

# IRWM GRANTS PROGRAM UPDATE

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# IRWM GRANT PROGRAM OBJECTIVES

## Direct Objectives

- Improve water supply reliability
- Protect & improve water quality
- Ensure sustainability through environmental stewardship

## Higher-Level Objectives

- Promote regional planning
- Financial incentive to promote integration and regional cooperation and collaboration

# IRWM GRANT PROGRAMS

Integrated Regional Water Management

- Propositions 50 and 84
- Planning and Implementation

Proposition 1E Stormwater Flood Management (SWFM)

Local Groundwater Assistance

Closeout of various Proposition 13 programs

# OTHER DWR FINANCIAL ASSISTANCE PROGRAMS

Flood Corridor

Flood Emergency Response

Early Implementation

Local Levee

Yuba Feather Flood Protection

Flood Control Subventions

CVFPB Capital Outlay

Delta Water Quality

Delta Levees Systems Integrity

Delta Levee Subventions

Contaminant Treatment & Removal Pilot Projects

Drinking Water Disinfection – UV & Ozone

Safe Drinking Water (Grants & Loans)

Delta and San Joaquin & Sacramento Rivers Water Quality

Urban Steams Restoration

Drainage Reuse

Agricultural Water Conservation (Loans)

Ag Water Use Efficiency

Desalination



## CURRENT ACTIVITIES

# PROPOSITION 1E SWFM

Awarded Round 2 grants to 10 agencies

- Director Cowin to sign approval memo today/tomorrow

Final round of SWFM funding

Next steps

- Commitment Letters
- Tax Certifications
- Execute Grant Agreements

# PROPOSITION 1E SWFM AWARDS



**Awarded Grants**

- Round 1 Project Location (approx.)
- Round 2 Project Location (approx.)

<http://www.water.ca.gov/irwm/grants/stormwaterflood.cfm>

# PROPOSITION 84 IRWM

## Round 2 Implementation Grants

Draft funding recommendations being developed

Anticipate announcement before end of September

If possible, coordinate public meeting with Sacramento Plan Review Process meeting

## Plan Review Process

Draft Released for Public Comments

Workshops

- Sacramento – October 7, CalEPA 9:30
- Ventura – October 9, Government Center 10:00

Comments due October 16, 2013

- Email: [theodore.daum@water.ca.gov](mailto:theodore.daum@water.ca.gov)

# PLAN REVIEW PROCESS

Purpose – Establish a systematic and consistent evaluation procedure to assess whether a plan is consistent with the IRWM Planning Act/IRWM Plan Standards

All “requirements” extracted from 2012 Guidelines – No new requirements

- Condition of eligibility for future IRWM funding (Round 3)
- Continuing Proposition 84 Implementation grant funding eligibility (2-year Update)

Review schedule

- Target 60 calendar days review by DWR
- Open submittal period
- Cut-off prior to Round 3 application due date



# UPCOMING ACTIVITIES

# STATUS OF ROUND 3

Appropriation not included in FY 2013-14 Budget

Earliest possible appropriation FY 2014-15 (July 2014)

Amount remaining for appropriation \$472.5 million

- Implementation Grant funding only
- All planning funds awarded
- All interregional funds committed

# ROUND 3 ALLOCATION SCHEDULE

Will be set for each Funding Area based on total of prior awards

- <http://www.water.ca.gov/irwm/grants/fundingarea.cfm>
  - Click on “Summary of Proposition 84 Grant Awards” hyperlink
- Current through Round 2 Planning Grant awards
- Will update after Round 2 Implementation Grant awards

# OBJECTIVES FOR ROUND 3

## Guidelines

Minimize changes to IRWM Plan Standards

Revise to incorporate any legislative requirements enacted since 2012

- For example
  - Human Right to Water
  - Any obligations from appropriation/legislation

## PSP

Enhance “customer experience” by continuing to simplifying application and review process

Maintain level of assurance that the investment of \$472.5 M will provide significant, measureable benefits to California water management

# PROCESS IMPROVEMENT WORKSHOPS

**Purpose:** solicit input, prior to release of draft Guidelines/PSP on what worked/didn't work in Round 2 and how to improve Round 3

**Goal:** to have Draft Guidelines and PSPs ready for public review and comment as soon as possible following appropriation of funds

Late 2013/Early 2014

- Once DWR has a chance for a Round 2 “post mortem”

Any suggestions for workshop locations?

