



...A United Voice for the Santa Ana Watershed

*Steering
Committee
Members*

OWOW STEERING COMMITTEE SPECIAL MEETING

Thursday, April 3, 2014 – 11:00 a.m.

Ron Sullivan
SAWPA

at SAWPA, 11615 Sterling Avenue, Riverside, CA 92503

Don Galleano
SAWPA

AGENDA

Shawn Nelson
Orange County

1. WELCOME AND INTRODUCTIONS

Ron Sullivan

2. PUBLIC COMMENTS

Ron Sullivan

Marion Ashley
Riverside County

Members of the public may address the Commission on any item that is within the jurisdiction of the Commission; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.

James Ramos
San Bernardino County

3. NEW BUSINESS

Beth Krom
City of Irvine

A. OWOW 2014 Emergency Drought Grant Solicitation (SC#24)

Ian Achimore

Recommendation: Approve the OWOW 2014 Emergency Drought Grant Solicitation process and expedited schedule.

Ron Loveridge
City of Riverside

B. Project Selection Criteria and Weighting for the OWOW 2014 Emergency Drought Grant Solicitation (SC#28)

Mark Norton

Recommendation: Review and provide direction on the draft Project Selection Criteria and weighting for the OWOW 2014 Emergency Drought Grant Solicitation.

Pat Morris
City of San Bernardino

C. Criterion DecisionPlus Software for OWOW 2014 Emergency Drought Grant Solicitation (SC#29)

Ian Achimore

Recommendation: Approve the use of Criterion DecisionPlus Software to assist in the rating and ranking process for the OWOW 2014 Emergency Drought Solicitation.

Ali Sahabi
Optimum Group

Garry Brown
Orange County
CoastKeeper

D. Formation of a Project Review Committee – OWOW 2014 Emergency Drought Grant Solicitation (SC#23)

Mark Norton

Recommendation: Approve the formation of a Project Review Committee and the project review process.

Linda Ackerman
Regional Water
Quality Control Board

E. [OWOW Round 2 Update \(SC#26\)](#)

Celeste Cantú

Recommendation: Receive and file.

4. **OLD BUSINESS**

A. [Broad Planning/Management Guidance Strategies \(SC#27\)](#)

Mark Norton

Recommendation: Provide direction to staff to either prioritize the Broad Planning/Management Guidance Strategies, or leave them as unranked as they are shown in the OWOW 2.0 Plan.

5. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered routine and non-controversial and will be acted upon by the Committee by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Committee votes, unless any Committee members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. [Approval of the Minutes from the Meeting held on 1-16-14](#)

Recommendation: Approve as mailed.

6. **ANNOUNCEMENTS**

Proposed 2014 Meeting Calendar

May 22	11 a.m.
July 24	"
September 25	"
November 20	"

7. **ADJOURNMENT**

Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Clerk of the Board, Patti Bonawitz at 951-354-4230, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

PLEASE NOTE

Materials related to any items on this agenda submitted to the Steering Committee after distribution of the agenda packet are available for public inspection in SAWPA's office at 11615 Sterling Ave., Riverside, during normal business hours. Also, such documents are available on SAWPA's website at www.sawpa.org, subject to staff's ability to post documents before the meeting.

Declaration of Posting

I, Patti Bonawitz, Clerk of the Board of the Santa Ana Watershed Project Authority/OWOW Steering Committee certify that a copy of this agenda has been posted in the Agency's office at 11615 Sterling Avenue, Riverside, California by 5:30 p.m. on Thursday, March 27, 2014.


Patti Bonawitz

OWOW STEERING COMMITTEE MEMORANDUM NO. 24

DATE: April 3, 2014
TO: OWOW Steering Committee
SUBJECT: OWOW 2014 Emergency Drought Grant Solicitation
PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee approve the OWOW 2014 Emergency Drought Grant Solicitation process and expedited schedule.

DISCUSSION

DWR staff recently shared a number of **significant changes** and process improvements that are anticipated for grant solicitations of the Proposition 84 IRWM grant program and the implications of the recently signed emergency drought legislation (SB103 and SB104) that appropriated Proposition 84 IRWM Chapter 2 money. Note that all of the Proposition Chapter 2 IRWM money, including the \$114 million assigned to the Santa Ana funding area, has already been *authorized* by California voters through the November 2006 statewide ballot.

