



One Water One Watershed SAWPA Commission Meeting



October 19, 2010

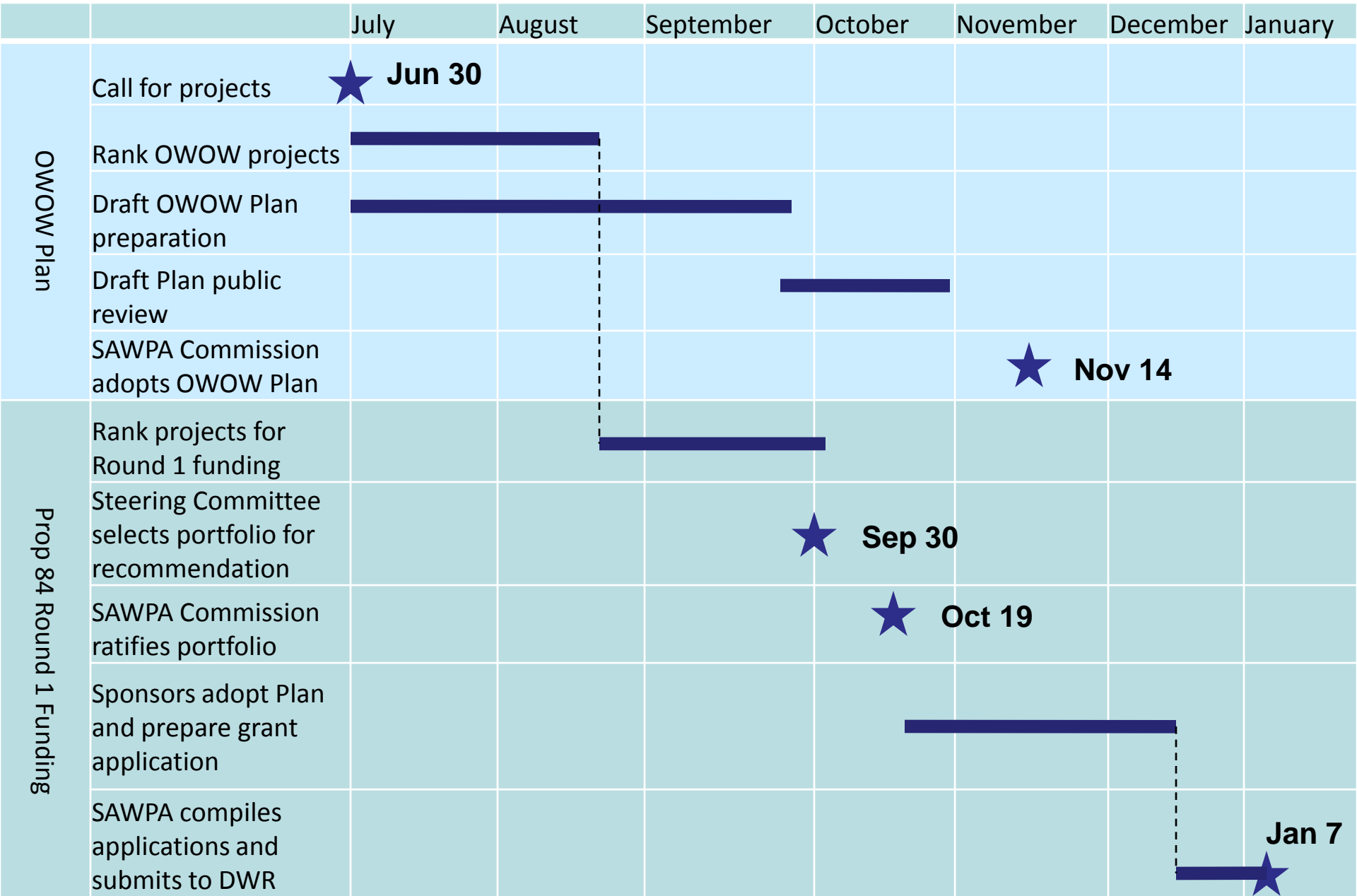


Objectives of today's meeting

- Review status of OWOW Plan
- Present the revised ranking for vetted projects
- Consider for ratification the project portfolio for Prop 84 Round 1 funding recommended by Steering Committee
- Present next steps in the process

OWOW Plan Status

Schedule



OWOW Guiding Principles

- View ourselves as part of a watershed system
- Work collaboratively
 - Avoid transferring problems
 - To others in the SA River Watershed
 - To the environment
 - Manage all water efficiently and effectively
 - Increases benefits to region
 - Reduces overall costs to ratepayer

Plan Goals and objectives



Plan Strategies



Plan Targets

1. Reliable water supply
2. Preserve/enhance the environment
3. Promote sustainable water solutions
4. Ensure high quality water
5. Provide economically effective solutions
6. Improve regional integration & coordination
7. Use rainfall as a resource
8. Provide recreational opportunities
9. Maintain quality of life

