

MEETING NOTES

OWOW PROJECT RANKING WORKSHOP

September 23, 2010

PARTICIPANTS PRESENT

Ron Sullivan, Convener	SAWPA
Garry Brown	Orange County Coastkeeper
Josie Gonzales	San Bernardino County, Supervisor
Omar Dandashi	Lewis Operating Corp.
Mike O'Donnell	Rancon
Dennis Chapman	HR ADP
Douglas Headrick	San Bernardino Valley Municipal Water District
Bob Tincher	San Bernardino Valley Municipal Water District
Don Allison	City of Menifee
Mike Loving	City of Irvine
Omar Gonzalez	San Bernardino County Flood Control
Mark Tetterer	Irvine Ranch Water District
John Claus	City of San Bernardino
Bruce Blair	Change Strategists, Inc.
Rob Whipple	Elsinore Valley Municipal Water District
Matthew Hicks	Townsend Public Affairs
Maria Kennedy	Quail Valley Environmental Coalition
Jennifer Francis	Corona DWP
Erin Gilhuly	CV Strategies
Jesus Plasencia	City of Chino
Maria Mercandante	Western Municipal Water District
Robert Ennis	Orange County Water District
Khoi Do	City of Ontario
Lisa Pierce	San Bernardino Valley Water Conservation District
Beatrice Musacchia	County of Orange
Elias Elhazin	PB Americas
Behrooz Mortazavi	Eastern Municipal Water District
Darcy Kuenzi	Riverside County, 5 th District
Bill Flores	HDR, Inc.
Mary Anne Skorpanich	County of Orange
Joe Berg	Municipal Water District of Orange County
Scott Hildebrandt	Webb Associates
Jon Rohrer	West Valley Water District
Lo Tan	Orange County Water District
Tuan Truong	City of Huntington Beach
Robert Taylor	U.S. Forest Service
Don Whitney	U.S. Bureau of Reclamation
LeAnne Hamilton	Inland Empire Utilities Agency
Jim Burror	Orange County Sanitation District
Jim Herberg	Orange County Sanitation District
Shaun Stone	City of Upland
Jan Debay	Orange County Water District
Christina Leach	City of Ontario/Terra Consulting Group
Andrea Roen	DTA
Laura Cashion	Inland Empire Utilities Agency
Irwin Haydock	

OTHERS PRESENT

Salvador Lopez	Consultant
Celeste Cantú	SAWPA

Mark Norton	SAWPA
Jeff Beehler	SAWPA
Dean Unger	SAWPA
Patti Bonawitz	SAWPA

The public hearing was called to order at 3:03 p.m. by OWOW Convener Ron Sullivan at SAWPA, 11615 Sterling Avenue, Riverside, CA 92503. He noted that several of the Steering Committee members had conflicting appointments today and would not be able to participate. The meeting is being taped to afford them an opportunity to listen to the testimony received and questions asked.

OWOW Independent Project Review Panel Presentation

Salvador Lopez provided an overview of the ranking process, the top 25 list, and the three potential project portfolios. Through the interview process, it was discovered that several projects double counted some benefits as a result of how the data was entered; some projects claimed credit for multiple phases, while funding was intended for the first phase only; and some values were corrected after interviews and closer review of documentation. 135 projects scored 3 or better in the readiness criteria, and a number of sponsors had more than one project in the top 25 were excluded in the ranking. He also reviewed the projects list, and the next steps which included:

OWOW Plan

- Incorporate comments after public review period
- Present Plan to Steering Committee for review in mid-November
- Present Plan to SAWPA Commission for adoption in early December

Prop 84 Round 1 Funding

- Relay today's public comments to Steering Committee
- Incorporate Steering Committee's policy guidance
- Steering Committee meeting on September 30th to select project portfolio
- Present selected portfolio to SAWPA Commission for ratification
- Sponsors to adopt Plan and prepare applications due in December to SAWPA to be included in the final application to DWR due by January 2011

The Steering Committee will approve the project ranking and funding strategy at their September 30th meeting, and then it will be taken to the SAWPA Commission for ratification.

Convener Sullivan opened the Public Hearing regarding the projects to be vetted in preferred portfolios at 3:17 p.m. The following comments were received.