Under SB 103 and 104, \$200 million of the Proposition 84 IRWM Chapter 2 also was appropriated statewide, but due to SB 104, the money also must fund emergency drought relief projects. In response, DWR has decided to break up the previously described Round 3 into two separate grant solicitations under the Proposition 84 IRWM grant program, one in 2014 and one in 2015, and will drop the reference to “rounds.” The 2014 solicitation, the **2014 OWOW 2014 Emergency Drought Grant Solicitation**, is expected to have new draft guidelines issued by DWR by the first week of April. A public review period with public workshops will follow its release. Thereafter, final guidelines are expected by late June or early July with actual grant applications due to DWR by early August 2014, if not sooner . Final agreements with DWR would occur in late Aug. or early Sept. 2014.

The types of projects that DWR will seek to fund under the 2014 grant solicitation are based on the SB 104 provision, and will be further defined in the new guidelines that DWR is working on. The provision’s general categories for drought relief projects are described as follows:

- Immediate emergency regional drought preparedness;
- Increase local water supply reliability and the delivery of safe drinking water;
- Assist water suppliers and regions to implement conservation programs and measures that are not locally cost-effective; and
- Reduce water quality conflicts or ecosystem conflicts created by the drought.

During the conference call, DWR staff indicated that based on DWR’s early interpretation of this text, “immediate” reflects projects that are ready in the very near future, but they are not necessarily “shovel ready”. “Drought preparedness” definition is in the current Proposition 84 Guidelines under Statewide Priorities as follows: *“Projects that contribute to sustainable water supply and reliability water shortages that achieve one or more of the following: 1) Promote water conservation, conjunctive use, reuse and recycling; 2) Improve landscape and agricultural irrigation efficiencies; 3) Achieve long*

term reduction of water use; 4) Efficient groundwater basin management; 5) Establish system interties. “Locally not cost effective” would mean projects with annual costs that exceed annual benefits. For example, they stated that regions should be implementing cost-effective BMPs already such as leak detection and repair. Leak detection is typically cost effective, but repair associated with such distribution systems is usually expensive and may not be cost-effective and appropriate for this funding. “Water quality” impacts from drought could include losing a source of blending water needed to meet MCLs. This is of particular interest to the Santa Ana River Watershed.

The DWR has not determined yet how they will allocate the \$200 million across the State. Early feedback to DWR from most regions on the conference call was a preference to allocate the 2014 grant funding based on the Funding Areas as defined under Proposition 84 Chapter 2. If the \$200 million is proportionately distributed among the funding areas, the Santa Ana funding area could apply for approximately \$33 million of the \$74.5 million remaining for our funding area. Whatever funds that are not applied for and approved by DWR under the 2014 grant solicitation for the Santa Ana funding area will remain available to the Santa Ana region under the 2015 grant solicitation.

After the 2014 grant solicitation, DWR will commence preparations for the 2015 grant solicitation. DWR staff indicated that the grant application for the 2015 IRWM Grant Solicitation will be modified by what they find was successful in their efforts to streamline the 2014 grant application. The DWR indicated that at the very earliest, the 2015 grant solicitation application would be due to DWR by summer 2015. The deadline is dependent on the successful completion of agreements for the 2014 grant solicitation.

Based on preliminary discussions, a 25% minimum local match will still be required but with no mandated 10% Disadvantaged Community (DAC). Grant supporting documents such as urban water management plans, groundwater monitoring plan requirements, etc. will also still be required. Currently, various legislative bills, AB 1731, AB 1249, and AB 1874, have been introduced to modify the IRWM grant program, which may further revise the IRWM grant solicitation process.

