

San Diego Tri-County Funding Area Coordinating Committee

Upper Santa Margarita ◦ South Orange County ◦ San Diego
Integrated Regional Water Management Planning Regions



August 16, 2012



Attn: Zaffar Eusuff
California Department of Water Resources
Division of Integrated Regional Water Management
Financial Assistance Branch
P.O. Box 942836
Sacramento, CA 94236



email: DWR_IRWM@water.ca.gov



SUBJECT: Comment Letter – Draft 2012 Guidelines, Implementation Grant PSP, and Stormwater Flood Management PSP



Dear Mr. Eusuff,

The San Diego Funding Area's Tri-County Funding Area Coordinating Committee (Tri-County FACC) is made up of representatives of all three planning regions in the Funding Area – San Diego, South Orange County, and Upper Santa Margarita. The Tri-County FACC has been meeting formally since early 2008, and operating under a Memorandum of Understanding signed by all Regional Water Management Group (RWMG) agencies since 2009.

We want to thank the California Department of Water Resources (DWR) for its work on the draft 2012 Integrated Regional Water Management (IRWM) Guidelines and Proposal Solicitation Package (PSP) documents. We appreciate the process you use for development of these programs, and we look forward to continuing to work with DWR in developing the IRWM programs in our Funding Area.

We have reviewed the draft 2012 IRWM Guidelines and PSPs for Proposition 84 and Proposition 1E, and prepared written comments for your review and consideration. Each of the planning regions in the San Diego Funding Area will provide individual comments specific to their planning region. The comments provided below are the result of our cooperative coordination and planning, and address issues that impact the entire San Diego Funding Area. Most significant of the comments are changes that would streamline the application process for Funding Areas that have funding allocation agreements, and encourage other planning regions to work cooperatively between IRWM programs in their Funding Areas.

Our comments are provided on the following pages.

1. Streamline Implementation Grant Application per PRC §75026, Especially for Non-Competitive Funding Areas

The Proposition 84 Implementation Grant application requirements should be streamlined. While we agree with DWR's efforts to ensure funding of truly integrated water resources projects, there is no need for extensive scoring and ranking of proposals, especially in non-competitive Funding Areas. Proposition 84 (PRC §75028(a)) states that DWR

“shall defer to approved local project selection and review projects only for consistency with the purposes of §75026.”

PRC §75026 requires that eligible projects (1) be consistent with an adopted IRWM plan or its functional equivalent as defined in the IRWM Guidelines; (2) provide multiple benefits; and (3) contribute to DWR's program preferences.

As such, DWR should request only information necessary to confirm consistency of grant application project(s) with the local IRWM Plan and any Memorandum of Understanding (MOU) adopted by the region or Funding Area. Extensive development of supporting information and attachments beyond those necessary to comply with the Public Resources Code should be eliminated. Specifically, we request that a streamlined grant application for non-competitive Funding Areas be limited to work plans, budgets, schedules, performance measures, and outreach to disadvantaged communities (DACs) for each proposed project in order to demonstrate consistency with PRC §75026.

The Tri-County FACC, which includes all three regions within the San Diego Funding Area, has an MOU adopted by all nine RWMG agencies that outlines our commitment to inter-regional coordination (demonstrated through ongoing Tri-County FACC meetings), development of cross-watershed projects (implementation is currently underway), and equitable allocation of the Proposition 84 bond funding. Our grant applications will be aligned with our agreed-upon allocation, will not exceed the Round 2 maximum, and will not be competitive among our three regions. While our projects are competitive compared to others around the State, our three regions are not competing for funds. This mutual agreement will enable DWR to honor our approved local project selection processes and review our grant applications in a more streamlined manner.

Offering a streamlined grant application process for non-competitive Funding Areas will encourage regional cooperation, coordination, and collaboration between IRWM regions throughout the State and will reduce everyone's workload. Together with DWR, we may then focus time and money on implementation of well-qualified, high-priority projects.

2. Cost and Complexity of Grant Applications

While we appreciate that DWR has consolidated the economic analysis into fewer attachments than were required in Round 1 of both Proposition 84 and Proposition 1E funding, we do not believe that this consolidation will substantially reduce the costs or effort required to prepare an application. Rather, it seems as though IRWM regions (for Proposition 84) or individual applicants (for Proposition 1E) will have to undergo the same costly economic analysis as was required in Round 1. As we have indicated in the past, the cost of developing the information required for an application is prohibitively expensive for many DAC organizations and non-governmental organizations (NGOs), which are essential to each of our IRWM programs.

