



# One Water One Watershed Steering Committee Meeting



**September 30, 2010**



# Objectives of today's meeting

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- Present the findings of the Independent Interview Panel review of the top 25 ranked projects and the resulting revised ranking
- Review potential project portfolios for Prop 84 Round 1 funding
- Present summary of public comments received
- Present next steps in the process

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# Project review and revised ranking

# Project ranking conducted in two steps: for OWOW Plan and for Round 1 Prop 84 funding

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## OWOW Plan

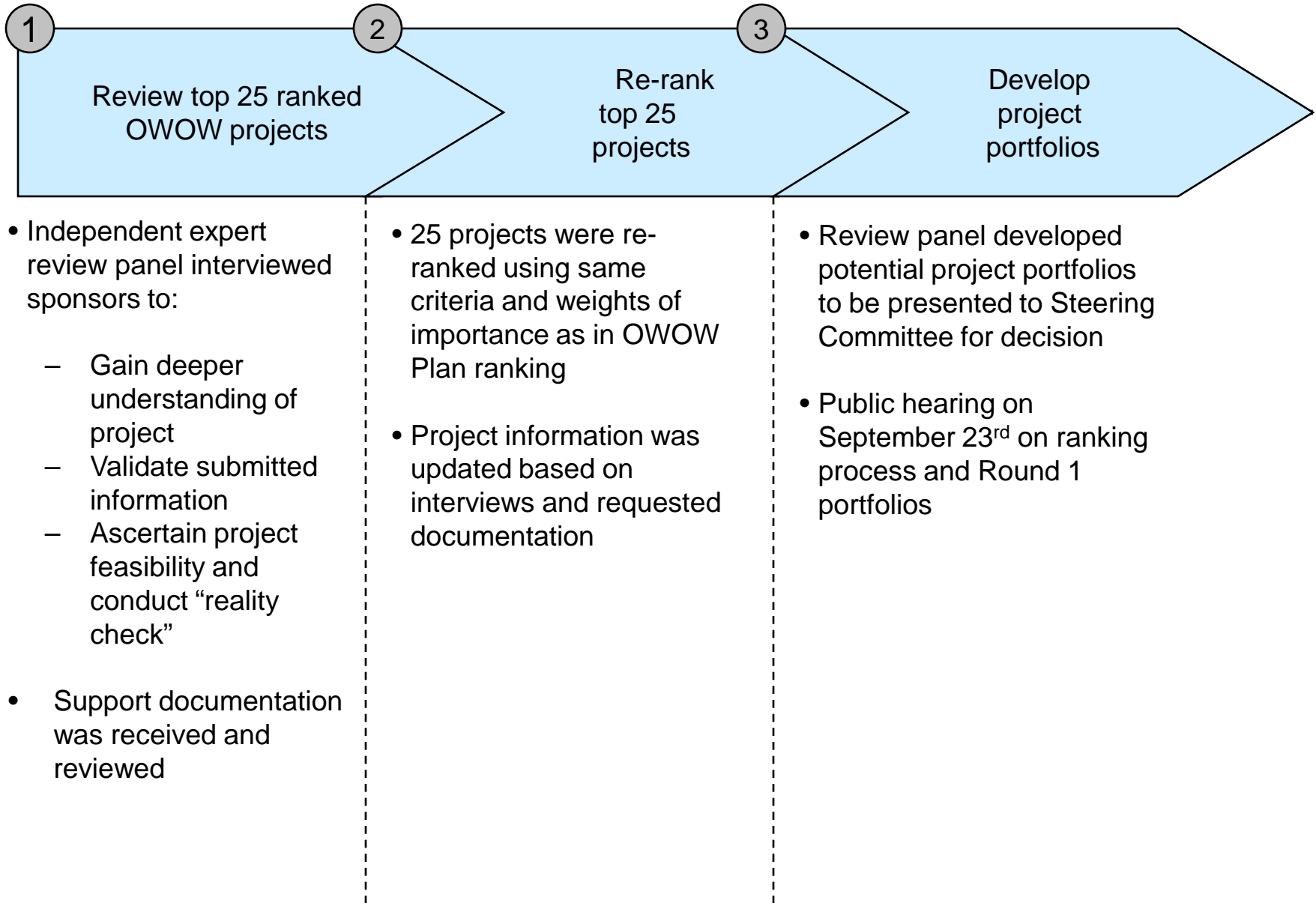
- Plan includes all eligible projects submitted by sponsors in the Watershed (297)
- Projects were ranked based on pre-established criteria using information provided by sponsors in application
- Project ranking is required by Prop 84 Guidelines
- Projects included in the Plan may be eligible for future funding opportunities
  - Plan transcends upcoming Prop 84 Round 1 funding

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## Proposition 84 Round 1 funding

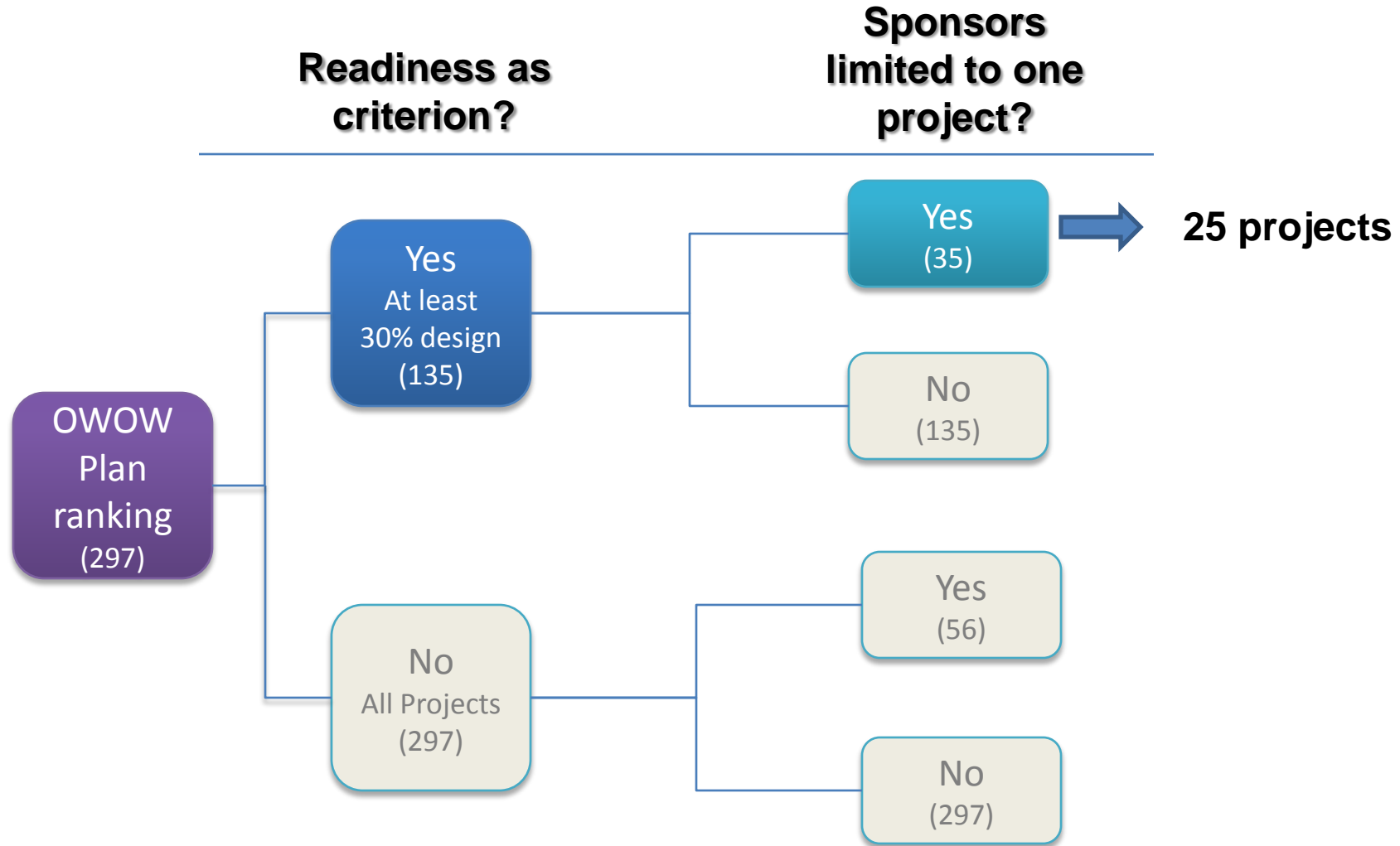
- \$12 million anticipated for funding of projects to be implemented in the short term
- Applications due on January 7, 2011
- Candidate projects must be included in OWOW Plan, per State requirements
- OWOW Plan ranking was used as basis to develop project portfolio
- Steering Committee provided policy guidance for portfolio creation