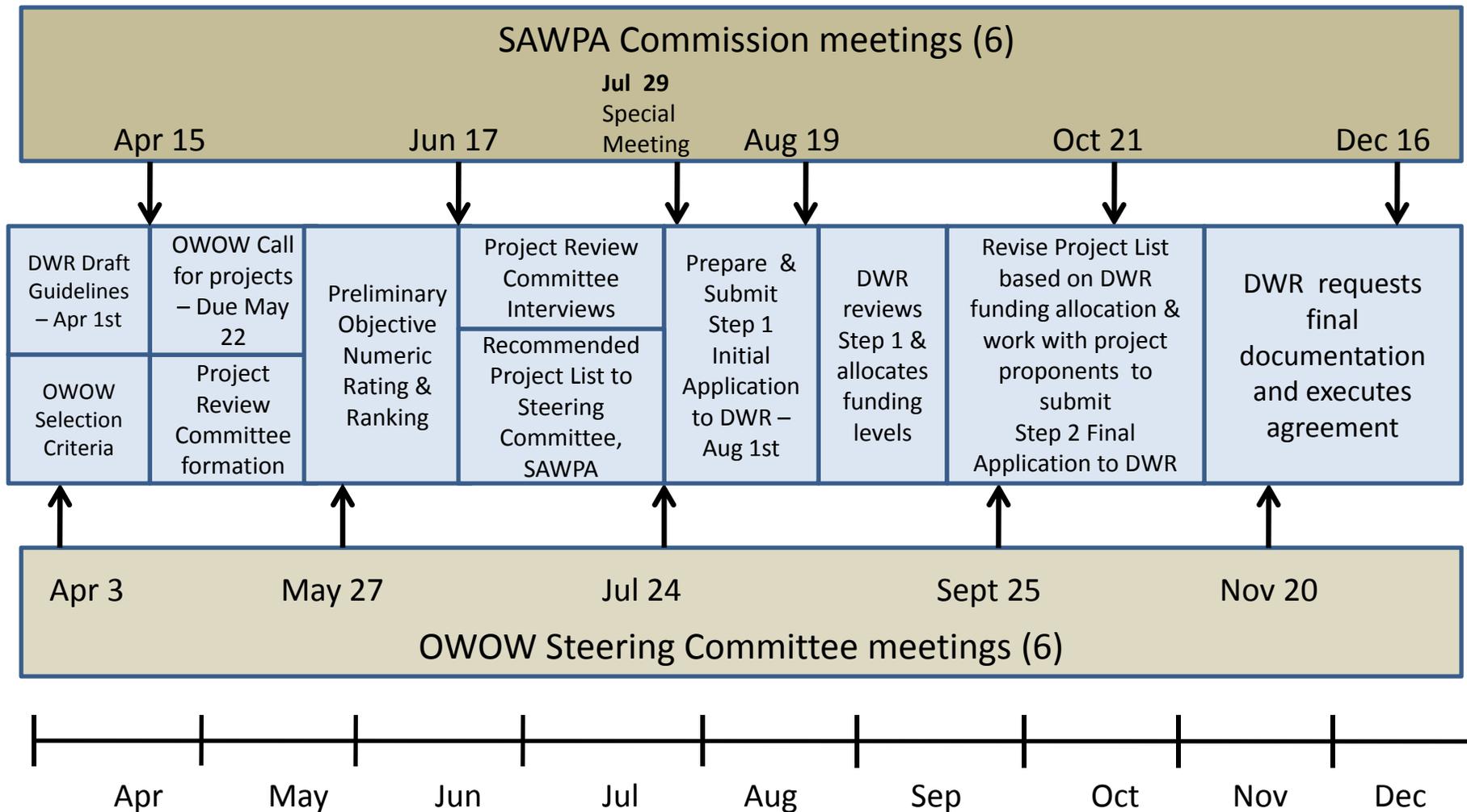
The DWR acknowledged the high level of effort that applicants take to prepare applications, and will endeavor to streamline the application process with less narrative requirements, and limit grant application requirements to what is necessary for agreements to be signed. DWR staff stated they also will better tie projects to regional priorities and award funds. They will review the benefits and economic analysis section of the grant and seek to make them less onerous.

A new schedule for the 2014 OWOW Emergency Drought Grant Solicitation reflecting the intense activity that must occur to conduct a Call for Projects, project selection and grant preparation is attached.

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Attachment: Schedule

OWOW 2014 Emergency Drought Grant Solicitation: Schedule



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OWOW STEERING COMMITTEE MEMORANDUM NO. 28

DATE: April 3, 2014

TO: OWOW Steering Committee

SUBJECT: Project Selection Criteria and Weighting for the OWOW 2014 Emergency Drought Grant Solicitation

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee review and provide direction on the draft Project Selection Criteria and Weighting for the OWOW 2014 Emergency Drought Grant Solicitation.