1. Increase storage
2. Reduce demand
3. Desalinate groundwater
4. Recycle water
5. Maximize preservation and use of native plants
6. Develop risk-based water quality improvements
7. Consider stormwater as water supply
8. Value water differently
9. Incorporate integrated water planning in General Plans
10. Manage public property for more than one use
11. Create watershed governance
12. Implement watershed-wide education programs

1. Recycle and reuse 100% of wastewater
2. Store water to account for 1/2 of demand
3. Reuse all Santa Ana River flow at least once
4. Remove all salt necessary for reuse
5. Reduce potable water use by 20%
6. Fill gaps in riparian corridors to provide wetlands and linkages
7. Meet California FloodSAFE goals & construct soft bottom flood
8. Meet WQ standards
9. Capture and recharge 80% of rainfall
10. Connect all tributary corridors to the SAR Trail
11. Assure adequate water supply and safe wastewater treatment
12. Reduce GHG emissions
13. Increase resource efficient land use

OWOW Plan next steps

- Public comment and Steering Committee review period ends on October 28 – no comments yet received
- SAWPA Commission will consider OWOW Plan for adoption on November 14
- Project sponsors in portfolio for Round 1 funding must adopt OWOW Plan by December 15
 - SAWPA member agencies receiving funding for this round will not be required to adopt plan

Ranking of vetted projects

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

1

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

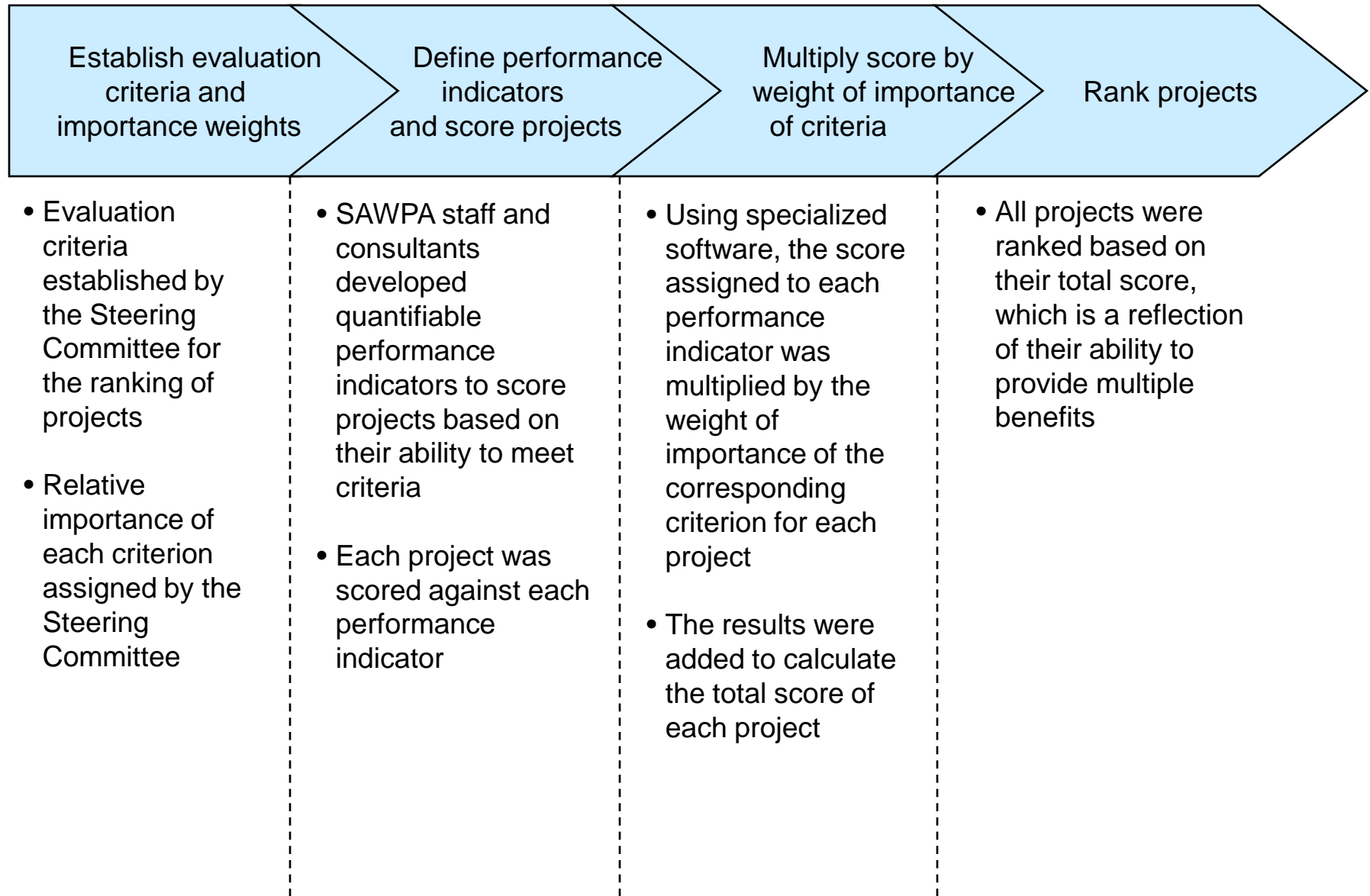
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Proposition 84 Round 1 funding