## 2. Project ranking process for Round 1 funding



# Top 25 projects were selected from the ranked OWOW master plan and based on Committee's policy guidance

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# Project information was vetted by an Independent Panel based on interviews and documentation

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**Gerard Thibeault , PE**  
Retired Executive Officer  
Santa Ana RWQCB



**Diego Rosso, PhD**  
Assistant Professor  
UC Irvine



**David Cwiertny, PhD**  
Assistant Professor  
UC Riverside



**Salvador Lopez, MS, MBA**  
Consultant

## Changes in ranking may be a result of one or more of the following reasons

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- Model was double-counting some benefits for some projects as a result of data entry
- Some projects were receiving credit for multiple phases, while funding was intended for first phase(s) only
- Some values were corrected after interviews and closer review of supporting documentation

Ranking	Previous ranking	Agency	Project name	Ranking	Previous ranking	Agency	Project name
1	6	San Bernardino County FCD	Cactus Basins No. 3 and No. 3A	13	22	Santa Ana Watershed Association	Vireo Monitoring Surveys
2	3	SAWPA	Repairs to Unlined portions of the SARI	14	7	Elsinore Valley MWD	Temescal Gardens Online
3	5	Orange County Sanitation District	Sludge Dewatering, Odor Control, and Primary Sludge Thickening	15	13	California Resource Connections, Inc.	Land Use Design Tool to Protect Watershed Function
4	4	Eastern Municipal Water District	Perris II Desalination Facility	16	17	San Bernardino Valley MWD	Enhanced Stormwater Capture and Recharge
5	18	Western Municipal Water District	Chino Creek Wellfield, Wells 1, 2, and 3	17	1	City of Fontana	Flood Control and Aquifer Recharge Program
6	15	City of Huntington Beach	East Garden Grove Urban Runoff Diversion Project	18	16	Inland Empire Utilities Agency	IEUA Regional Water Budget Program
7	11	City of Ontario	Mill Creek Wetlands	19	14	USDA Forest Service - San Bernardino National Forest	Ecological Restoration and Watershed Improvement
8	2	City of Menifee	Detention basins and storm drains from Juniper Flats westerly	20	24	Shea/Baker Ranch, LLC	Borrego Canyon Wash Bypass Channel
9	25	West Valley Water District	Perchlorate Wellhead Treatment System Pipelines	21	20	County of Orange/OC Watersheds	Borrego Canyon Wash Stabilization and Restoration
10	8	Orange County Water District	GWRS - Flow Equalization	22	9	City of Costa Mesa	Storm Drain Improvement
11	10	City of Corona	Arlington Desalter Promenade Connection	23	19	Orange County Coastkeeper	Orange County LID Implementation
12	21	Irvine Ranch Water District	Wells 21 and 22 Project	24	23	NLine Energy, Inc.	In-Conduit Hydroelectric Project

# Reasons for re-ranking – projects moving into the top 12

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- Western Municipal Water District
  - Increased salt removal from 1 to 3,000 tons/year
- City of Huntington Beach
  - Eliminated some double counting in water supply benefit (new net is 560 afy), but ranking raised relative to other projects
- West Valley Water District
  - Increased water supply benefit from 0 to 2,240 afy (2 mgd)
- Irvine Ranch Water District
  - Reduced water supply from 12,660 to 6,330 afy
  - Included salt removal benefit for 5,595 ton/year

# Reasons for re-ranking – projects moving out of the top 12 (1/2)

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- City of Fontana
  - Application included benefits for 4 phases but project to be implemented was only for Phase 1 (recycled water only; stormwater recharge not included)
  - Funds requested for other phases were for planning work, which is not eligible under Prop 84 Guidelines
  - Quantification of benefits reduced:
    - Supply benefit reduced from 3,800 afy to 930 afy
    - 7 mgd of treatment not provided by Phase 1
    - 10,200 afy of recharge not provided by Phase 1
    - 3,820 acres of flood protection not provided by Phase 1
    - 7,600 afy of flow captured not provided by