DISCUSSION

Staff will share a draft Project Selection Criteria and Weighting for grant funding with the Steering Committee through a PowerPoint presentation at the April 3 meeting. Selection Criteria are needed to promote the desired types of projects that reflect the drought emergency; increased water supply; large scale, system-wide approaches; integrated, multi-benefit, and multi-jurisdictional approaches; discussed in the One Water One Watershed 2.0 Plan and the criteria of OWOW 2014 Emergency Drought Grant Solicitation. To promote the OWOW 2014 Emergency Drought Grant Solicitation goals, the Selection Criteria should reflect the following:

1. Provide emergency regional drought preparedness;
2. Improve water reliability and reduce reliance on imported water;
3. Improve water quality and salt balance in the watershed;
4. Increase local water supply reliability and the delivery of safe drinking water; and
5. Assist in implementation of conservation programs and measures that are not locally cost-effective.

Each of the Selection Criteria will have Performance Measures and Indicators in order for the applicant to demonstrate numerically how they are meeting the Selection Criteria. For example, a possible Performance Measure for the second draft Selection Criteria above could be "Reduction of imported water through the use of water use efficiency." To indicate the quantity of the reduction, the applicant would provide the acre-feet per year of water saved resulting from project implementation.

Once the particular Selection Criteria are agreed upon, their weighting will need to be determined by the Steering Committee. For example, for the OWOW 2014 Emergency Drought Grant Solicitation, the Steering Committee may want to weight criteria to produce water supply improvement, water use efficiency, and salt management. For Round 2, each of the weighting criteria was weighted equally to promote more integrated and multi-beneficial projects. Gates reflect requirements that must be met to move forward.

The following gates are recommended for the OWOW 2014 Emergency Drought Grant Solicitation:

1. **Proposition 84 Statutory Requirements – Project Eligibility for Proposition 84 Funding:**
Through this eligibility gate, project proponents are required to address Proposition 84 eligibility requirements in relation to the new 2014 DWR Proposition 84 IRWM Proposal Solicitation Package (PSP) requirements including funding match, urban water management plans, and groundwater management plans.
2. **Multi-jurisdictional Collaboration – Number of Partners, Partners Role and Level of Participation:**
This eligibility gate requires that project proponents have local partners and identify each partner's role(s) (e.g., planning coordination, funding partner, etc). A mere letter of support was considered insufficient to reflect multi-jurisdictional collaboration.
3. **Cost-Match Commitment – Minimum Percent of Project Cost Funded Locally:**
This eligibility gate requires that project proponents provide a minimum 25% match.
4. **Completion Commitment - Secured Funding:**
This eligibility gate requires that project proponents provide documentation of the availability of local funds to complete the project.

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SC#28 Project Selection Criteria & Weighting for OWOW 2014 Emergency Drought Grant Solicitation

OWOW STEERING COMMITTEE MEMORANDUM NO. 29

DATE: April 3, 2014

TO: OWOW Steering Committee

SUBJECT: Criterium DecisionPlus Software for OWOW 2014 Emergency Drought Grant Solicitation

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee approve the use of Criterium DecisionPlus Software to assist in the rating and ranking process for the OWOW 2014 Emergency Drought Solicitation.

DISCUSSION

Criterium DecisionPlus software helps users rate and rank projects under a multiple selection criteria. This software tool was used successfully under OWOW grant funding Rounds 1 and 2 and provides an objective approach to initial project rating and ranking. The software calculates which of the proposed projects best meet the selection criteria that is previously agreed upon by the OWOW Steering Committee and SAWPA prior to a project solicitation, and how likely the project selected truly reflects the best choice. As in the past funding rounds, the tool would be used as part of the OWOW project review process, after staff ensures that the project is eligible and conducts the necessary quality control.

The Criterium DecisionPlus takes the screened information provided by the applicants and converts it to a numerical value for each of the Selection Criteria. In many instances, the information provided by the applicants would be processed or combined to establish the numerical value. This tool will ensure that the 2014 Solicitation process is fair, objective, well facilitated and expedited. In order to make certain that all the proper criteria are considered and a sensitivity analysis is completed, staff recommends that this tool again be used.

Under Proposition 84 Round 2, SAWPA consulted with CDM Smith, Inc. to provide the technical expertise to operate Criterium DecisionPlus software tool.

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SC#29 DecisionPlus Software 4-3-14

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OWOW STEERING COMMITTEE MEMORANDUM NO. 23

DATE: April 3, 2014

TO: OWOW Steering Committee

SUBJECT: Formation of the Project Review Committee – OWOW 2014 Emergency Drought Grant Solicitation

PREPARED BY: Mark Norton, Water Resources and Planning Manager

RECOMMENDATION

It is recommended that the Steering Committee approve formation of a Project Review Committee and project review process similar to that conducted under OWOW Round 2, reflecting continuation of a fair, open and transparent project review process that maximizes benefits to the watershed.