- Last time – Redding, Watsonville, Chino, Visalia, & Sacramento (web broadcasted)



# PROGRAM STATUS

Grants Management

# PROP 50 IRWM PROGRAM

## Planning Grants

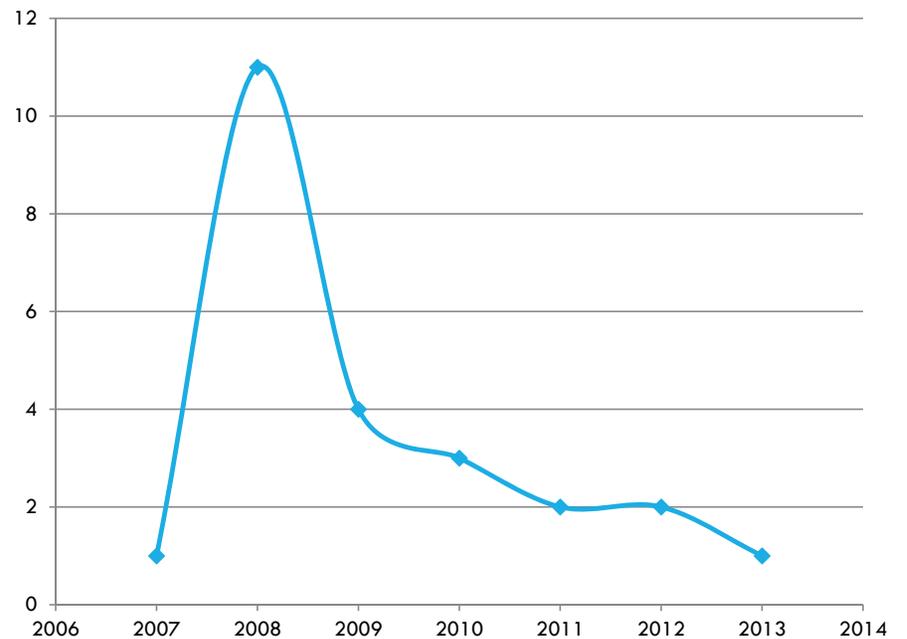
Grant Awards in January 2006

First grant closed 2007

Last grant closed 2013

7+ years to close out 24 “2-year” grants

Number of Grant Agreements Closed



# PROP 50 IRWM PROGRAM IMPLEMENTATION

Grant Awards in 2007, 2008, & 2010

2 grants closed/closing

- 2010 Mini-50 grant for 1 project/activity
- Round 1 Award – 6 years to complete
- Several more nearing completion

Numerous individual projects on numerous grants completed

# PROP 50 IRWM IMPLEMENTATION GRANTS

Total number of grant agreement = 16

Agreements closed out = 12.5 % (2 grants)

Total grant funding paid out = 62%

Average value of invoices/quarter = \$5.4 M

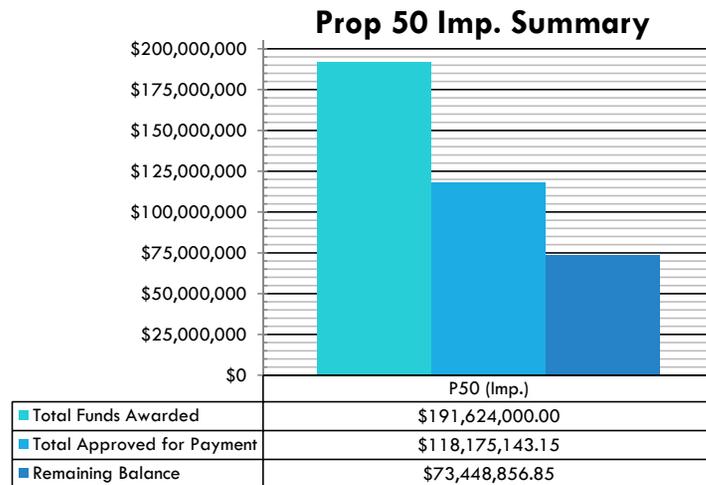
Final agreement term date = December 31, 2014