# Reasons for re-ranking – projects moving out of the top 12 (2/2)

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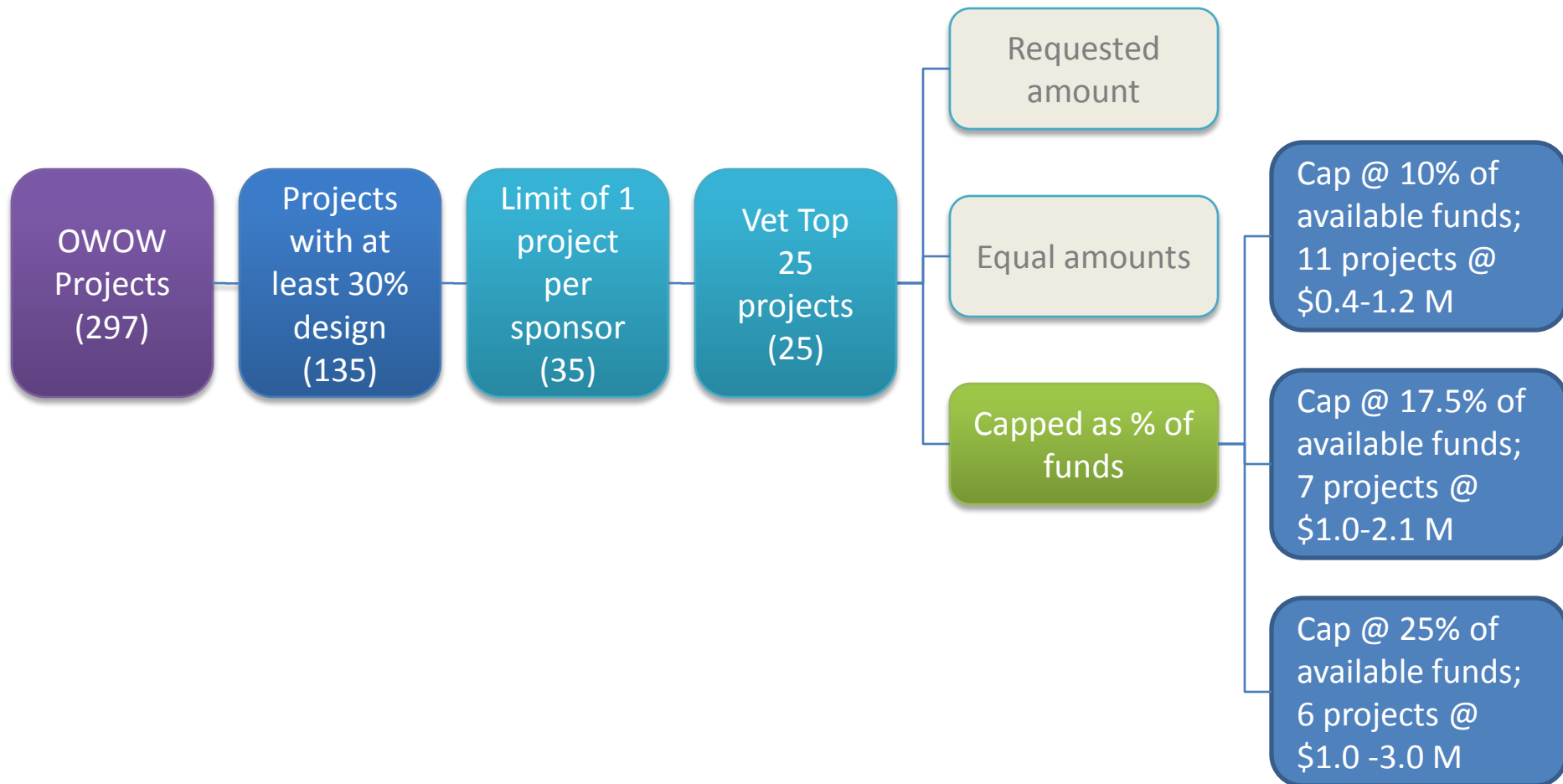
- Elsinore Valley
  - Water conservation benefit reduced from 4,480 afy to 138 afy
    - New estimate based on 1% penetration rate within service area
    - Feasibility of original penetration rate considered unlikely without financial incentive and clear outreach program
    - There is similar commercial software available
    - \$300,000 to develop software considered unrealistic
- City of Costa Mesa
  - Stormwater capture and treatment erroneously calculated based on peak storm event
    - Reduced stormwater treatment benefit from 37 mgd (355,468 afy) to 0.25 mgd (279 afy)

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Potential project portfolios

Potential funding portfolios for Prop 84 Round 1 were developed based on Steering Committee policy direction, and anticipated funds available

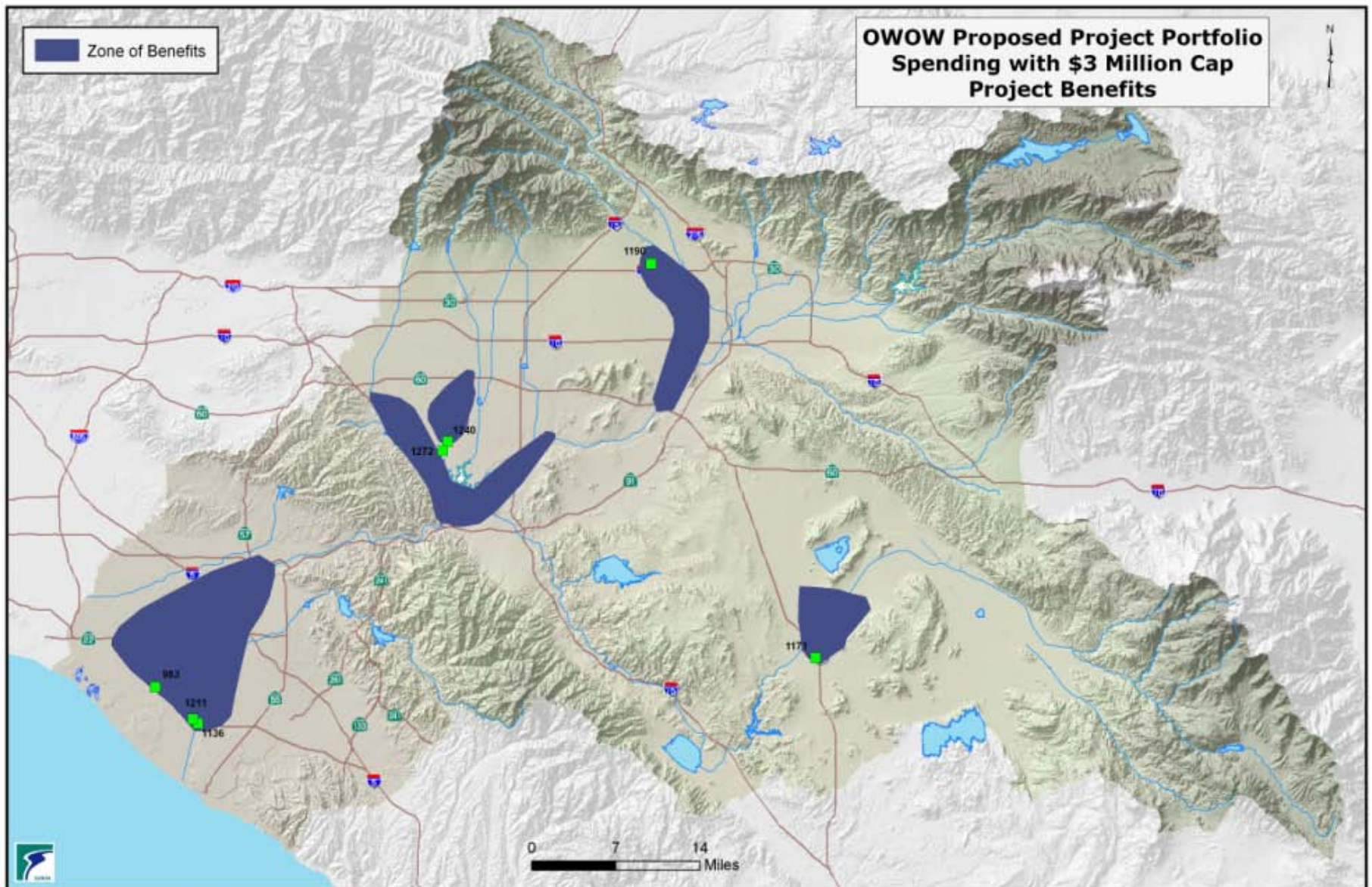
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# Potential funding portfolios