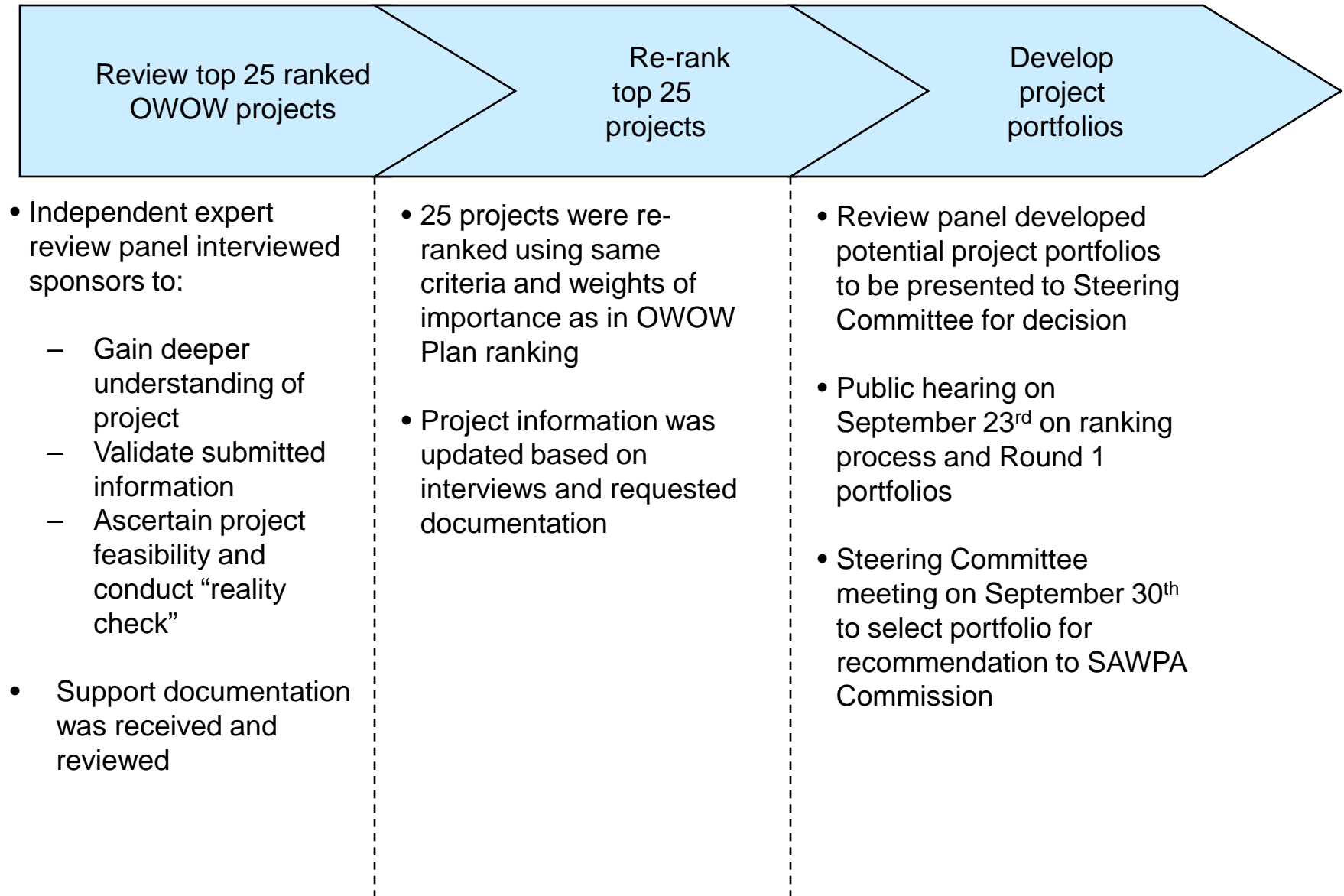
- \$12 million for funding of projects to be implemented in the short term
- Applications due on January 7, 2011
- Candidate projects must be included in OWOW Plan, per State requirements
- OWOW Plan ranking was used as basis to develop project portfolio
- Steering Committee provided guidance for portfolio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