- Amendments to extend to 2016 being processed

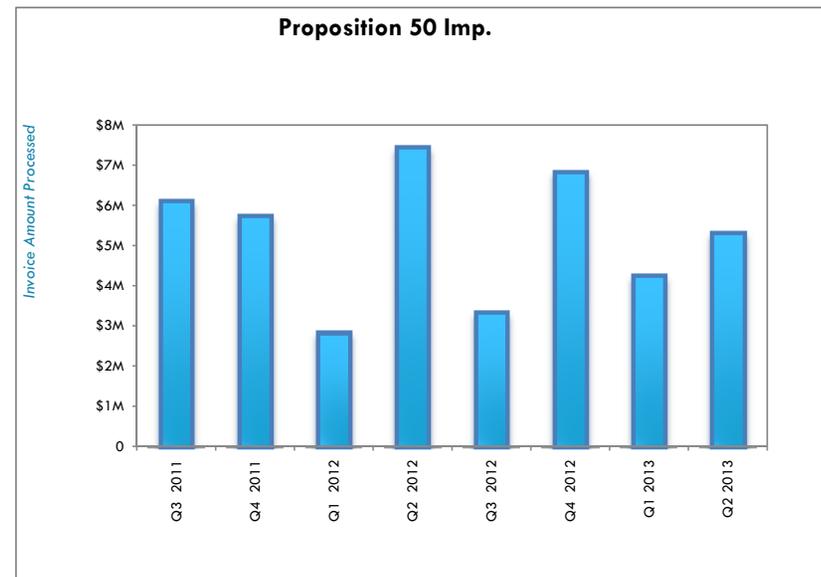
Projected closeout (Based on invoicing rate) = December 2016

# PROP 50 IRWM IMPLEMENTATION GRANTS

## Awarded Funds



## Total Invoice Amounts/Quarter



# PROP 84 IRWM PLANNING GRANTS

Cycle	# Awards	# Executed
Round 1 (Awards in 2011)	30	30 (100%)
Round 2 (Awards in 2012)	15	4 (27%)

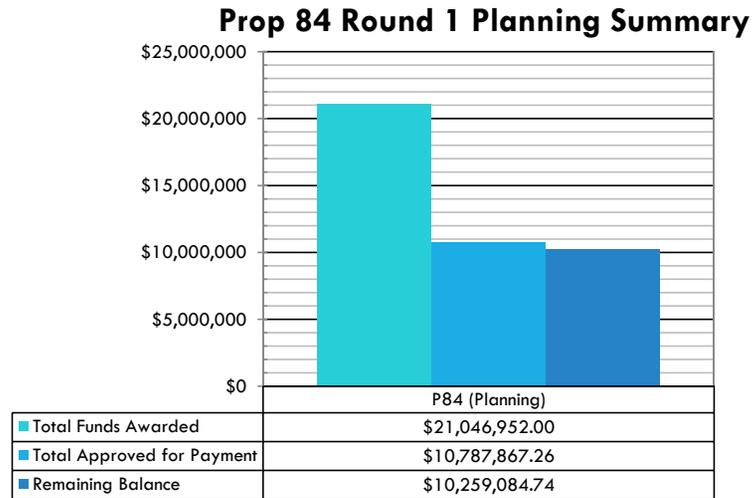
Round 2 – Working with staff to “pick up the pace”

Round 1

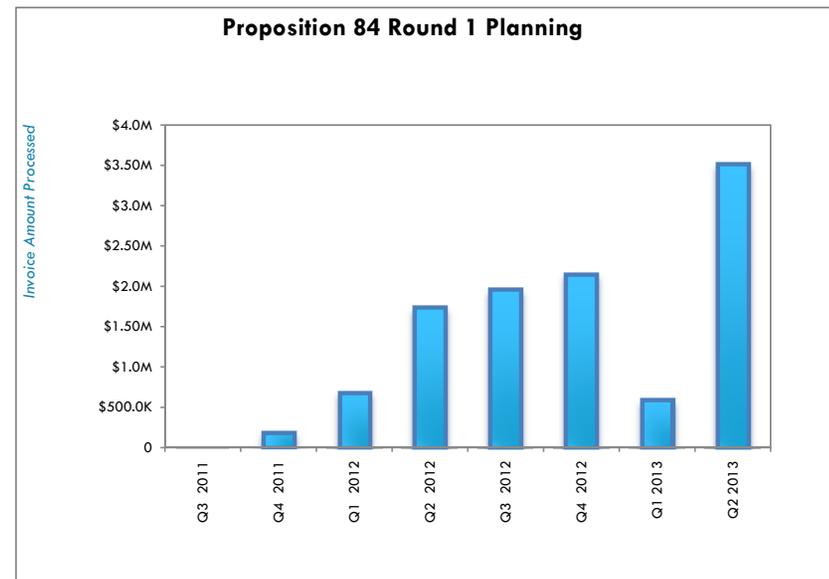
- Agreements closed out = 2% (1 grant)
- Total grant funding paid out = 36%
- Average value of invoices/quarter = \$1.5 M
- Final agreement term date = September 30, 2015
- Projected closeout = October, 2014