Preparation of the newly added Technical Justification attachment (Attachment 7), in both the Proposition 84 and Proposition 1E PSPs, may be complicated and time consuming. DWR's proposed timeframe for submission of the Proposition 1E Stormwater Flood Management grant applications (October – December 2012) may not be feasible to complete such studies, particularly the flood risk reduction analysis, if they are not already in progress.

We request that DWR substantially reduce the technical justification and economic analysis required in both the Proposition 84 Implementation Grant and Proposition 1E Stormwater Flood Management PSPs, especially for Funding Areas that have established formal funding agreements and do not directly compete for Implementation Grant funding. In accordance with PRC §75028(a), once an IRWM Region has prioritized and approved its project list, additional economic analysis and assessment of impacts and benefits should not be necessary. Development and review of these materials is time consuming and overly burdensome on DWR, local RWMGs, and individual applicants.

3. Benefits and Costs Analysis Scoring for DAC Projects

The Tri-County FACC is deeply concerned with DWR's proposed scoring methods for the Benefits and Costs Analysis (BCA) and how this relates to DAC projects as indicated in the Proposition 84 Implementation Grant PSP. Specifically, we are concerned with DWR's criterion that "scoring will be based on the magnitude of benefits and quality of analysis" (Draft Implementation Grant PSP, page 29). According to the PSP, if an application includes DAC projects, these projects may be scored with a Cost Effectiveness Analysis that "evaluates whether the physical benefits provided by the project are provided at the least possible cost, or not" (Draft Implementation Grant PSP, page 23). Our primary concern is how to rectify DWR's scoring criteria, which rely on the magnitude of benefits, and DWR's inclusion of a cost effectiveness analysis for DAC projects that does not monetize benefits provided by such projects. It seems as though including DAC projects will set an IRWM Region up to receive less points under the BCA evaluation section, as these projects will not have calculated benefits.

We request that DWR re-consider the manner in which the BCA scoring is completed, and especially take into consideration how DAC projects might reduce a BCA score.

4. Timeframe for Reimbursement is Prohibitive to Regional Participation

Each IRWM region within the San Diego Funding Area received grant funding from DWR in Round 1 of Proposition 84 Implementation Grant funding. While all Tri-County FACC participants are grateful to receive grant funding to assist us in implementing high-priority projects within and between our regions, the time that has elapsed between the final grant award date (August 16, 2011 – USMW Planning Region) and contract execution (May 31, 2012 – USMW Planning Region and TBD – San Diego IRWM Region) has been too long for each region.

To resolve this issue, we recommend that DWR include within each PSP a specific timeline, no longer than six months, by which grant contracts will be executed, and that DWR commits to strictly adhere to that schedule in partnership with the grantees. Since grantees are required to adhere to progress report and invoice schedules, DWR's commitment to agreement execution and payment schedules would increase confidence and participation, particularly by NGOs and DAC organizations. Clearly defining DWR's anticipated grant execution schedule will greatly assist each region in informing local project sponsors, many of which are NGOs and DAC organizations, when they can expect to begin reimbursable project work and receive grant reimbursements from DWR. As DWR is aware, delays in grant reimbursements are particularly detrimental to NGOs and DAC organizations, which in many cases cannot afford year-long delays in executing the proposed work plan and/or receiving payment. Stakeholder participation, including NGO and DAC participation, is critically important to each of our IRWM regions and we implore DWR to consider the strategy outlined above to ensure that reimbursement time delays do not negatively impact participation in our IRWM programs.

5. Eligible Projects within an Adopted IRWM Plan

In the San Diego Funding Area, all three adopted IRWM Plans were prepared in 2007 in compliance with DWR's original IRWM Guidelines. Please clarify in the Proposition 1E Stormwater Flood Management PSP (Section II.B., page 6-7) that projects must be included in an IRWM Plan that "addresses all Plan Standards, as listed in the IRWM Guidelines that were final at the time of adoption (i.e., 2006, 2010, or 2012 Guidelines)."

We appreciate the opportunity to comment on the draft 2012 IRWM Guidelines and PSPs, and we are looking forward to continuing to work with DWR on development our IRWM programs.

Sincerely,

Tri-County Funding Area Coordinating Committee

Upper Santa Margarita IRWM Region



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Riverside County Flood Control and Water
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Michael Shetler
County of Riverside



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South Orange County IRWM Region



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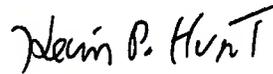
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