Jon Rohrer, a hydrologist at WVWD/AVI, thanked SAWPA, as a whole, for their efficient and relatively fair work of the OWOW Plan and process. He supports Portfolio 3. During the process ahead of us, each project will be evaluated by DWR, and who knows what DWR is going to do. In order to minimize exposure of perhaps even just one bad project, with 11 projects, there will be less of sensitivity to that type of problem. Going forward in Rounds 1-3, project readiness is really important.

Le Anne Hamilton, an Engineer at IEUA, commented that she knows the mechanics of OWOW and how it works, because she worked on one of the Pillar Committees. She would like to make three points: 1) we believe in the process; 2) we believe in having a fair process; and 3) we believe in looking for opportunities to have a better process in the next round. She recommended support of Portfolio 3 with modifications – from \$1.2M to \$1M cap, and that no project would receive funding of more than half of the project cost. This would allow for four more projects to receive funding and it would add more diversity to the portfolio. By adding more diversity, you could bring non-profit agencies into the mix and allow the money to be spread out, although, IEUA has no vested interest in these four projects. Looking to the future regarding the process and lessons learned, IEUA thinks there should be a loop earlier in the process by which questions can be raised by the public to provide a better understanding of why the results came out the way they did. For example, their project was ready to go and they had completed CEQA and NEPA, but they didn't receive full credit for shovel ready. There comes a time when the data is crunched and re-crunched by a computer and some of those inputs and outputs are published everything is no longer transparent.

IEUA scheduled a meeting with Salvador Lopez, but unfortunately, it got cancelled. There wasn't a loop for vetting the quality of data, its interpretation, and the results of that data with the public. She congratulated everyone on a successful planning effort. IEUA has some other issues that will be addressed in a letter that they will send next week.

Robert Ennis of OCWD supports Portfolio 3, which is the most fairest for watershed.

Lisa Pierce of San Bernardino Valley Water Conservation District was intrigued with the manner of ranking. She submitted formal materials about their project including some updates made and wanted to provide this updated information to SAWPA. Their "warm and fuzzy" project is a small project amounting to approximately \$130K. She encouraged spreading the wealth more be helpful. She stated that she has two letters from their partners – Urban Conservation Corp who will be providing \$40K of in-kind match, and Inland Empire Resources Agency. Their project also will be implementing some of the *Ahwahnee Principles*.

With no further comments received, Convener Sullivan closed the public hearing at 3:28 p.m. Convener Sullivan stated that these comments will be placed on the Website and a response will be prepared. On September 30th, the Steering Committee will consider approving the projects list and funding portfolio.

Robert Ennis asked if there was any chance to see a sample application. Celeste Cantú said she'd be happy to share if she had it. She commented that the economic analysis is going to be very intensive and expensive to complete. She lobbied hard with DWR to get a lighter version of it; however, she was only minimally successful. The application submittal will require a great deal of effort in a very short time span.

Robert Ennis further asked whether or not comments could be submitted to the Steering Committee. Celeste Cantú suggested that all comments be submitted by Monday, so they could be incorporated into the staff recommendation.

Robert Ennis further asked when does Round 2 start. Celeste Cantú stated that the first round is January 2011; and the second round of \$48M is targeted for late spring or early summer 2011.

Convener Sullivan stated, "...the Steering Committee appreciates everyone's comments today to improve the process. When the Proposition 50 allocation was sought, many criticized SAWPA for taking care of its five member agencies. In this go around, we wanted to make sure we took a watershed approach, which gives everyone an opportunity to submit a project. We were amazed at the number of projects submitted – 297 projects. This process may not be a perfect process, but it is a better process than others. The Steering Committee has some difficult decisions to make next week at their meeting on September 30th. Celeste Cantú, the Pillars, and staff have done an incredible job to ensure that we will meet the State's guidelines. Through this process, we have seen more project integration and we like the collaborative process that has happened."

Celeste Cantú encouraged participants to watch the SAWPA Website and follow SAWPA on Twitter.

The workshop adjourned at 3:45 p.m.

Ron Sullivan, Convener

APPROVED:
....., 2010

9-30-10 Min REV