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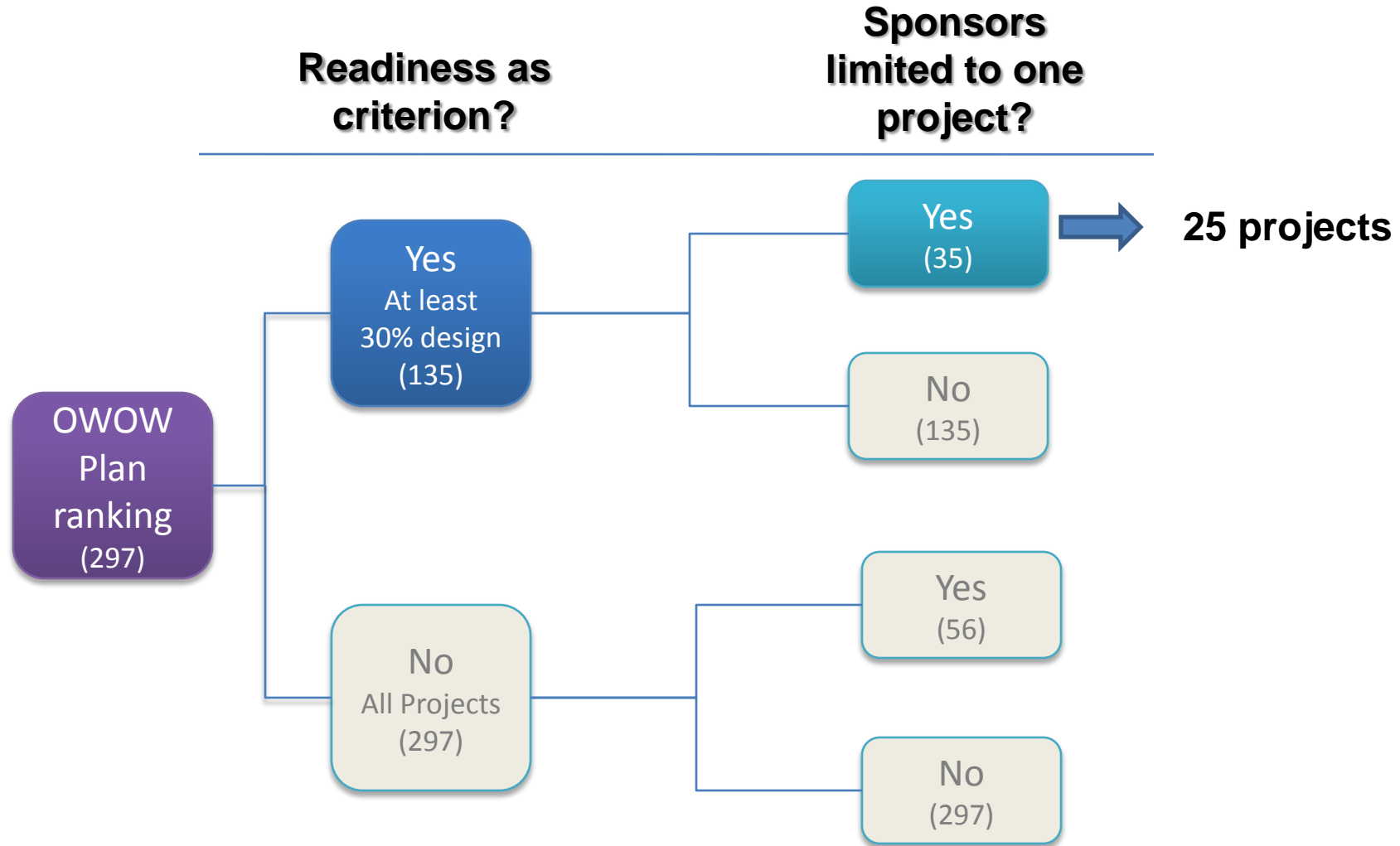
Project ranking process for OWOW Plan



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



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



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

- 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 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

- 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)