# PROP 84 IRWM PLANNING GRANTS – ROUND 1

## Awarded Funds



## Total Invoice Amounts/Quarter



# PROP 84 IRWM IMPLEMENTATION ROUND 1

Total Funds Awarded = \$205 M

Total Project Costs = \$844 M

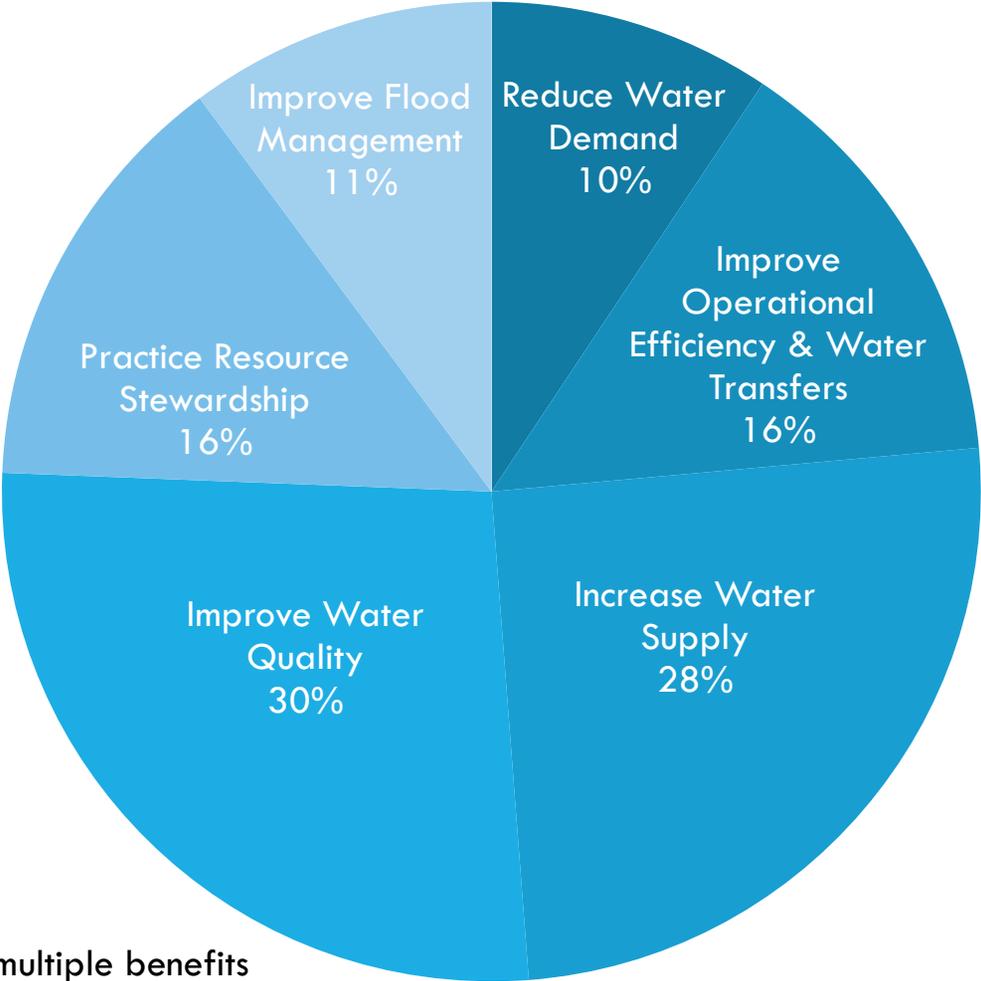
Range of Grant Funding = <1% to 100% of total project costs

