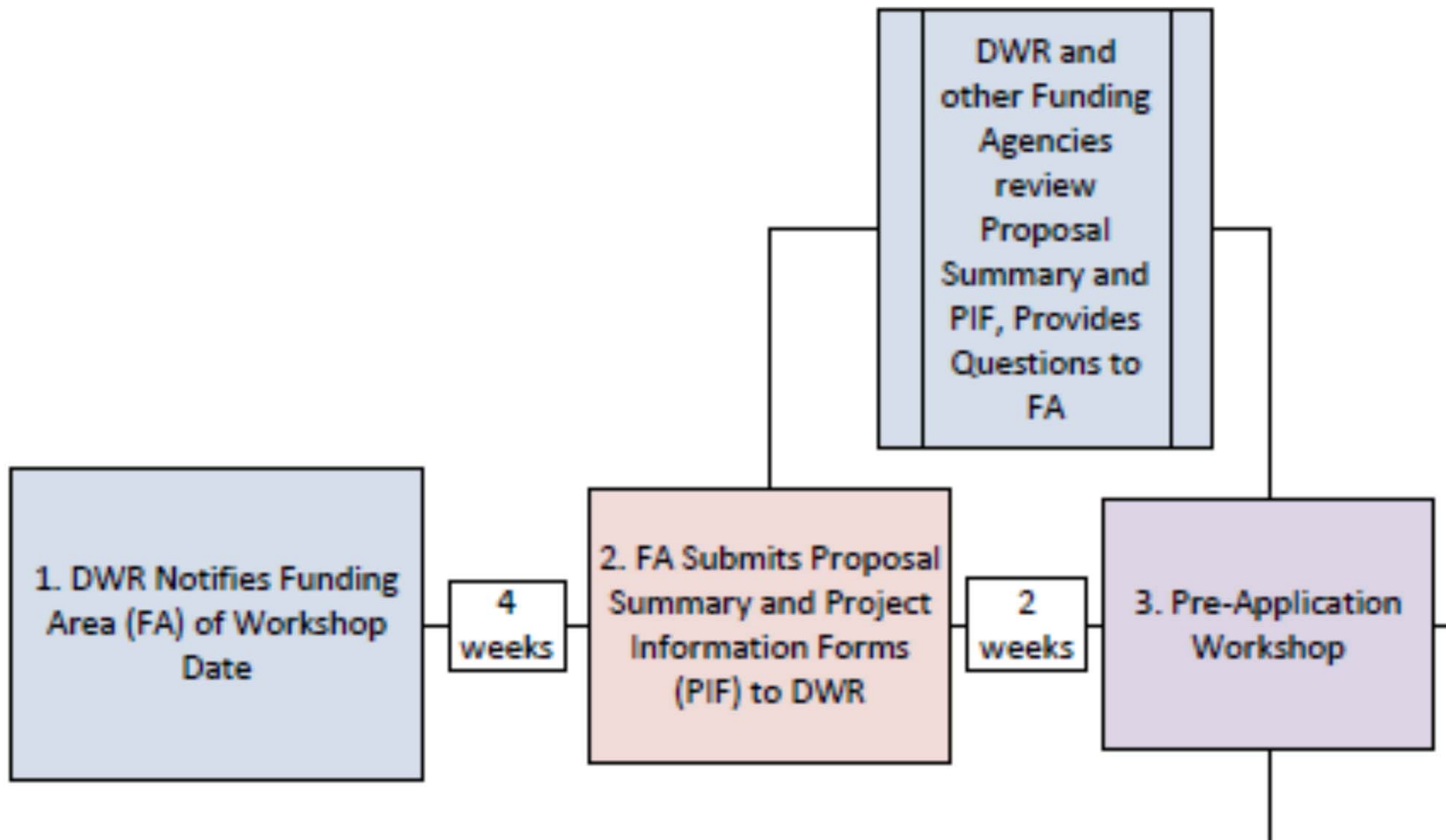
# 1. Solicitation Process

# 1. SOLICITATION PROCESS OVERVIEW



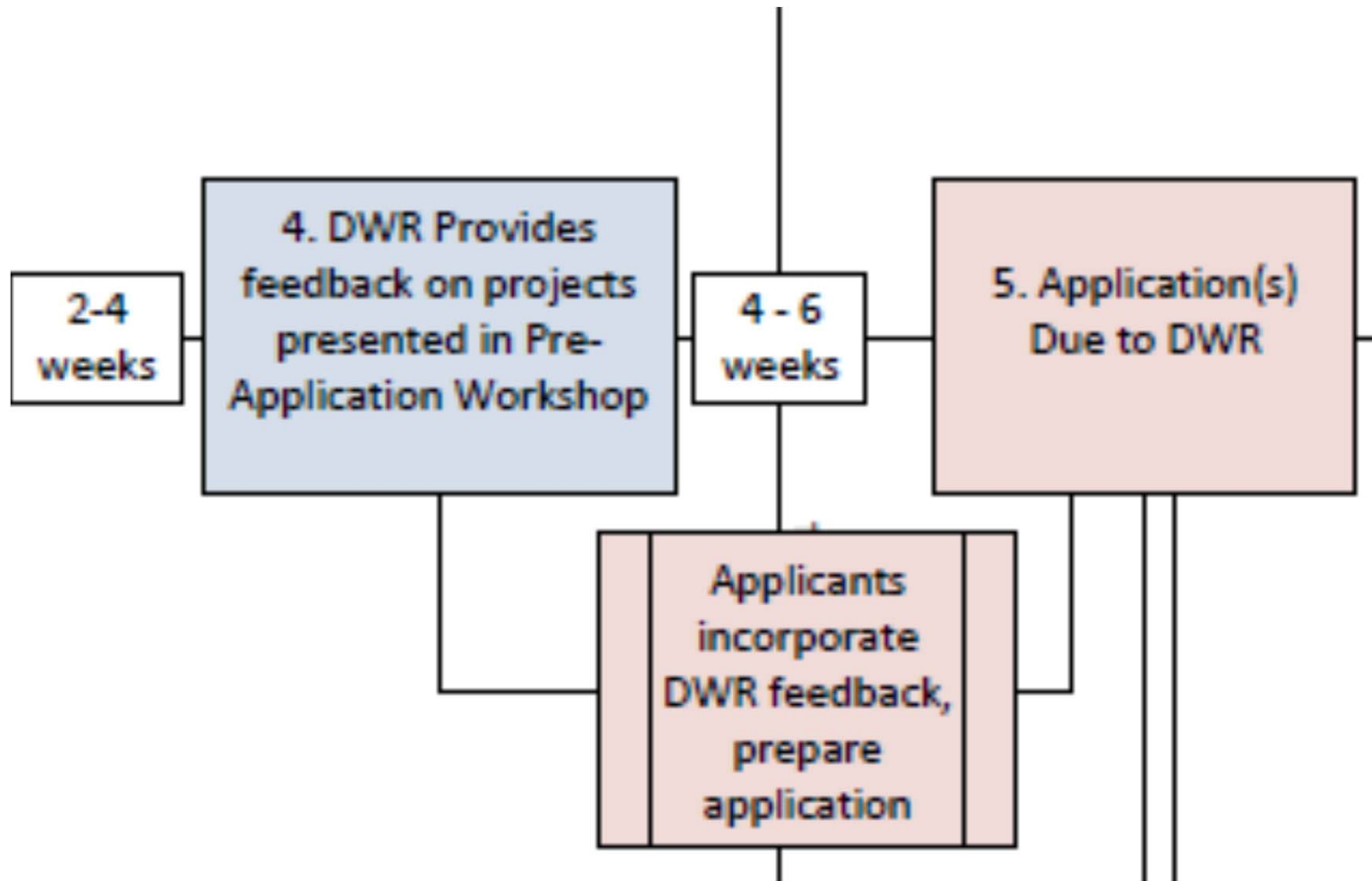
# 1. SOLICITATION PROCESS

## Pre-Application Process



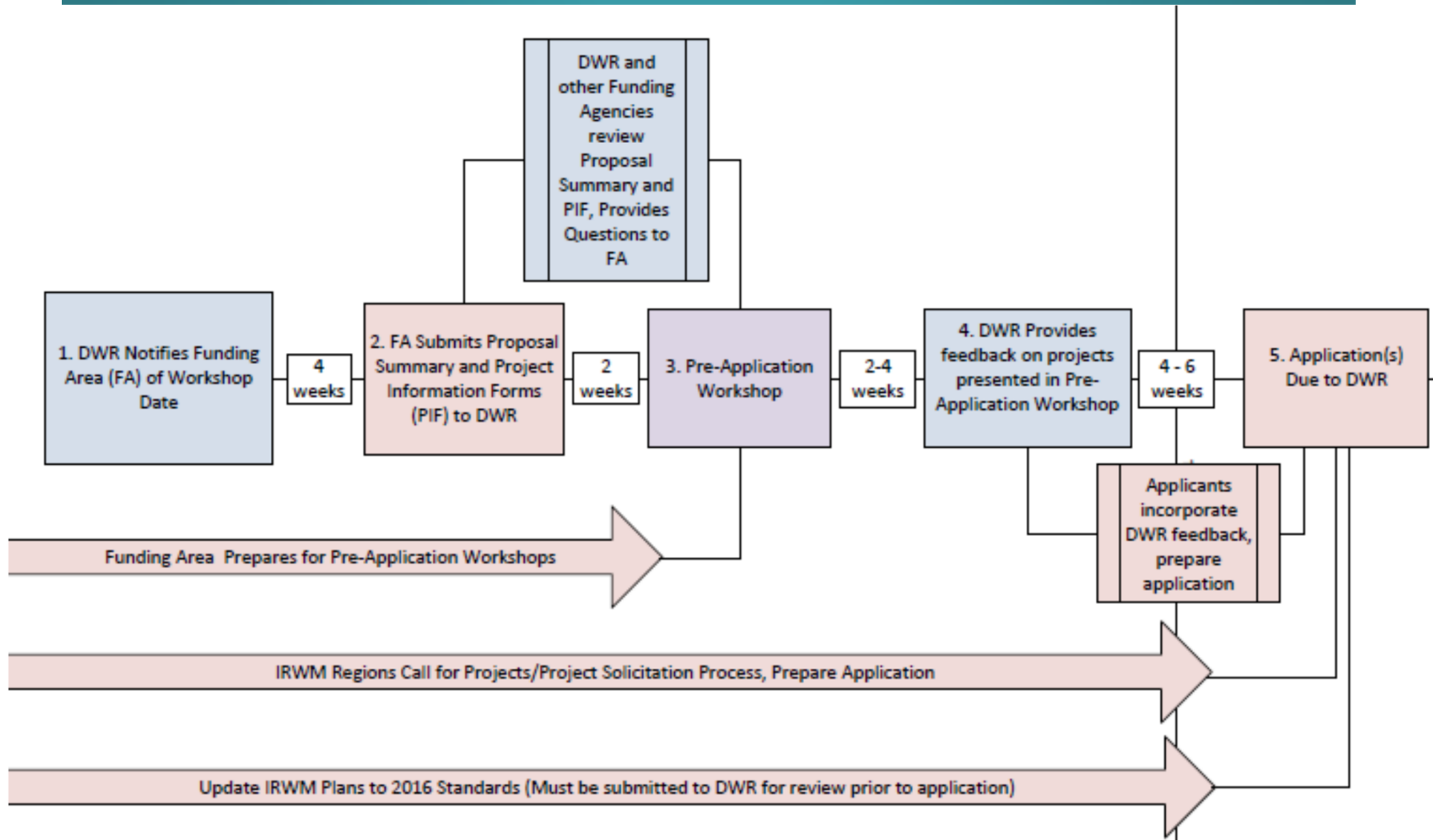
# 1. SOLICITATION PROCESS

## Pre-Application Process



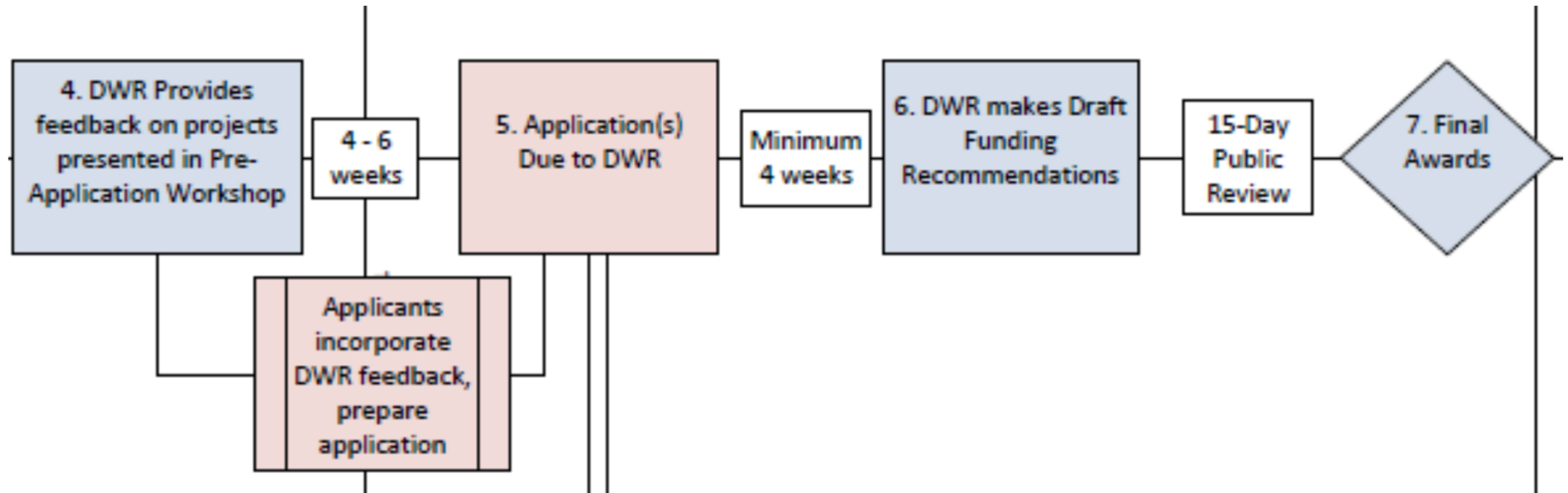