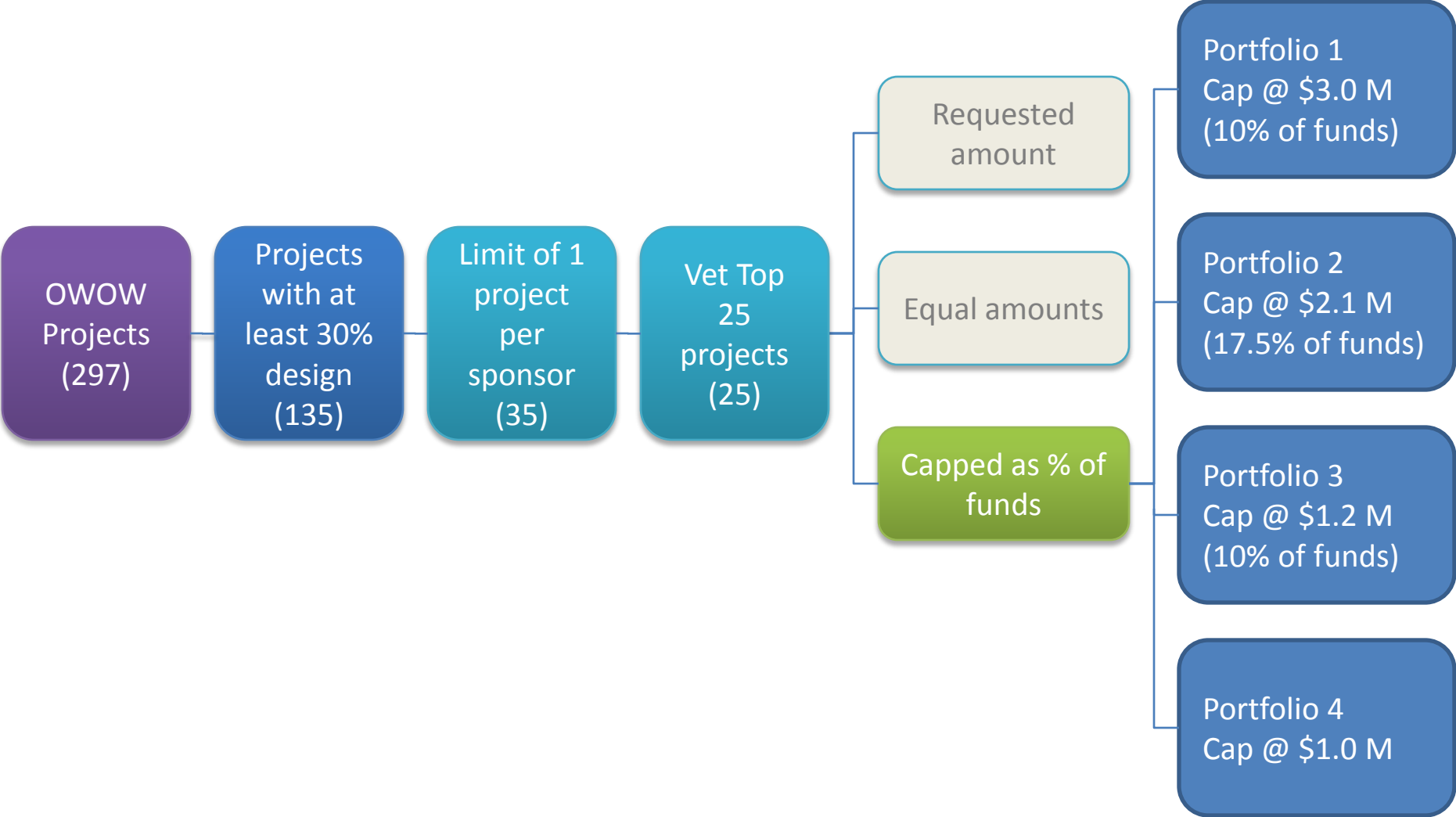
- City of Fontana
 - Application included benefits for 4 phases but project to be implemented was only for Phase 1 (recycled water only; stormwater recharge not included)
 - Funds requested for other phases were for planning work, which is not eligible under Prop 84 Guidelines
 - Quantification of benefits 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)

- 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)