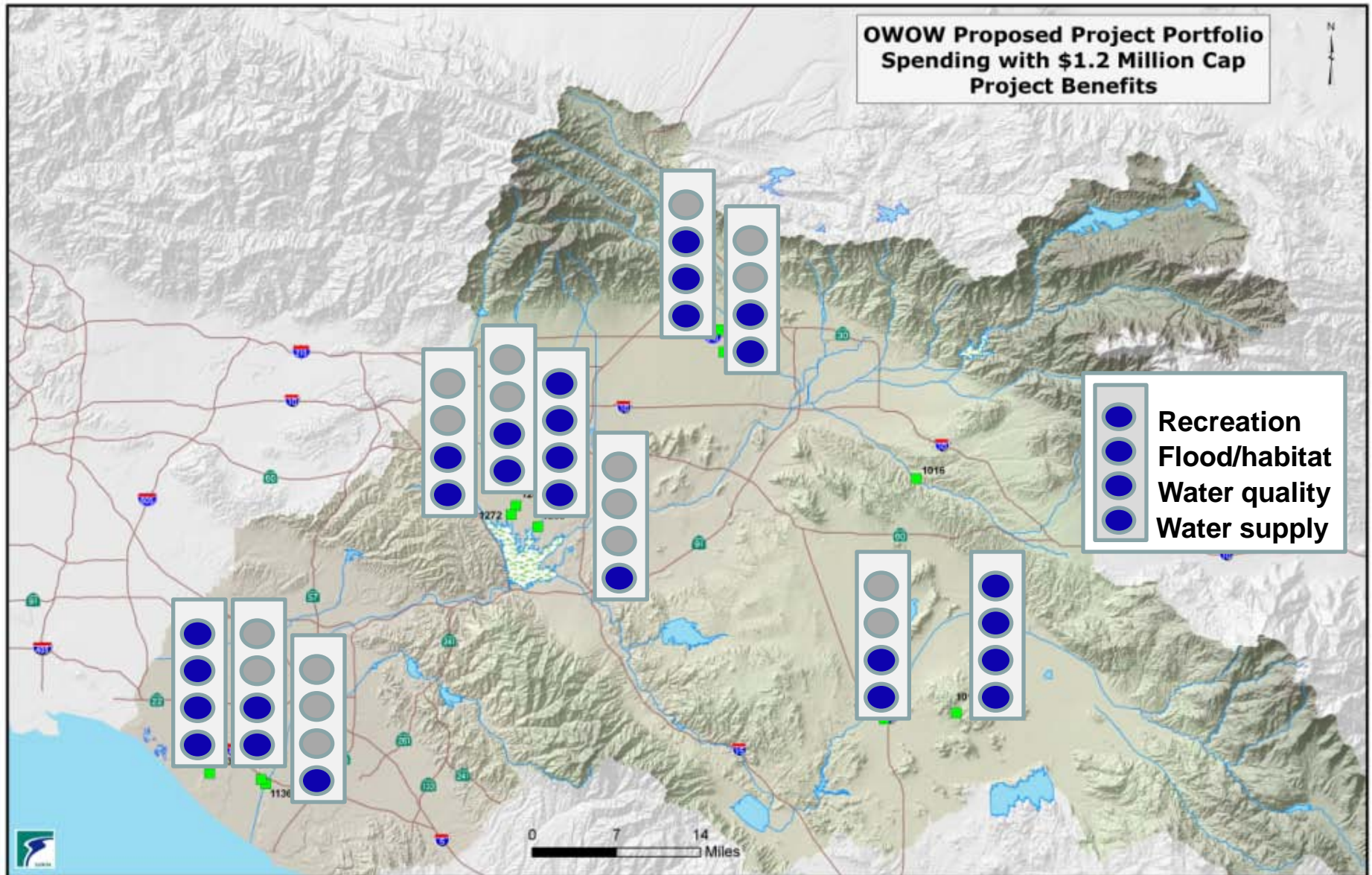
Ranking	Project No	Agency	Project cost	Requested Proposition 84 amount	PORTFOLIO 1 Requested amount with \$3.0M (25% of funds) cap	PORTFOLIO 2 Requested amount with \$2.1M (17.5% of funds) cap	PORTFOLIO 3 Requested amount with \$1.2M (10% of funds) cap
1	1190	San Bernardino County Flood Control District	\$ 10,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
2	1272	Santa Ana Watershed Project Authority	\$ 8,600,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,200,000
3	1211	Orange County Sanitation District	\$ 100,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
4	1171	Eastern Municipal Water District	\$ 12,900,000	\$ 3,000,000	\$ 3,000,000	\$ 2,100,000	\$ 1,200,000
5	1240	Western Municipal Water District	\$ 6,700,000	\$ 1,675,000	\$ 1,675,000	\$ 1,675,000	\$ 1,200,000
6	983	City of Huntington Beach	\$ 5,500,000	\$ 3,200,000	\$ 3,000,000	\$ 2,100,000	\$ 1,200,000
7	1250	City of Ontario	\$ 20,000,000	\$ 10,000,000		\$ 2,100,000	\$ 1,200,000
8	1015	City of Menifee	\$ 6,000,000	\$ 3,500,000			\$ 1,200,000
9	1227	West Valley Water District	\$ 1,500,000	\$ 1,200,000			\$ 1,200,000
10	1136	Orange County Water District	\$ 23,218,000	\$ 5,804,500			\$ 1,200,000
11	1082	City of Corona	\$ 800,000	\$ 400,000			\$ 400,000