# 1. SOLICITATION PROCESS

## Pre-Application Process



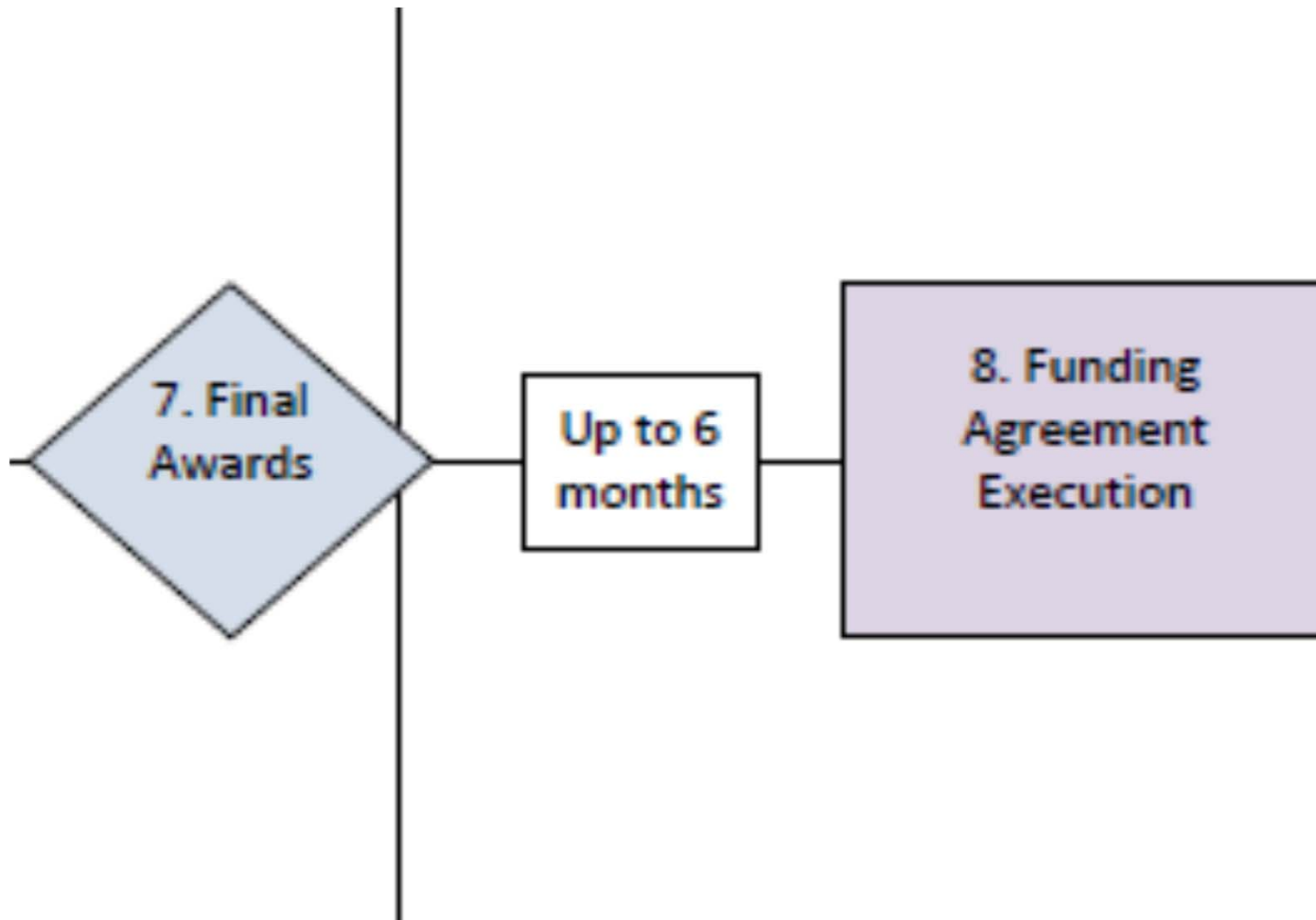
# 1. SOLICITATION PROCESS

## Application Review & Funding Award



# 1. SOLICITATION PROCESS

## Post Award Process



# 1. KEY QUESTIONS

- Recommendations to schedule Funding Area pre-application workshops.
- Should any additional entities not listed in the PSP Concepts be represented at the Pre-Application Workshop?
- Do the proposed timeframes between the steps allow applicants enough time to prepare for each step of the pre-application and application process?

Proposition 1 IRWM Implementation PSP Concepts

# 2. Pre-Application Workshop Components

## 2. PRE-APPLICATION WORKSHOP COMPONENTS

### Introduction Topics

- Funding Area Summary
- Regional Conditions

### Submitted Forms

- Proposal Summary
- Project Information Form
  - Overview
  - Eligibility determination
  - Environmental Permit Status
  - Physical Benefits
  - Work Plan
  - Budget
  - Schedule

## 2. KEY QUESTIONS

- Suggestions for other topics to be discussed or covered in the Pre-Application Workshop
- Suggestions to make the Pre-Application Workshop more valuable.