DISCUSSION

A review of the projects by independent experts is one of the most critical steps in the project selection process. The Project Review Committee is selected to provide a careful vetting of top-ranked projects and to develop a portfolio of projects that optimize benefits for the Santa Ana River Watershed.

The proposed Project Review Committee that formed under OWOW Round 2 consisted of three multi-faceted experts in the water field who did not have a conflict of interest with any project proponents seeking grant funding. The Committee conducted in depth interviews with over 30 project proponents and provided a final select list of 20 projects with proposed funding levels that leveraged local funding, \$129 million, in order to maximize the \$16 million in grant funds available to broadly benefit the watershed.

The review of the projects did not occur solely by the Project Review Committee under Round 2. All projects were vetted for technical merit, benefit and data accuracy by SAWPA staff. Documentation to support claims was required from all project proponents. The projects were posted on the SAWPA website and watershed stakeholders were invited to provide comments on all projects, not just the ones they supported. These comments and supporting documents were compiled and shared with the Project Review Committee. After a recommended project list with suggested funding levels per project was prepared by the Project Review Committee, it was presented to the OWOW Steering Committee for their review and approval. The SAWPA Commission then ratified the list thereafter.

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SC# 23 New Project Review Comte 4-3-14

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OWOW STEERING COMMITTEE MEMORANDUM NO. 26

DATE: April 3, 2014

TO: OWOW Steering Committee

SUBJECT: OWOW Round 2 Update

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee receive and file this status report on the OWOW Round 2 projects.

DISCUSSION

On February 4, DWR announced the final funding recommendation for Round 2 funding and SAWPA is pleased to announce that it will receive 100% of \$16.67 million requested by SAWPA under OWOW. This announcement reflects that DWR acknowledged that Proposition 84 integrated regional water management plan grants were to be pre-allocated to particular regions and sub-regions under Public Resources Code Section 75207. Furthermore, once DWR has implemented a program of evaluating and approving regions, which it has done through the Region Acceptance Process, DWR then is required to “defer to approved local project selection, and review projects only for consistency with the purposes of Section 75026”; Public Resources Code Section 75028(a).

DWR’s Round 2 Proposition 84 Implementation Grant PSP recognized that OWOW’s regional program had already been reviewed and approved, and on that basis announced that only one eligible applicant would be considered from each funding region. Based on SAWPA’s and project proponent’s communication with DWR to stress these issues, DWR amended their draft recommended funding list to provide SAWPA’s proposal the full 100% funding available to the Santa Ana funding area under Proposition 84, Chapter 2 IRWMP Implementation Round 2 Grant Program as a reflection of sound policy and fairness, and to comply with the Public Resources Code.

With passage of SB 103 and 104, \$21.8 million of the Proposition 84 IRWM Chapter 2 grant money was appropriated to support the Round 2 IRWM grant. Consequently, DWR is shortening the Round 2 IRWM grant agreement execution process from 6-12 months down to 3-4 months with the goal to have agreements in place by June 1, 2014. SAWPA has been working closely with all OWOW project proponents that were approved for funding under the Round 2 IRWM process to obtain updated grant application workplans, schedules and budgets. These grant application documents were successfully received and submitted to DWR on March 18, 2014 thereby successfully meeting DWR’s quick turnaround deadlines.

City of Fontana - Vulcan Pit Flood Control and Aquifer Recharge Project

Under the Proposition 84, Round 2 SAWPA/OWOW process, the City of Fontana’s Vulcan Pit Flood Control and Aquifer Recharge Project was recommended for \$1 million in Proposition 84 funding. The total project cost is \$24 million and will enhance stormwater recharge at about 6,000 acre feet per year in the Chino Basin. The project’s match is to be provided by the City of Fontana, Inland Empire Utilities Agency (IEUA) and the County of San Bernardino. Funding will be augmented by a Proposition 1E Stormwater Flood Management Grant. The City plans to acquire the lands for

construction of the recharge basin from the Vulcan Materials Company, for stormwater recharge. Vulcan Materials and the City have entered into preliminary appraisal negotiations, in which the City has received some resistance. The City has completed the draft property appraisal report; however, it is subject to attorney client privilege. If the City is unable to reach an amicable agreement with the seller, the City states that they will acquire the lands by the eminent domain process.