# Distribution of benefits with \$3 million cap

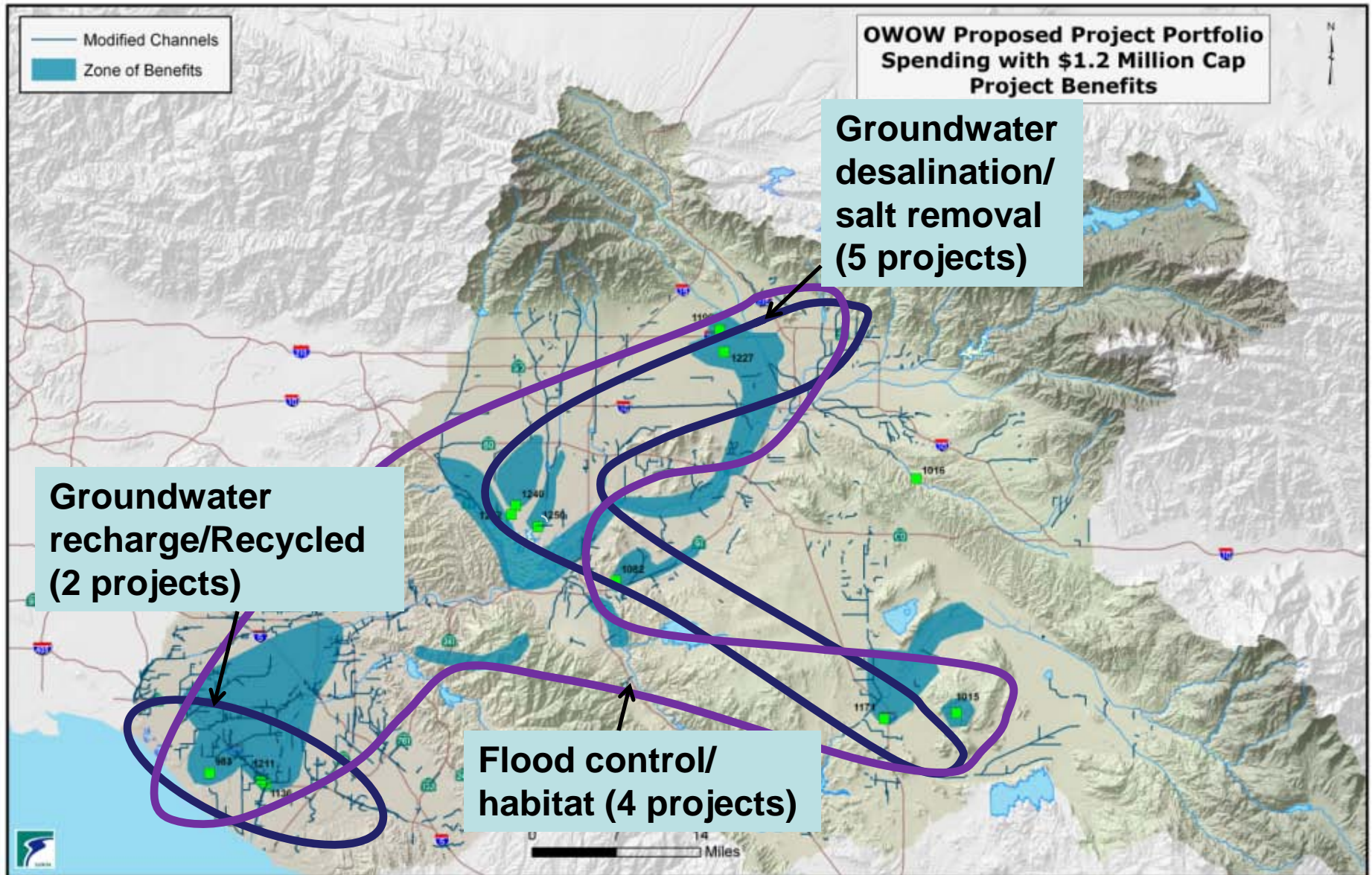




# Project integration – Functional (Portfolio 3)



# Project integration – Regional (Portfolio 3)



# Portfolio 3 meets Statewide priorities

	Drought preparedness	Use/reuse water more efficiently	Climate change response actions	Expand environmental stewardship	Practice integrated flood management	Protect surface and groundwater quality	Improve tribal water and natural resources	Equitable distribution of benefits
SBCFCD	★	★	★	★	★	★		★
SAWPA	★		★			★		★
OCSD	★	★	★	★		★		★
EMWD	★		★			★		★
WMWD	★		★			★		★
Huntington Beach	★	★	★	★	★	★		★
Ontario	★	★	★	★	★	★		
Menifee	★	★	★	★	★	★		★
WVWD	★		★			★		★
OCWD	★	★	★			★		★
Corona	★		★			★		

# Portfolio 3 meets Prop 84 eligibility requirements

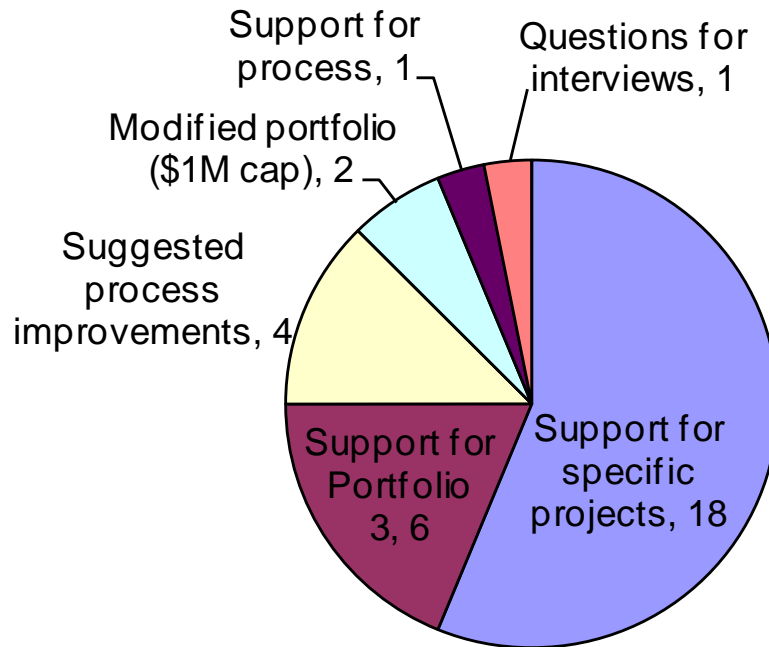
	Supply, conservation, efficiency	Stormwater capture, storage, treatment	Wetlands, open space, invasive species	Non-point pollution reduction	Groundwater recharge	Contaminant, salt removal	Water quality, reclamation, banking, exchange	Multipurpose flood management	Watershed protection	Drinking water treatment, distribution	Ecosystem restoration
SBCFCD	★	★		★			★	★	★		★
SAWPA	★					★	★		★		
OCSD	★				★	★	★				
EMWD	★					★	★			★	
WMWD	★					★	★			★	
Huntington Beach	★	★	★	★	★		★	★	★		★
Ontario	★	★	★	★			★	★	★		★
Menifee	★	★	★		★		★	★	★		
WVWD	★					★	★			★	
OCWD	★				★		★				
Corona	★						★			★	

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# Summary of public comments

# 32 communications were received: verbal, letter, electronic

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# Support for specific projects

Project No.	Original ranking	Sponsor	Project	Comments received
1167	1	City of Fontana	Flood control & aquifer recharge program	4
1049	67	SBVWCD	Alluvial scrub habitat restoration	4
1015	2	City of Menifee	Detention basins	3
1004	178	OC Great Park Corporation	Recycled water reservoir	2
1026	166	City of Anaheim	Water recycling demonstration project	1
1099	241	City of Anaheim	Ball Road regional recycled water project	1
1045	140	City of Anaheim	Water use efficiency improvements	1
1047	15	Costa Mesa	Storm drain improvement	1
1160	26	SBVWCD	Wetland habitat restoration	1

# Process improvements suggested through public comments

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- Consider different project categories (e.g. planning, construction) in future funding rounds and allocate funds to each category
- Implement vetting earlier in the process and allow for feedback loop
- Accept comments on the scoring process
- Cap funding to 50% of individual project cost
- Set deadline for the start of construction of selected projects
- Project scoring criteria should match the requirements of the legislation

# Reducing cap to \$1M will fund 13 projects (2 additional)

Ranking	Project No	Agency	Project cost	Requested Proposition 84 amount	PORTFOLIO 3 Requested amount with \$1.2M cap	PORTFOLIO 4 Requested amount with \$1.0M cap
1	1190	San Bernardino County Flood Control District	\$ 10,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
2	1272	Santa Ana Watershed Project Authority	\$ 8,600,000	\$ 2,000,000	\$ 1,200,000	\$ 1,000,000
3	1211	Orange County Sanitation District (OCSD)	\$ 100,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
4	1171	Eastern Municipal Water District	\$ 12,900,000	\$ 3,000,000	\$ 1,200,000	\$ 1,000,000
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7	1250	City of Ontario	\$ 20,000,000	\$ 10,000,000	\$ 1,200,000	\$ 1,000,000
8	1015	City of Menifee	\$ 6,000,000	\$ 3,500,000	\$ 1,200,000	\$ 1,000,000
9	1227	West Valley Water District	\$ 1,500,000	\$ 1,200,000	\$ 1,200,000	\$ 1,000,000
10	1136	Orange County Water District	\$ 23,218,000	\$ 5,804,500	\$ 1,200,000	\$ 1,000,000
11	1082	City of Corona	\$ 800,000	\$ 400,000	\$ 400,000	\$ 400,000
12	1278	Irvine Ranch Water District	\$ 38,000,000	\$ 3,000,000		\$ 1,000,000
13	1016	Santa Ana Watershed Association	\$ 1,167,846	\$ 875,000		\$ 600,000