Proposition 1 IRWM Implementation PSP Concepts

# 3. Proposal and Project Eligibility Requirements and Scoring Criteria

**Table 1. Eligibility and Evaluation Criteria – Concepts\***

Eligibility Criteria**		Yes/No
<b>Proposal</b>	Does at least one project in the proposal provide benefits that help water infrastructure systems adapt to climate change impacts? [79741 (a), 79742 (e)].	
	Does the proposal contribute to regional water self-reliance [79741 (c)]?	
	Has the IRWM Plan, updated to comply with 2016 IRWM Plan Standards, been submitted to, or previously been deemed sufficient by DWR prior to grant application submittal?	
	Does the proposed budget reflect that the grant administration budget is less than or equal to 10% of the grant amount requested?	
<b>Project</b>	Is the project included in the IRWM Plan?	
	Does the project address one or more of the needs and priorities of the IRWM region as defined in IRWM Plan? (meet the intent of most critical statewide needs [79707(a)]).	
	Does the project address one or more of the Statewide Priorities as identified in CA Water Action Plan and DWR Prop 1 IRWM Grant Program Guidelines (updated 2018)?	
	For construction projects: does the application confirm a lifecycle benefit for 15 years as required by Government Code 16727?	
	For applicable projects, will CEQA be complete and permits acquired within 6 months of Final Award or prior to agreement execution, whichever occurs first?	
Evaluation Criteria		Possible Points
<b>Proposal</b>	Does the proposal include one or more projects that assist the IRWM region to address the Human Right to Water (SB 685)?	tbd
<b>Project</b>	Does the project provide two or more benefits? (e.g., water supply, groundwater recharge, water quality improvement, ecosystem enhancement, etc.)	tbd
	Does the project provide benefits to more than one IRWM region and/or Funding Area?	tbd
	Does budget indicate leveraging of other funding sources (in addition to any required cost share)?	tbd
	Does narrative provide reasonable determination on least cost alternative?	tbd
	Does the project make use of or provide for new and innovative technologies [79707(e)]?	tbd
	Are the work plan, schedule and budget consistent with each other and appropriate to the project?	tbd

# 3. Eligibility Criteria – Proposal

## Eligibility Criteria (Yes/No)

Climate Change Adaptation

Regional Water Self-Reliance

IRWM Plan Submitted (2016 Compliant)

Grant Administration <10%

# 3. Eligibility Criteria – Project

## Eligibility Criteria (Yes/No)

Consistent with IRWM Plan (Updated to comply with 2016 standards)

Meets one or more need/priority of the region (IRWM Plan)

Meets Statewide Priorities

15-year lifecycle benefits (construction projects)

CEQA Complete/Permits Acquired within 6 months of Funding Award  
(Exceptions Apply)

# 3. Evaluation (Scoring) Criteria

## Scored Criteria

Human Right to Water (SB 685)

Multiple Benefits

Benefits to More than one IRWM Region/Funding Area

Leveraging other funding sources

Least Cost Alternative

New or Innovative Technology

Consistent Work Plan, Budget, & Schedule

## 3. KEY QUESTION

- Open discussion regarding the eligibility and evaluation criteria outlined in Table 1 of the PSP Concepts.

Proposition 1 IRWM Implementation PSP Concepts

# 4. Funding Available in Round 1

# 4. FUNDING AVAILABLE – ROUND 1

Table 2	Future Implementation Funding			
	Column F	Column G	Column H	Column I
Funding Area	Minimum DAC-Benefit Implement. Allocation	General Balance Implement. Allocation**	Maximum General Balance Available for Round 1	Maximum DAC- Benefit Available for Round 1
	(10%)		(50% of Col G)	(30% of Col F)
North Coast	\$2,650,000	\$19,345,000	\$ 9,672,500	\$795,000
San Francisco Bay	\$6,500,000	\$47,450,000	\$ 23,725,000	\$1,950,000
Central Coast	\$4,300,000	\$31,108,882	\$ 15,554,441	\$1,290,000
Los Angeles	\$9,800,000	\$71,540,000	\$ 35,770,000	\$2,940,000
Santa Ana	\$6,300,000	\$45,740,000	\$ 22,870,000	\$1,890,000
San Diego	\$5,250,000	\$37,773,650	\$ 18,886,825	\$1,575,000
Sacramento River	\$3,700,000	\$26,695,778	\$ 13,347,889	\$1,110,000
San Joaquin River *	\$3,100,000	\$22,414,875	\$ 11,207,438	\$930,000
Tulare/Kern	\$3,400,000	\$24,068,112	\$ 12,034,056	\$1,020,000
North/South Lahontan	\$2,450,000	\$17,043,970	\$ 8,521,985	\$735,000
Colorado River	\$2,250,000	\$14,826,530	\$ 7,413,265	\$675,000
Mountain Counties	\$1,300,000	\$9,406,094	\$ 4,703,047	\$390,000
Total	\$51,000,000	\$367,412,891	\$183,706,446	\$15,300,000 <sup>2</sup>