The City as part of the application process received a letter of support from the Chino Basin Watermaster, there has been resistance to the City's attempt to obtain a new storage right for this stormwater under the Watermaster's process. Subsequent to the application, the City of Fontana began seeking water rights to control the water captured. This was opposed by the Chino Basin Watermaster in violation of their Chino Basin Recharge Master Plan and will not be granted willingly. The court will rule on this matter in late April 2014.

On March 17, SAWPA requested that the City provide signed funding agreements from IEUA, the County, the City itself, and a signed Proposition 1E grant agreement with the Department of Water Resources. Also requested was the City's written assurance to SAWPA that the City is willing to build the project in the absence of getting the water recharge credit from the Chino Basin Watermaster.

City of Ontario – Francis Street Storm Drain and Ely Basin Flood Control and Aquifer Recharge Project

The project, Francis Street Storm Drain and Ely Basin Flood Control and Aquifer Recharge Project, was one of the 20 projects recommended for grant funding under OWOW Round 2 in the amount of \$750,000. The project was designed to provide 722 acre-feet per year (AFY) of stormwater to the basin as recharge and 100-year flood protection. The existing regional basin facilities, known as the Ely Basins, are ideal for additional excavation for aquifer recharge.

Based on the DWR Commitment letter sent in late February, SAWPA was notified by DWR that all OWOW Round 2 Project Proponents needed to provide the last three years of financial statements, an updated workplan, schedule and budget for each project. SAWPA sent out a notice on Feb. 26th to all Project Proponents that these documents needed to be submitted to SAWPA by March 11th to meet the DWR submittal deadline of March 19th. On Feb. 26th, the City of Ontario notified SAWPA that since the City was not successful in obtaining part of their local share, Proposition 1E flood protection funding for this project. Thus, the City indicated it did not have funds to cover the entire scope of work for its construction. Further, the City indicated that since it would need to revise the scope of work to include only the construction of the Francis Street Storm Drain and not include work on the three Ely Basins, it would need to remove the Ely Basins from the scope of work and not partner with the Inland Empire Utilities Agency on this project. It was their understanding that this disqualifies it from the Proposition 84 funding. An updated workplan, schedule, and budget along with required financial statements, were not received by SAWPA to submit to DWR.

Since the email, City of Ontario officials have asked if they could reconsider their email decision and are now exploring options to still use the \$750,000 in grant funds, possibly for a project of similar benefit.

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OWOW STEERING COMMITTEE MEMORANDUM NO. 27

DATE: April 3, 2014

TO: OWOW Steering Committee

SUBJECT: Broad Planning/Management Guidance Strategies

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee provide direction to staff to either prioritize the Broad Planning/Management Guidance Strategies or leave them as unranked as they are shown in the OWOW 2.0 Plan.

DISCUSSION

Background

During the last two years, the OWOW Pillars, workgroups of experts and stakeholders generally organized based on water resource management concepts, have been working together to write this watershed's Integrated Regional Water Management Plan (IRWM), which is called the OWOW 2.0 Plan. The Broad Planning/Management Guidance Strategies were distilled from that work and will serve to guide future planning and management in the watershed. The strategies reflect a change in thinking about water resource management. Historically, water activities were organized in to different silos, and managers worked to achieve separate and individual goals that were thought to be unrelated. These Broad Planning/Management Guidance Strategies are **meant to guide planning not funding decisions**, and to change our planning approach into a proactive stance, rather than a reactive one. This can facilitate the vision we want, a drought proof and salt balanced watershed, rather than only focusing on solving the problems that past practices have created.

The Broad Planning/Management Guidance Strategies are explained in the Executive Summary of the OWOW 2.0 Plan and have been discussed at the last two OWOW Steering Committee Meetings. The decision to prioritize them was tabled during the January 16, 2014 meeting because of the agenda's focus on approving the OWOW 2.0 Plan.

The Plan, as it is written, states that all five strategies are considered a priority to the watershed. As stakeholders of the watershed, entities are encouraged to consider the long-term watershed planning approach as they consider competing alternatives to meet needs and give merit or attention to strategies such as water use efficiency and operational efficiencies and transfers for example.

There is a **distinction between these strategies and funding priorities** that determine which projects are chosen for funding. The OWOW Steering Committee will have an opportunity to prioritize the Proposition 84 funding priorities when the guidelines for any upcoming rounds of funding or call for projects are being prepared.

