6/5/07 Bd Mtg ITEM 7
IRWM Rnd. 2 Guidelines
Deadline: 5/31/07 Noon

MAY 24 2007

SAN DIEGO
Integrated Regional
Water Management

May 24, 2007

Ms. Tracie Billington
California Department of Water Resources
Division of Planning and Local Assistance
P.O. Box 942836
Sacramento, CA 94236-0001

Dear Ms. Billington:

The San Diego Regional Water Management Group (RWMG) appreciates the opportunity to submit written comments on the Proposition 50, Chapter 8, Integrated Regional Water Management Grant Program Guidelines Proposal Solicitation Package (PSP) Round 2, dated April 2007. Following are some key areas where we are seeking clarification or revisions:

1. **Fiscal Statement Requirements.** As referenced in Section V. Proposal Selection, J. Grant Agreement, we are recommending that only the Grantee Agency submit copies of its most recent three years of audited financial statements. Since the Grantee Agency is the contractually responsible agency, only its financial statements should be requested. As for the Grantee Agency, we are recommending that more than one Grantee Agency per region be recognized by DWR to enter into Agreement with DWR.

2. **Eligibility of Incurred Project Costs.** As referenced in Section V. Proposal Selection, L. Reimbursement of Costs, DWR is recommending that project costs incurred after March 20, 2007, and prior to the effective date of a grant agreement, not be eligible for reimbursement. However, at the discretion of the Granting Agency, these funds can be considered a part of the applicant's funding match. We recommend that all project costs incurred after an applicant is invited to submit an Implementation Grant, Step 2 proposal, be eligible for grant funding.

3. **Groundwater Plan Preparation Timeline.** As referenced in Section III. Eligibility Requirements, B. Eligibility Criteria, Groundwater Management Plan Compliance is required for groundwater management and recharge projects, and for projects with potential groundwater impacts. We recommend that a Groundwater Management Plan be required only when "significant" impacts to

water quality affect the beneficial uses of the water basin. We also recommend that an agency submitting a groundwater management project be given two years to complete its Groundwater Management Plan following submittal of the grant application

4. **Political Jurisdictions and Boundaries Description Definition.** Under the Regional Description IRWM Plan Standards, include a description of Political Jurisdictions and Boundaries. While we understand that DWR is encouraging inter-jurisdictional cooperation, in some cases, clear political boundaries exist that explain why a defined region is an appropriate area for integrated regional water management planning

5. **Disadvantaged Communities Definition.** Under Appendix C, Attachment 4. Disadvantaged Communities – Environmental Justice, is DWR specifically requesting that agencies apply either 2000 vs. 2003 census data for defining the annual Median Household Income (MHI) levels? We are prepared to specify which MHI standard we will be using in our IRWM Plan.

If we can help provide specific language changes, please contact Mark Stadler, Principal Water Resources Specialist at (858) 522-6741, or Maria Mariscal, Senior Water Resources Specialist at (858) 522-6746, and we will be happy to be of assistance.

Sincerely,

Ken Weinberg
Director of Water Resources
San Diego County Water Authority
On behalf of the San Diego Regional Water Management Group

cc: Jeff Pasek, City of San Diego
Jon Van Rhyn, County of San Diego
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Comments on the Proposition 50, Chapter 8 IRWM Draft Grant Program Guidelines, Round 2

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II. Introduction and Overview

C. Maximum Grant Amount (page 6)

According to the Draft Guidelines, DWR and the State Water Board are capping the implementation grant amount at $25 million in Round 2. We suggest that the State may want to consider lowering that maximum amount in order to distribute funding to more regions throughout the State.

III. Eligibility Requirements

A. Eligible Grant Recipients (page 7)

The requirement that "other entities" may be part of a regional water management group (RWMG) responsible for applying for a grant and may perform work funded by the grant is a requirement that may not be possible to apply to all regions. Each region is developing different contractual requirements (and governance structure) in the formation of their RWMG that may not provide the flexibility for all "other entities" to become part of the RWMG. Ultimately there would be a lead grant administering agency within each region, such as the Flood Control District in the Greater Los Angeles County Region, that would contract with the State and with the project proponents to administer the grant. A project proponent could be an "other entity" that does not necessarily need to be part of a RWMG.

Shouldn't "local project sponsor" be defined in the guidelines?

C. Eligible Proposals/Project Types (page 8)

We would encourage the State to add a flood protection component. For example, planning and implementing multipurpose flood control programs that include removal of invasive non-native plants (or even sediment) for the purpose of increasing flood protection or improving water conservation or water quality.

Appendix A – IRWM Plan Standards

B. Region Description (page 14)

Section II. C. Maximum Grant Amount describes who may be eligible to apply but this section of the Appendix A allows room for argument as to what is or is not a region. We suggest that the language in Section II. C. be duplicated in this section of the Appendix for greater clarity.

L. Statewide Priorities (page 15)

Statewide Priorities is not one of the scoring criteria anymore; therefore, we recommend that DWR and SWRCB remove it from the IRWM Plan Standards.

Appendix C – Implementation Grants (page 20)

C.1 Attachment 4 – Disadvantaged Communities – Environmental Justice

The State added Environmental Justice into the scoring criteria in Round 2. More clarification regarding how the State defines Environmental Justice and what the State is looking for in that area would be very helpful.

Table C-5 – Step 2 Scoring Criteria and Scoring Standards (page 35)

Funding Match

Higher points are given for an increased funding match (beyond the 10% required match). This scoring gives smaller projects an advantage over larger, more costly projects since it's much easier to provide a 40% match for a $100,000 project vs. a $40 million project. The State may want to consider altering the scoring criteria to provide a more equitable point distribution or to have tiers of scores depending on project cost.

Exhibit 4 – Other Expected Benefits (page 53)

Flood Control

Flood control benefits are only considered in this section. Reduced maintenance costs are a valid economic benefit that should also be considered.