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Next steps

# Next steps

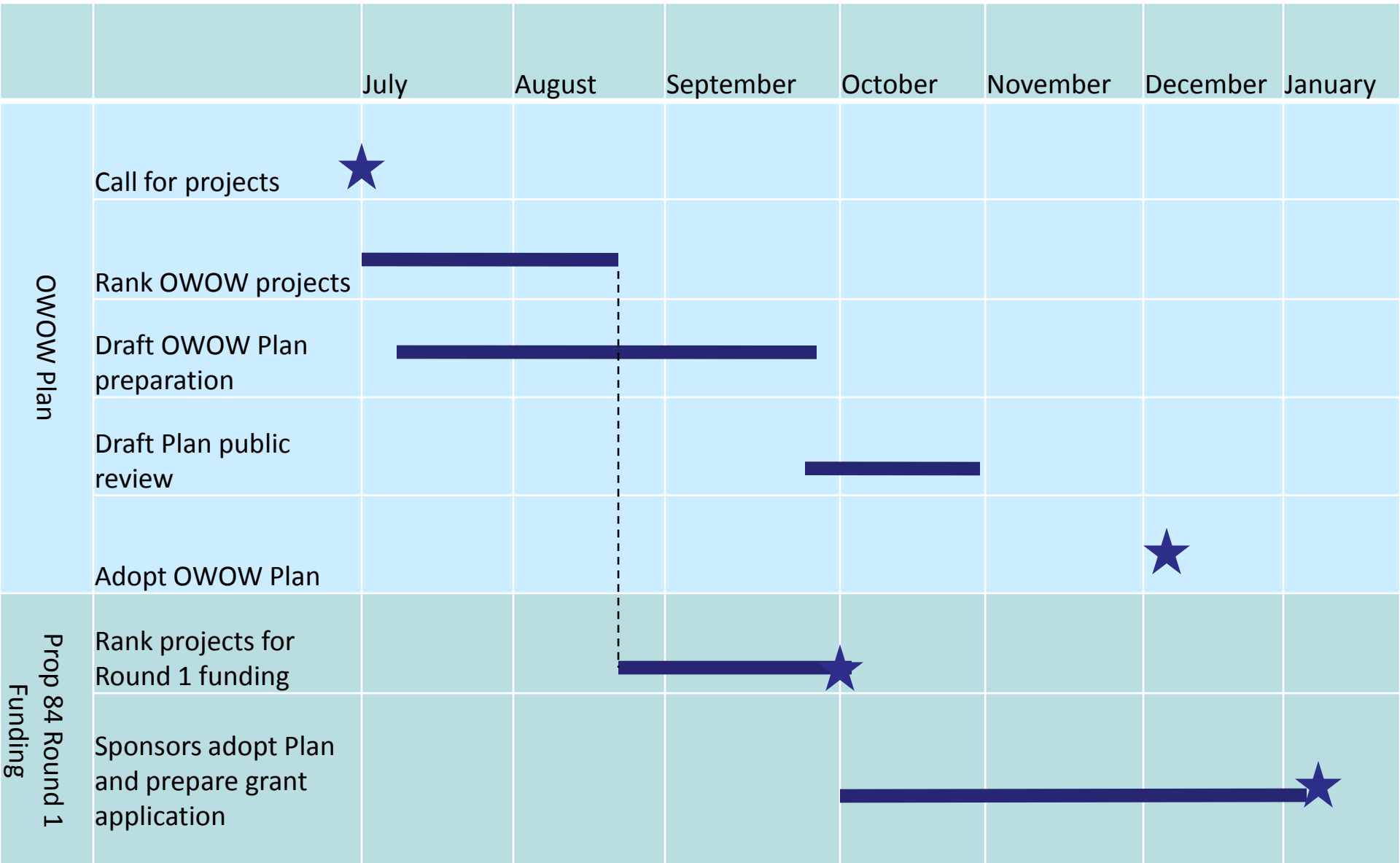
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- Steering Committee approves project list and selects portfolio
- SAWPA Commission ratifies project list and portfolio
- SAWPA finalize OWOW Plan after public comment period and Steering Committee review
- SAWPA Commission considers OWOW Plan for adoption
- Project sponsors in portfolio for Round 1 funding adopt OWOW Plan
- Project sponsors in portfolio for Round 1 funding prepare Project Submittal Package (PSP) by mid-December for submittal to DWR on January 7, 2011

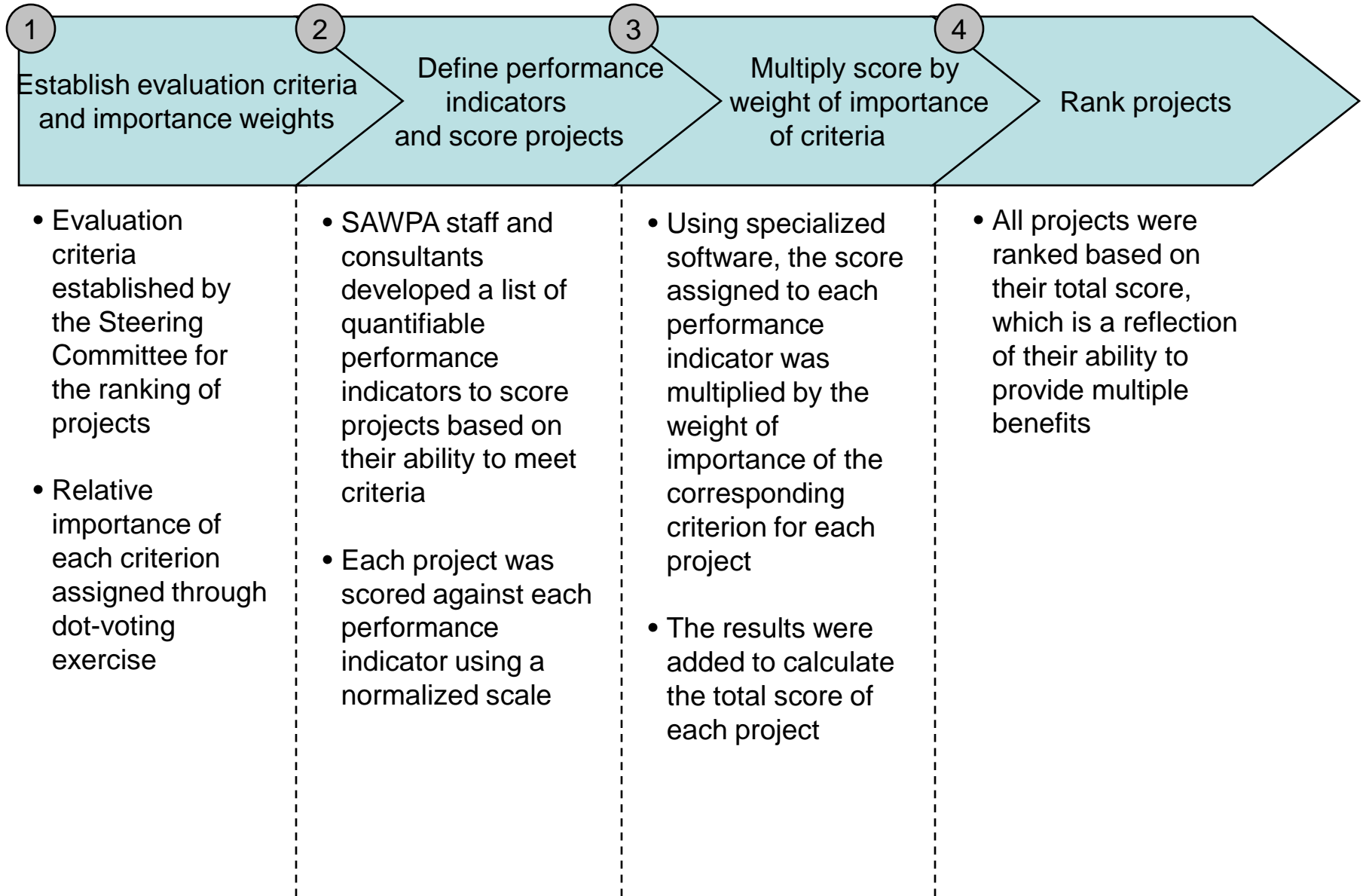
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Backup slides