Cost Share % (Overall) = 76%

Number of Projects Funded = 201 projects

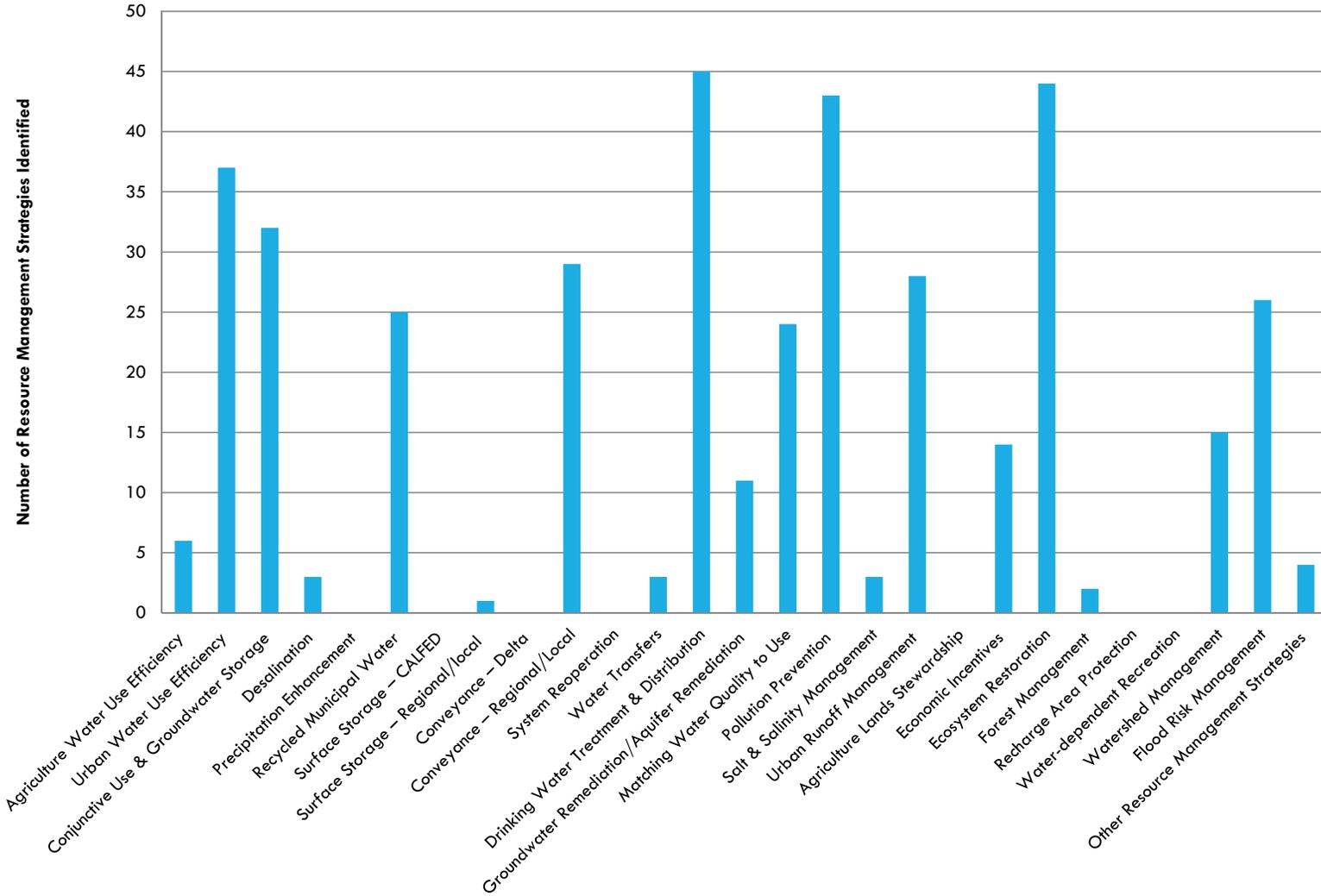
Average Grant Amount/Project = \$1.02 M

# PROP 84 ROUND 1 IMPLEMENTATION WATER MANAGEMENT OBJECTIVES



Projects must have multiple benefits

## Prop 84 Round 1 Implementation Resource Management Strategies (Projects may employ >1 RMS)



# PROP 84 IRWM IMPLEMENTATION ROUND 1

Award Round 1 Grants = August 2011

Total number of grant agreement = 25

Total executed = 24 (96%)

- Last one should be executed by DWR on Monday

Agreements closed out = 0%

Total grant funding paid out = 9%

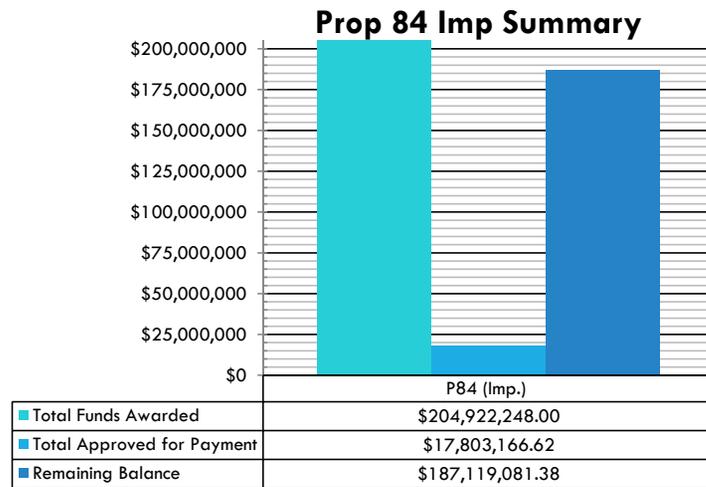
Average value of invoices/quarter = \$4.5 M