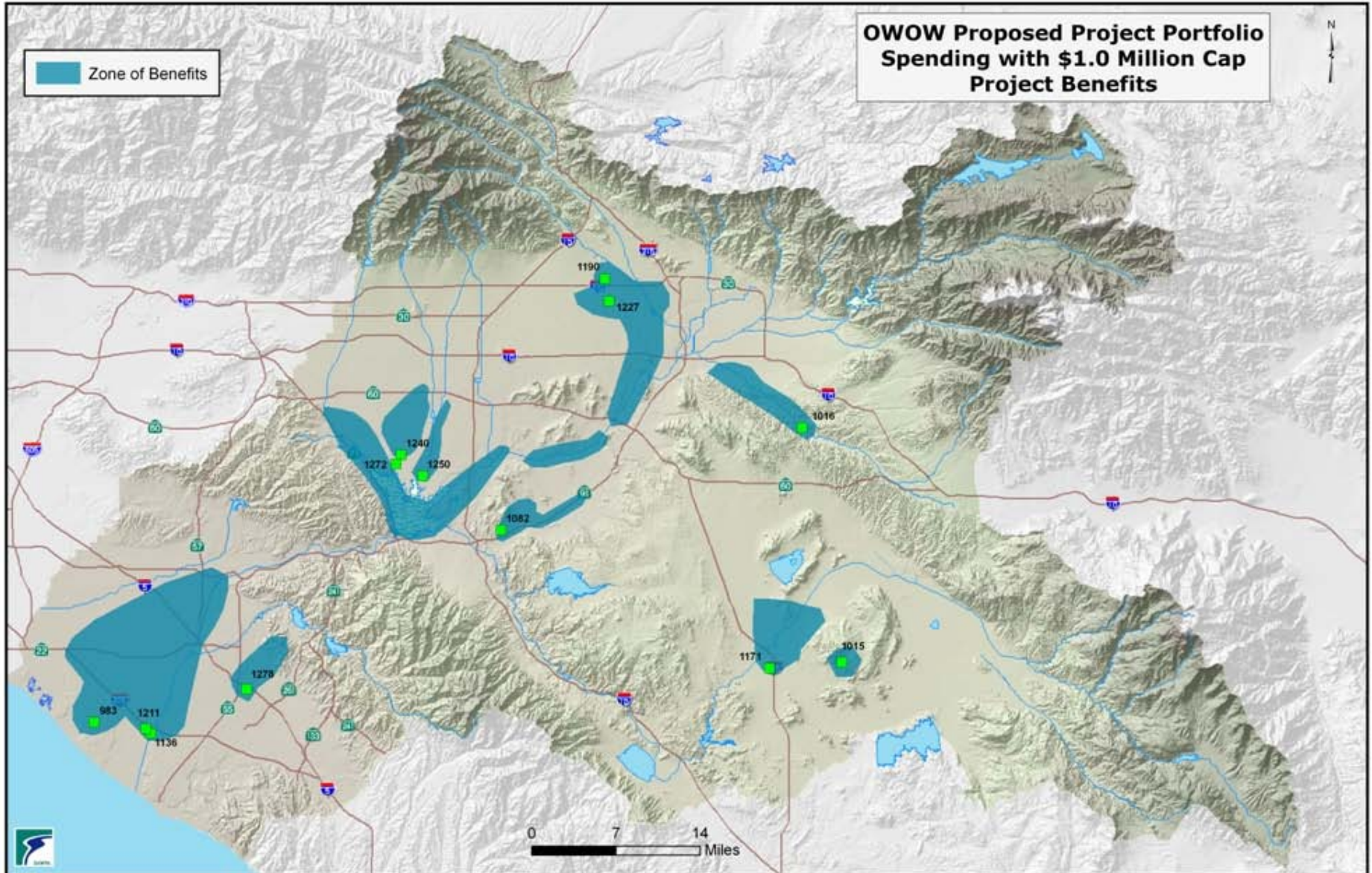
Project portfolios

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

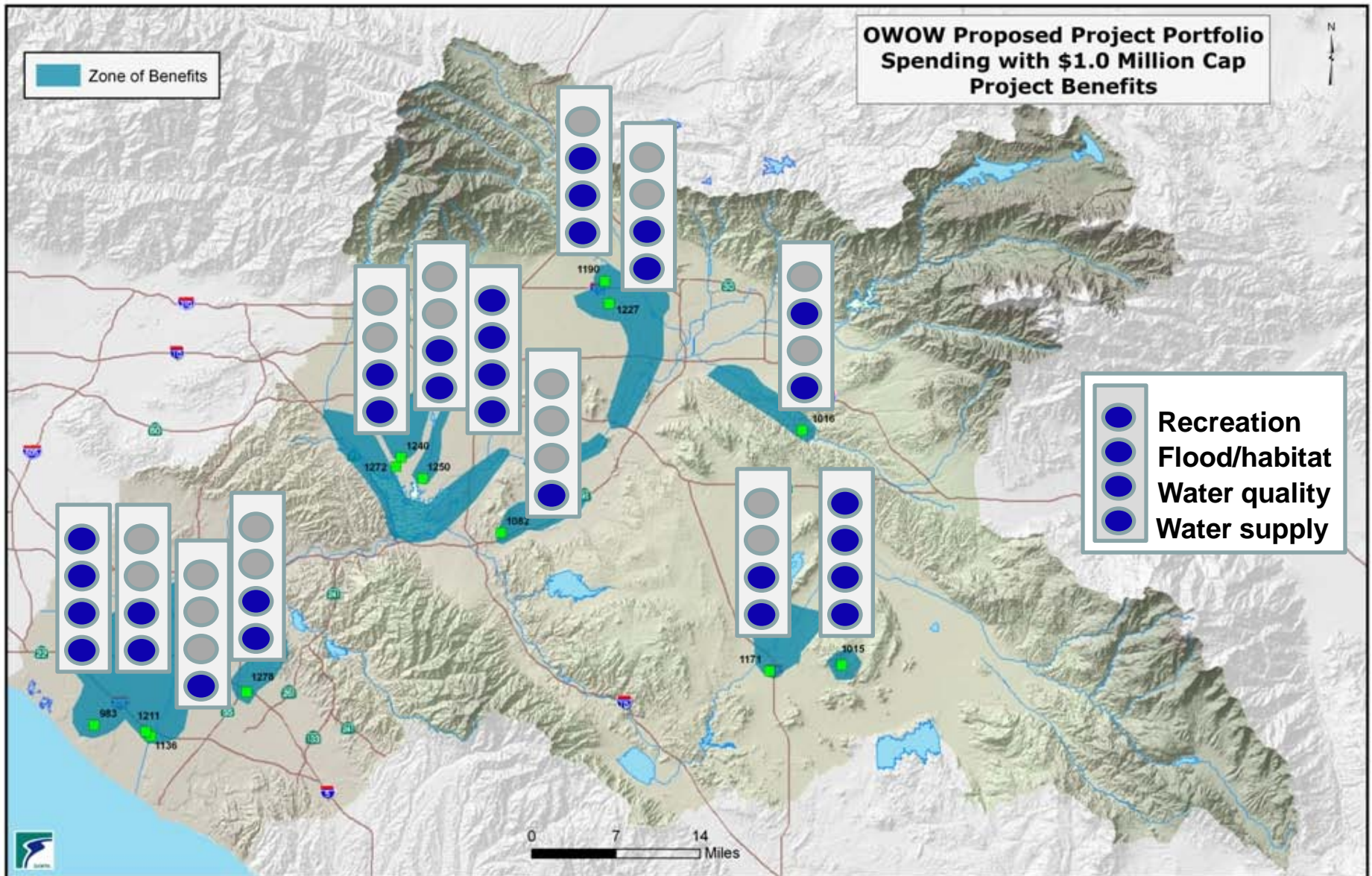


Ranking	Project No	Agency	Project cost	Requested amount	Portfolio 1 - \$3.0M cap	Portfolio 2 - \$2.1M cap	Portfolio 3 - \$1.2M cap	Portfolio 4 - \$1.0M cap
1	1190	San Bernardino County FCD	\$ 10,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
2	1272	SAWPA	\$ 8,600,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,200,000	\$ 1,000,000
3	1211	OCSD	\$ 100,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
4	1171	Eastern Municipal WD	\$ 12,900,000	\$ 3,000,000	\$ 3,000,000	\$ 2,100,000	\$ 1,200,000	\$ 1,000,000
5	1240	Western Municipal WD	\$ 6,700,000	\$ 1,675,000	\$ 1,675,000	\$ 1,675,000	\$ 1,200,000	\$ 1,000,000
6	983	Huntington Beach	\$ 5,500,000	\$ 3,200,000	\$ 3,000,000	\$ 2,100,000	\$ 1,200,000	\$ 1,000,000
7	1250	Ontario	\$ 20,000,000	\$ 10,000,000		\$ 2,100,000	\$ 1,200,000	\$ 1,000,000
8	1015	Menifee	\$ 6,000,000	\$ 3,500,000			\$ 1,200,000	\$ 1,000,000
9	1227	West Valley WD	\$ 1,500,000	\$ 1,200,000			\$ 1,200,000	\$ 1,000,000
10	1136	OCWD	\$ 23,218,000	\$ 5,804,500			\$ 1,200,000	\$ 1,000,000
11	1082	Corona	\$ 800,000	\$ 400,000			\$ 400,000	\$ 400,000
12	1278	IRWD	\$ 38,000,000	\$ 3,000,000				\$ 1,000,000
13	1016	SAWA	\$ 1,167,846	\$ 875,000				\$ 600,000