Each of the Broad Planning/Management Guidance Strategies is explained in detail below. They are in no particular ranked or priority order:

Demand Reduction and Water Use Efficiency

Water use efficiency practices remain a key resource management priority for the watershed and a cost effective tool for reducing the gap between available supplies and projected demand. This is reflected through a reduced per capita water use as well as potentially reduced commercial and industrial water use. Although significant progress is anticipated with mandated reductions through 20% by 2020 legislation, more can be done. Many water use efficiency actions have been implemented locally, but these can be scaled watershed-wide. These include water rates structures that encourage conservation, also known as budget-based water rates, garden friendly landscaping and landscape ordinance application, smart controllers and irrigation nozzles, and turf buy-back programs, to name a few. The last acre foot of water is often the most expensive, reducing that cost goes far to keep water rates stable.

Monitoring data shows wasteful irrigation runs off yards, down streets and culverts collecting pet waste and pollution until it hits the receiving water with a toxic slug causing beach closures and fish kills. At great expense, cities have been tasked to clean up this dry weather urban runoff pollution. This cost can be avoided with successful water use efficiency.

It is understood too that there is a direct link of water use efficiency with energy efficiency and greenhouse gas emission reduction.

Watershed Hydrology and Ecosystem Protection and Restoration

Implementing cost effective programs will protect and restore our watershed's ecosystem and hydrologic system so that it will sustainably produce the array of services including water resources. Recognizing that the Santa Ana River Watershed has multiple interrelated parts, a holistic approach to solving issues of supply, quality, flood, and ecosystem management is necessary. This approach recognizes that in order to achieve a healthy productive watershed, improvements starting at the top of the watershed with a healthy and managed forest effectively support downstream stormwater attenuation and runoff capture and water quality improvement. The emphasis is on source control rather than end-of-pipe treatment as a best management practice. Implementation actions under this priority include forest management, pollution prevention, low impact development, stormwater capture and flood management, and MS4 stormwater implementation.

Operational Efficiency and Transfers

Cooperative agreements arising from water transfers, exchanges, and banking can result in better use of water resources. With the rich groundwater storage opportunities available in the watershed, expanding the groundwater storage with a variety of available water sources can be more much more cost effective than new surface storage. Such agreements will result in our ability to stretch available supplies and replace the storage lost by a shrinking snowpack. Projects under this category occur by collaboration and cooperation among the multitude of agencies and entities in the watershed, and agencies that import water into the watershed, expanding on the many past

SC#27

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successful water agreements within the watershed. New banking agreements can represent both habitat mitigation banking as well as groundwater banking. These agreements only can occur by entities working together and opening doors to improved efficiency and increased water supply reliance.

Innovative Supply Alternatives

This strategy recognizes the need for more progress in a portfolio approach with expansion of innovative and effective 21st century technology for water production, recycling, pumping, and desalinization. Traditionally these projects serve as an important component to achieving water supply reliability. Moving forward, a broader range of tools is available to us to serve both economic and environmental objectives. Projects under this category provide multiple benefits and thus can be mutually reinforcing. Brackish desalination and salinity management are necessary to sustain local supplies. Salinity management is essential for groundwater basin health in the watershed.

Remediation and Clean-up

Another strategy is implementing Total Maximum Daily Loads (TMDLs) and pollution remediation. Projects under this category must reflect projects that have region wide benefit, are integrated and have multiple benefits without a focus only on local or single purpose needs. Under this strategy, the focus is on preventing pollution and dealing with the pollution that has already occurred. This reflects a desire to duplicate the successes already established in the watershed to prevent and remediate pollution.

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SC #27 Prioritizing the Broad Planning Mgmt Strategies 4-3-14

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MEETING MINUTES

OWOW STEERING COMMITTEE

January 16, 2014

PARTICIPANTS PRESENT

Ron Sullivan, Convener	SAWPA
James Ramos	County of San Bernardino, Supervisor
Beth Krom	City of Irvine
Ron Loveridge	City of Riverside
Pat Morris	City of San Bernardino, Mayor
Garry Brown	Orange County Coastkeeper
Linda Ackerman	Santa Ana Regional Water Board
Ali Sahabi	Optimum Group LLC

OTHERS PRESENT

Amanda Carr	City of Irvine
Darcy Kuerzi	Office of Riverside County Supervisor Marion Ashley
Mark Tetterer	Irvine Ranch Water District
Phil Paule	City of San Bernardino
Celeste Cantú	SAWPA
Larry McKenney	SAWPA
Mark Norton	SAWPA
Ian Achimore	SAWPA
Zyanya Blancas	SAWPA
Patti Bonawitz	SAWPA

The OWOW Steering Committee Meeting was called to order at 3:15 p.m. by Convener Ron Sullivan at SAWPA, 11615 Sterling Avenue, Riverside, CA 92503. Convener Sullivan asked the OWOW Steering Committee members to introduce themselves. A quorum was present; however, Ron Loveridge, Don Galleano and Supervisor Ashley were noted as absent.