Final agreement term date = May 30, 2018

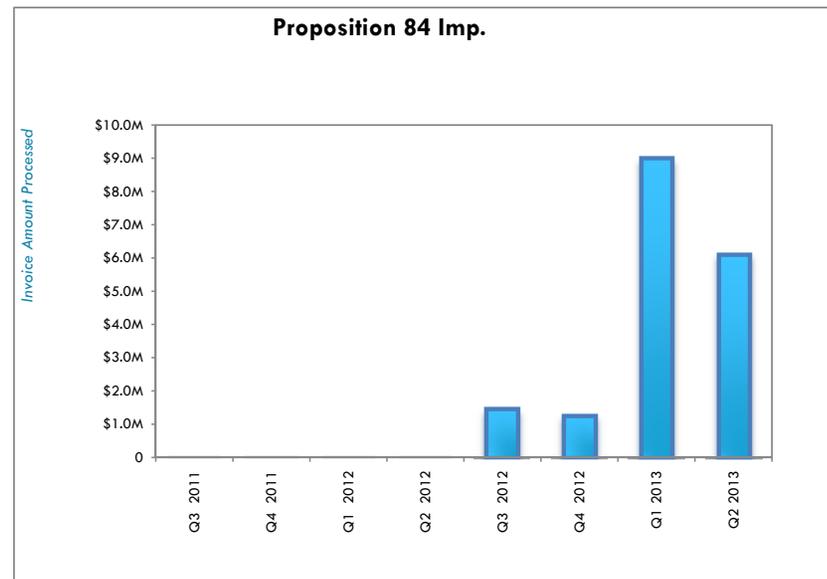
Projected closeout = December 2023

# PROP 84 IRWM IMPLEMENTATION ROUND 1

## Awarded Funds



## Total Invoice Amounts/Quarter



# PROPOSITION 84 IRWM DAC PROJECT FUNDING

## Planning – Facilitate participation

- \$3.9 M minimum obligation

## Implementation – Critical water supply/water quality needs

- Obligation based on 2 separate appropriations
- \$35 M minimum obligation
- Round 1 – Funded 41 “critical” DAC projects
- Round 1 – Additional 40 “non critical” DAC projects (\$43.5 M)

## DAC Assistance – 7 projects funded

PROGRAM	AMOUNT
Planning - Rounds 1 & 2	\$4,052,862
Implementation - Round 1	\$21,284,341
Implementation – Round 2 Minimum	\$15,906,346
DAC Assistance Pilot Program	\$2,749,000
Tulare County	\$2,000,000
TOTAL (minimum)	\$45,992,549

# PROP 1E SWFM GRANTS

Cycle	# Awards	# Executed
Directed (Awarded 2008)	1	1 (100%)
Round 1 (Awarded 2011)	21	18 (86%)
Round 2 (Awarded 2013)	10	0 (0%)

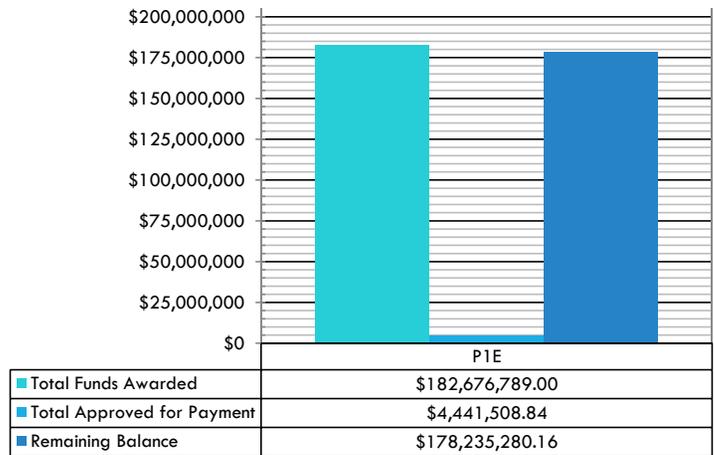
## Directed + Round 1

- Agreements closed out = 4.5% (1 grant)
- Total invoices processed to date = 2%
- Average value of invoices/quarter = \$1.4 M, but trending up
- Final agreement term = December 31, 2018
- Projected closeout = Not a realistic estimate (2046)