# Schedule

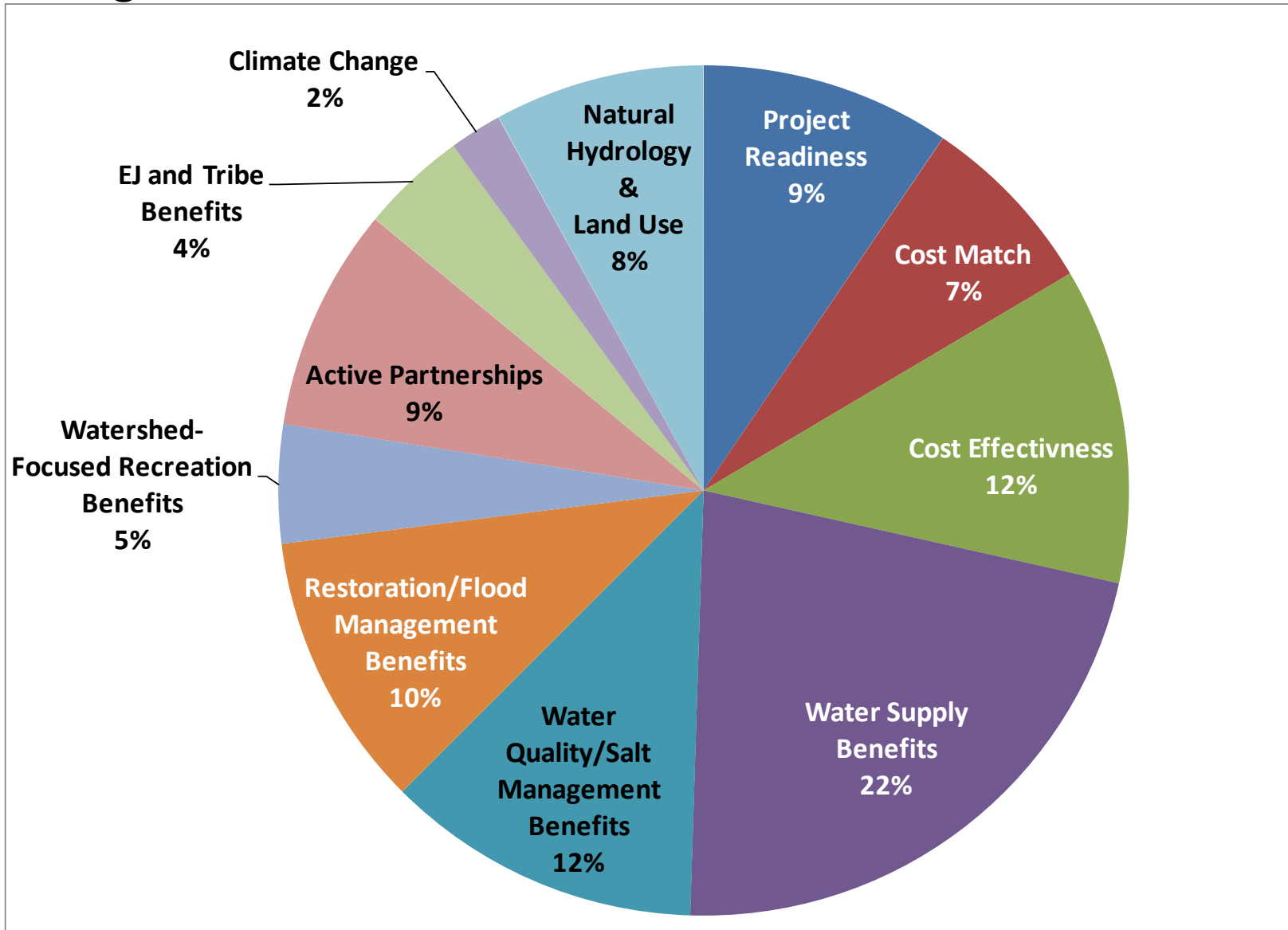


# Project evaluation process



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# Establish evaluation criteria and importance weights



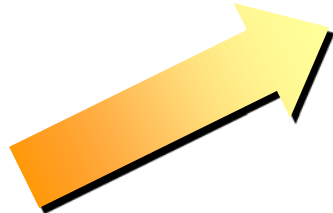
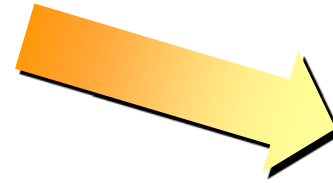
## 2 Define performance indicators and score projects

Criteria	Performance Measure
1. Provide water supply benefits	Reduction in imported water from conservation, recycling, desalination, storage, etc.
2. Provide restoration and flood management benefits	Acres of new or restored habitat or flood plain protected
3. Provide water quality and salt management benefits	Volume of stormwater captured or water treated (including salt management)
4. Provide recreational benefits	Acres of open space/parks created
5. Provide benefits and avoid adverse impacts to disadvantaged communities and Native American tribes	Benefits to disadvantaged communities Benefits to Native American tribes
6. Reduce greenhouse gas emissions from water management activities	Amount of greenhouse gases mitigated
7. Increase resource-efficient land use and reduce impact on natural hydrology	Uses LID or other resource-efficient land use Adversely impacts or changes natural hydrology
8. Cost match	Percent of project cost funded and secured from other sources
9. Cost effectiveness	A standardized per unit cost indicator (e.g., \$/AF or \$/acres of habitat)
10. Project readiness	Project readiness score: 1 = Planning studies completed 2 = Conceptual design (15%) completed 3 = Preliminary design (30%) completed 4 = Final design (100%) completed 5 = Project ready for construction bids (permits secured)
11. Increase active participation	Active partnerships