# 4. Prop 1 Allowance for “Planning”

CA Water Code

CHAPTER 4. 79704

*Unless otherwise specified, up to 10 percent of funds allocated for each program funded by this division may be expended for planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program.*

# 4. "Planning" Allocation Example

Funding Area	Proposition 1 Allocation	State Admin and Bond Costs	Previous Planning Grant Awards	DAC Involvement Awards (Minimum 10% of Col B)	Minimum DAC-Benefit Implement. Allocation	General Balance Implement. Allocation
		(7%)			(10%)	
North Coast	\$26,500,000	\$1,855,000	\$ -	\$2,650,000	\$2,650,000	\$19,345,000
Central Coast	\$43,000,000	\$3,010,000	\$ 281,118	\$4,300,000	\$4,300,000	\$31,108,882

## North Coast:

\$0 previously used for planning

Up to \$2.65M of remaining \$22M could be available for "planning"

## Central Coast:

\$281,118 previously used for planning

Up to \$4.02M of remaining \$35.4M could be available for "planning"

## 4. KEY QUESTIONS

- Table 2 presents proposed funding available in Round 1 based on a percentage of Prop 1 allocation. These percentages (50% General, 30% DAC) were proposed as a starting point for discussion. Is the amount of funding proposed appropriate for your respective IRWM Region / Funding Area?
- Do you have any thoughts or comments about the potential for a “planning” allowance to be made available?  
[Added]

Proposition 1 IRWM Implementation PSP Concepts

# 5. Cost Share Requirements and Reimbursement Date

# 5. COST SHARE REQUIREMENTS AND REIMBURSEMENT DATE

- Local Cost Share
  - 50% Cost Share (Prop 1 Requirement)
  - Cost must be incurred after January 1, 2015
  - Cost share waiver for Disadvantaged Communities and EDAs
- Reimbursement Eligibility Date
  - Cost incurred after Final Funding Award Date
  - Environmental Planning and Permitting for non-DAC projects not a reimbursable cost

## 5. KEY QUESTION

- Any comments regarding the cost share requirements and/or reimbursement eligibility date?

# NEXT STEPS

## IRWM Practitioners

- Submit Comments on PSP Concepts to DWR by May 18, 2018
- Trial run of Project Information Form
- May 23/24 meeting (if needed)
- Update IRWM Plans to 2016 standards

## DWR

- Continued engagement (Roundtable, Tribes, Other Stakeholders)
- Review and consider comments
- Prepare DRAFT Proposal Solicitation Package
- Update 2016 IRWM Grant Program Guidelines

# SCHEDULE\*

- Late June 2018 – DRAFT PSP and Guidelines
- August 2018 – 3 Public Meetings
- Fall 2018 – FINAL PSP and Guidelines
- November 2018-April 2019 – Pre-Application Workshops
- January 2019 – First Application Submitted
- Early 2019 – Final Award and Grant Agreement Execution following set time period after Pre-Application Workshop

\*Schedule subject to change

# Thank you for your participation

Please submit comments by Friday, May 18 to:  
[dwr\\_irwm@water.ca.gov](mailto:dwr_irwm@water.ca.gov)

## **Program Contacts:**

Rachel Ballanti: [Rachel.Ballanti@water.ca.gov](mailto:Rachel.Ballanti@water.ca.gov) or  
(916) 651-7193

Jason Brabec, P.E.: [Jason.Brabec@water.ca.gov](mailto:Jason.Brabec@water.ca.gov) or  
(916) 657-4893