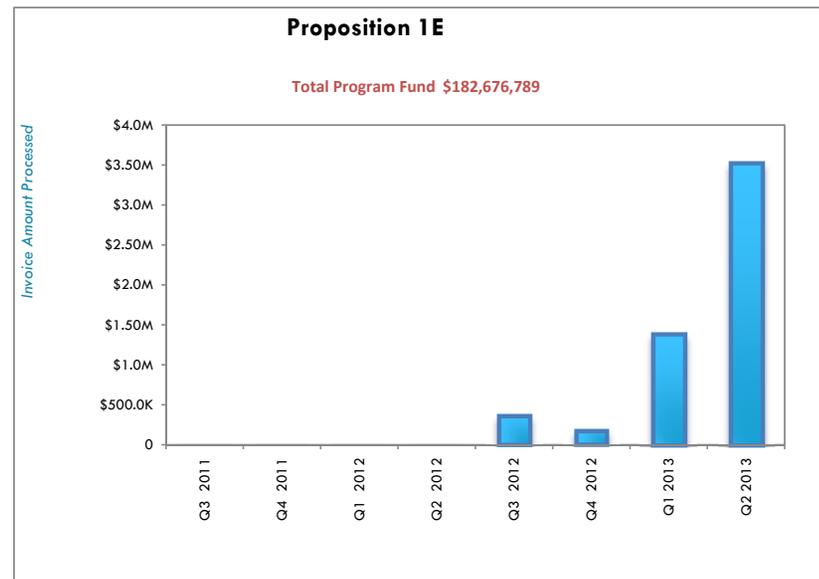
# PROP 1E SWFM GRANTS — ROUND 1

## Awarded Funds

**Prop 1E Round 1 SWFM Summary**



## Total Invoice Amounts/Quarter

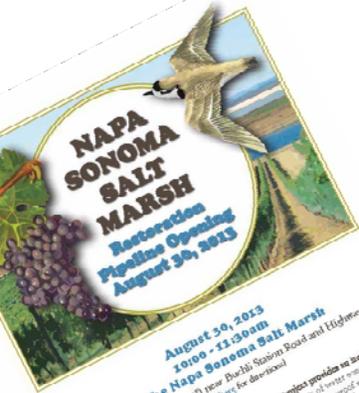


# PROGRESS IS BEING MADE

**Come Celebrate Completion of the Central Dublin Recycled Water Project**

Monday, July 29, 2013, 10:30 - 11:30 a.m.  
Kolb Park, 8020 Bristol Rd., Dublin CA 94568

(Park on Brighton Place, near the picnic tables)  
Guests are invited to tour the Jeffrey C. Hansen Water Recycling Plant immediately following the celebration.  
RSVP by July 15 to Lori Martin, [lorimartin@dsrwsd.com](mailto:lorimartin@dsrwsd.com)  
Questions, call Lori at (925) 875-2282



**August 30, 2013  
10:00 - 11:00am**  
at the Napa Sonoma Salt Marsh  
(off I-80 near Highway 121)

**Thanks to many new and dedicated labor**  
forces who were part of the project, we are  
able to share the vision of the  
restoration project with you.

**Mark Covin**  
San Ramon Valley Water Agency  
Planning Supervisor



## JOIN US

The County of Los Angeles Department of Public Works cordially invites you to attend a rededication ceremony marking the completion of the Morris Dam Water Supply Enhancement Project.



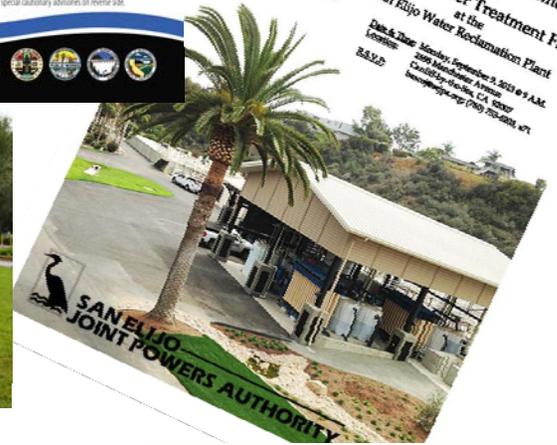
**Morris Dam**  
Wednesday, July 24 at 10 a.m.