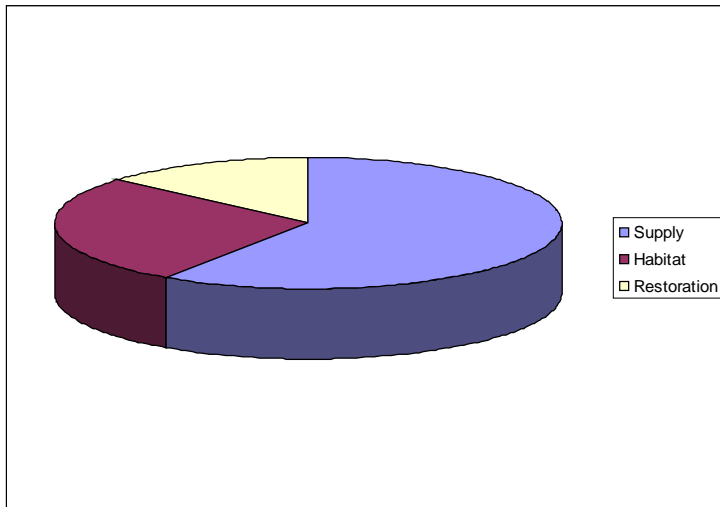
### 3 Multiply score by weight of importance of criteria

Project scores by criteria

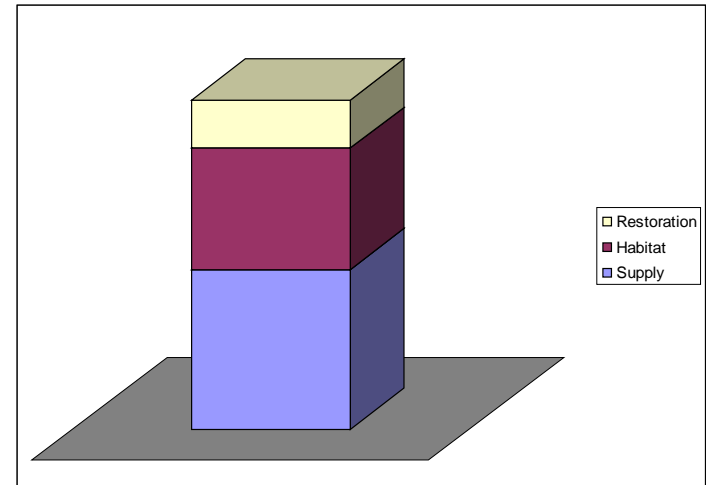
Criteria	Score
Water supply	5
Habitat restoration	3
Recreational	4



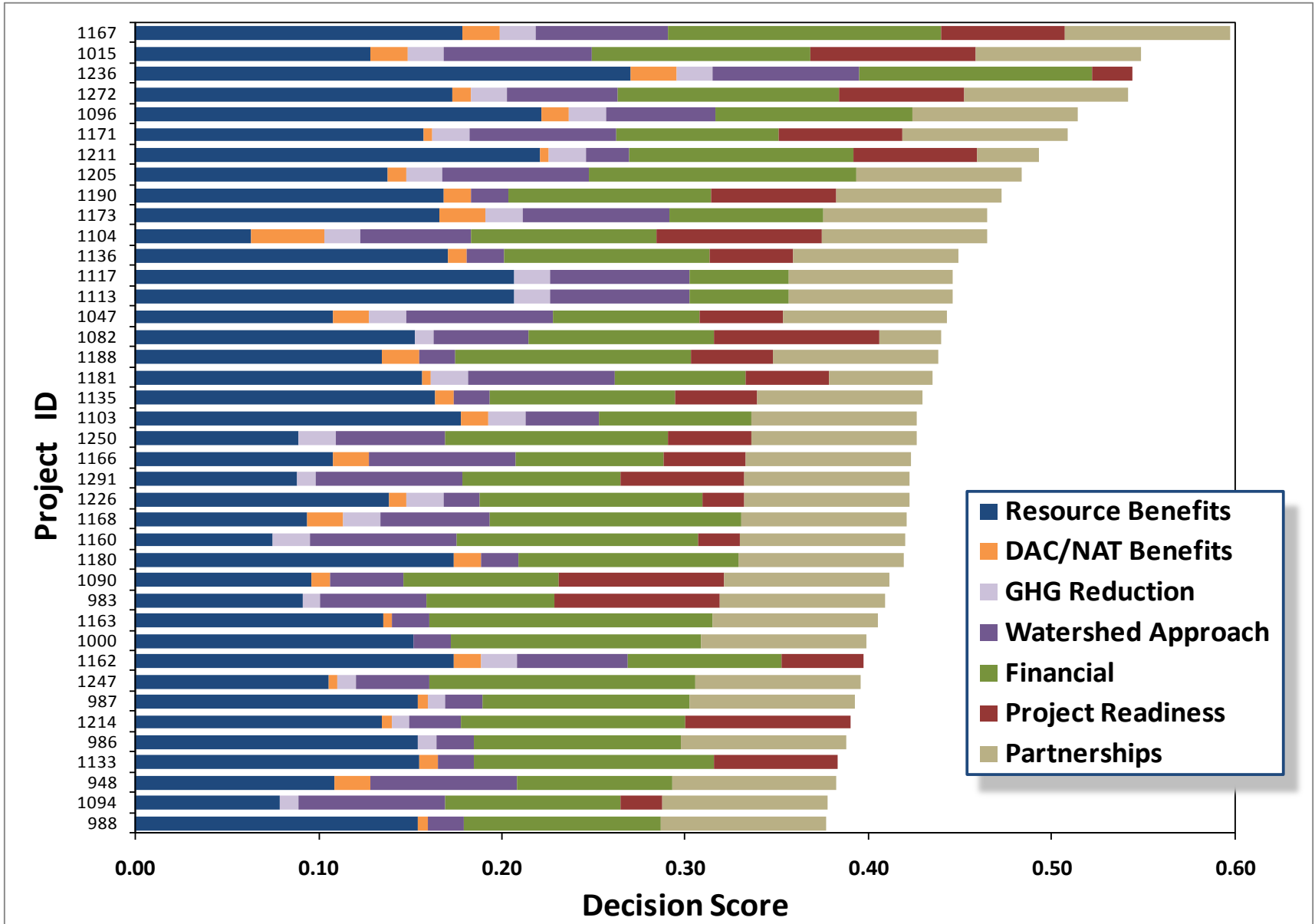
Criteria relative importance



Project total score



# Ranking of Top 40 Projects



# Reasons for re-ranking – projects moving out of the top 12 (1/2)

- City of Menifee
  - Recharge reduced from 1,875 to 879 afy (it is assumed that 50% of water generated in drainage area can be captured)
  - Eliminated surface water storage as a water supply source
  - Eliminated benefit for 62,300 ton/year of salt removal

# Reasons for re-ranking – projects moving into the top 12 (2/2)

- Santa Ana Watershed Association
  - Included water supply benefit of 1,200 afy from arundo removal
- San Bernardino County Flood Control District
  - Eliminated some double counting in water supply benefit (reduced to 5,000 afy)
  - Included water quality benefit (4.5 mgd)
  - Included habitat benefit (21 acres)