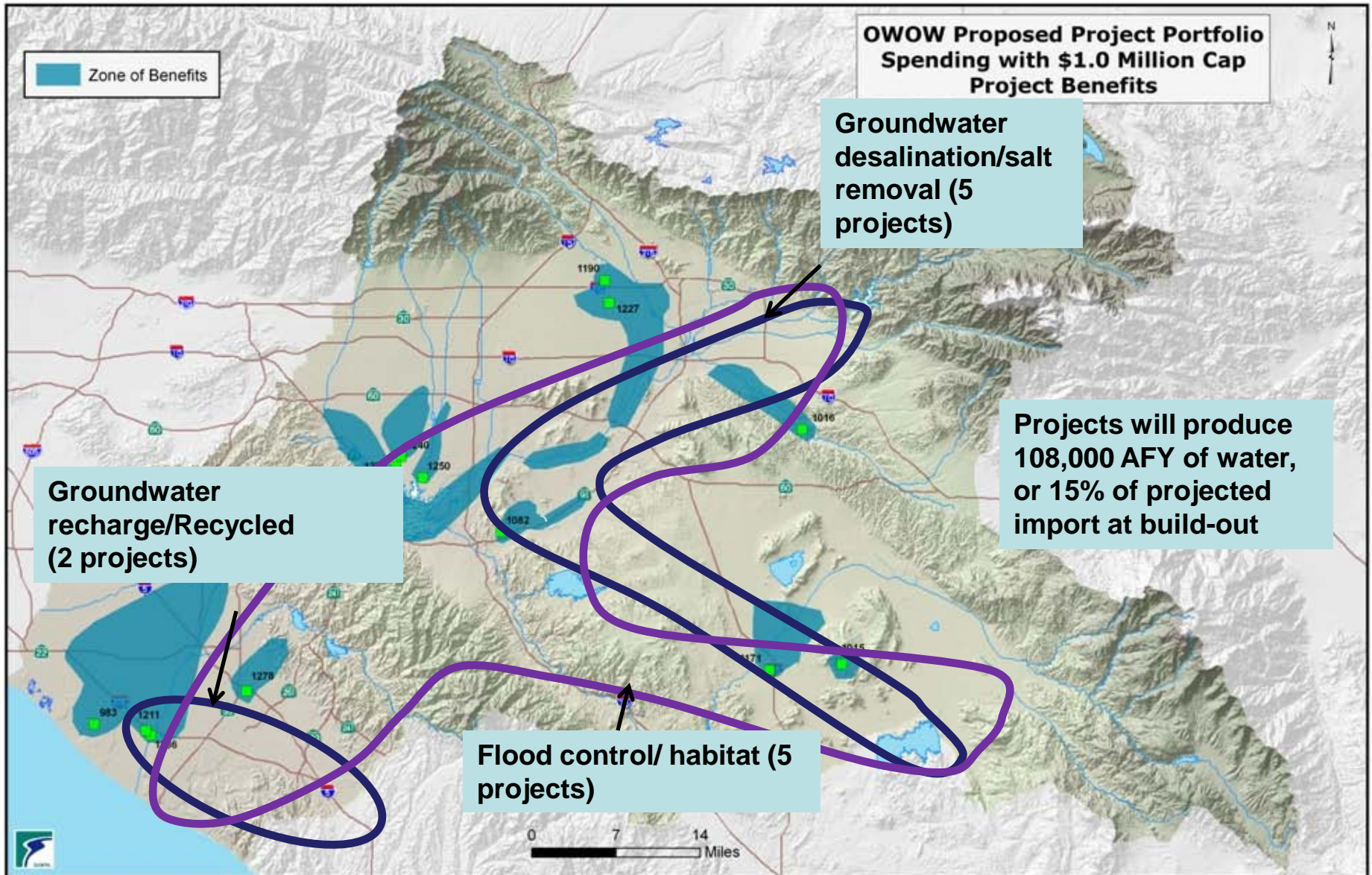
Distribution of benefits with \$1 million cap – Portfolio 4



Project integration – Functional (Portfolio 4)



Project integration – Regional (Portfolio 4)



Portfolio 4 meets Statewide priorities

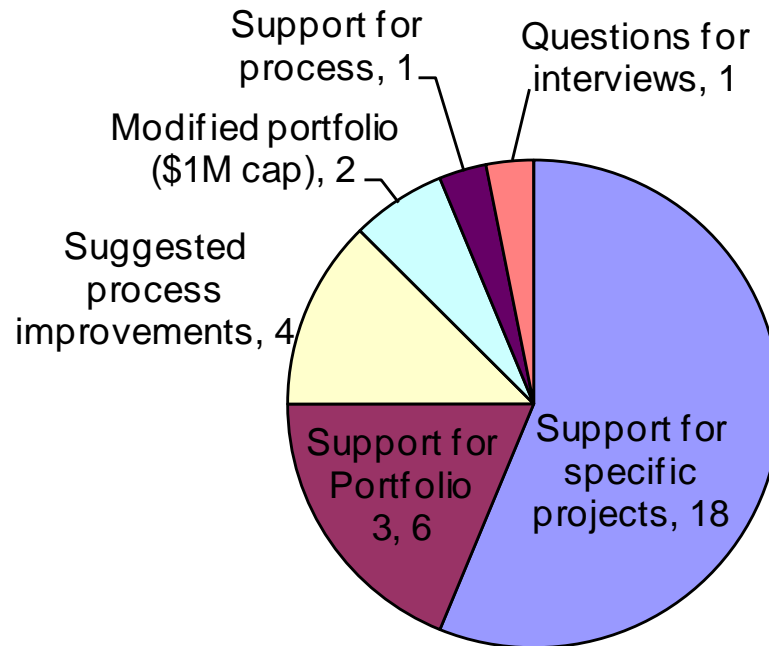
	Drought preparedness	Use/reuse water more efficiently	Climate change response actions	Expand environmental stewardship	Practice integrated flood management	Protect surface and groundwater quality	Improve tribal water and natural resources	Equitable distribution of benefits
SBCFCD	★	★	★	★	★	★		★
SAWPA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

Portfolio 4 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, 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	★						★			★	
IRWD	★					★	★			★	
SAWA	★		★			★		★	★		★

Summary of public comments

32 communications were received: verbal, letter, electronic



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

- 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

Next steps for Round 1 Prop 84 funding

- SAWPA Commission needs to ratify project portfolio recommended by Steering Committee
- 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 December 15
- SAWPA staff compiles PSPs and prepares single package for submittal to DWR on January 7, 2011
- Lessons-learned process will be launched to identify improvements for next round of funding