RSVP by July 22 to Carmella Towles at (626) 458-3541.  
Lunch will be provided.  
\*Please see directions, parking instructions, and special cautionary advisories on our website.



Please join us for a  
**Ribbon Cutting Ceremony**  
for the  
**Advanced Water Treatment Facility**  
at the  
**San Eljero Water Reclamation Plant**

**Date:** Tuesday, September 3, 2013 at 9 A.M.  
**Location:** 2895 Macomber Avenue  
Cudahy-Heald, CA 95007  
**RSVP:** [laney@sanjose.org](mailto:laney@sanjose.org) (916) 755-0201, ext.



The Central Contra Costa Sanitary District and the City of Concord  
**Cordially Invite You**  
to the official groundbreaking for the  
**CONCORD LANDSCAPE PROJECT**  
- Recycled Water Distribution Extension -  
10 a.m. on Tuesday, May 7, 2013  
at the Hilton Concord  
1970 Diamond Boulevard, Concord CA

RSVP to [dharis@centralconco.org](mailto:dharis@centralconco.org) or 925-229-7116

This project is funded by the Central Contra Costa Sanitary District, the City of Concord, the US Bureau of Reclamation, The City of Concord, and under the Safe Drinking Water Act, Grants and Special Flood Control from the Central Contra Costa District of 2008, the State of California Department of Water Resources, in collaboration with the San Jose Clean Water Agency (SJCWA) and the Oakland Regional Water Control Authority (ORWCA).



# PROGRAM STATUS

Invoicing

# ACTIVE AGREEMENTS = 166 (AND INCREASING)

Proposition 84 IRWM = 80 + Round 2 Implementation in near future

Proposition 50 IRWM = 14

Proposition 1E SWFM = 32

Local Groundwater Assistance = 38

Proposition 13 = 2

# INVOICING ISSUES — DWR PERSPECTIVES

## Typical Issues/Concerns – DWR

### Length of time from submittal to payment

- Back and forth between DWR & Grantee
- Bond Sale “New Norm”
  - Once approved by Grant Manager
  - Was 15-30 days; Now 30-45 days

### Disbursement method

- Effective communication of reimbursement mechanics
- Invoice Forms/Configuration issues

### Competing assignments/priorities

### Funds Management

- End of year close out
- Liquidation periods

## Typical Issues/Concerns – Grantee

### Invoice Package not well organized

### Backup Documentation

- Not enough
- Too much
- Does not match what is billed or scope

### Math Errors

### Timely submittals

- From Local Project Sponsor to Grantee to DWR

# ACTIONS ALREADY TAKEN TO IMPROVE INVOICE REVIEW AND APPROVAL PROCESS

Electronic submittal of draft invoice & backup documentation

- “Pre-review” materials to help ensure prompt approval once submitted
- Eliminate printing and shipping costs for sizable invoice packages
- Still need “wet signature”

Revised (hopefully improved) Invoice Form

- Customizable for multiple projects/grant
- Customizable for different cost match allocation methodologies

Staff training and reference materials

Deployment of internal tracking/reporting databases

Commitment to continuous improvement

# DEPARTMENT OF FINANCE AUDIT FINDINGS

Audited 19 DWR Grantees between April 2011 to April 2012

- Inadequate fiscal monitoring
- Deficiency in fiscal controls/accounting controls
- Inadequate approval procedures (vendor invoices & timekeeping)
- Expenditures exceed approved grant agreement limits
- Noncompliance with grant agreement requirements (such as reporting)
- Questionable costs
- Competitive bid documents not maintained
- No contract with engineering firm

2012-2013 audit reports pending

2013-2014 audit season beginning

# NEAR-TERM PRIORITY LIST — GRANT PROGRAMS

**Manage existing grants** to ensure timely reporting and billing, prompt payment of invoices, and completion of grant agreements as scheduled

**Execute grant agreements** that are structured to support the efficient grant management, foster effective reporting and invoicing, and minimize administrative burdens, such as repetitive amendments

Finalize **Plan Review Process** guidelines addendum/Conduct plan reviews in order to ensure timely completion of planning grants, verify continued eligibility for existing grant funding, and “pre-qualify” IRWM regions for Round 3 funding

Process Improvement Workshops/Develop **Round 3 solicitation** materials in order to expeditiously award funds from the future appropriation