On behalf of Supervisor Ashley, Darcy Kuerzi stated, "...the Supervisor is sorry that he cannot attend today; however, he fully supports the OWOW Plan, and asked me to share his comments with the OWOW Steering Committee. He supports the adoption of the Plan; it's not completely perfect, but he encourages the adoption of the Plan today. If some amendments are necessary in the future, they can be addressed later. He does have one issue regarding the prioritization of the OWOW projects – there seems to be a lot of focus on remediation. The Supervisor feels very strongly that the remediation and prevention projects send a message for the planning/prioritization and he encourages all to keep that in mind and to look at the prioritization of the projects – an ounce of prevention is worth a pound of cure – we should not jeopardize the remediation projects."

INFORMATIONAL REPORT – BROWN ACT AMENDMENT (SC#21)

Larry McKenney reported that a new amendment to the Brown Act takes effect on January 1, 2014 (SB 751) that requires "...the legislative body of a local agency shall report any action taken and the vote or abstention of that action of each member present for the action." He recommended that the Convener implement this practice by announcing the result of the vote on each action taken immediately upon taking the vote, with enough specificity to identify how each Committee member voted. He also stated that the record of individual voting will be reflected in the minutes as well.

NEW BUSINESS - ADOPTION OF THE OWOW 2.0 PLAN (SC#22)

The Plan

Mark Norton stated that the Plan's theme, *Moving into Implementation*, reflects not merely an update of the Plan, but SAWPA challenged the Pillar workgroups and stakeholders to think about solutions for tomorrow.

DWR has a formal plan review process assuring that all IRWM plans meet certain standards. He reviewed the Plan’s highlights, guiding principles, Executive Summary, Web-based and climate change tools that were created, watershed assessment, and system-wide projects and programs. Pillar workgroups wrote the core of the OWOW 2.0 Plan. SAWPA implemented a bottom-up approach, which is very different from most programs. A list of prioritized implementation projects also are included in the Plan, based on the Round 2 submissions. The Plan also reflects new Pillar-recommended implementation actions, which are not prioritized at this time. This Plan represents a tremendous amount of work from the 10 Pillar workgroups and 350+ stakeholders. The public comments received regarding the Plan also were included in the packet. Additional comments that were received after-the-fact have been addressed, including comments received by OWOW Steering Committee member Linda Ackerman and OCWD.

Convener Sullivan said the reason this meeting is so important is because DWR has asked that this Plan be completed for Round 3, and we are under a tight deadline to get it approved by February 4. The SAWPA Commission will not take action until the Steering Committee reviews the Plan and makes their formal recommendation to the SAWPA Commission. We will come back at some point and begin establishing the rating and ranking criteria for the \$71M funding in Round 3. Discussion ensued regarding the Plan being a living, breathing document, and that amendments will take place. After the “call for projects”, the project list will be updated and replaced in the Plan by an amendment.

Ron Loveridge entered the meeting room at 3:40 p.m.

Prioritization of Project Concepts

At the last Steering Committee meeting, Garry Brown stated we were promised another opportunity to discuss the prioritization of projects/concepts. Convener Sullivan said that the Steering Committee will have this discussion at their March meeting, but today’s focus is on the adoption of the OWOW Plan.

Discussion ensued regarding the prioritization of the project concepts and the Broad Planning Management Guideline Strategies. Mark Norton stated that the Pillars recommended three groups – demand reduction/ watershed hydrology, operational efficiency/transfer, and remediation and innovative supply alternatives. Garry Brown again requested further discussion of this topic at the next meeting. Convener Sullivan asked staff to agendize the matter for March. Garry Brown stated, “... it seems to me that we are going against ourselves. ...We’ve built the whole OWOW foundation on the Pillars and they have recommended specific priorities – we should go along with their recommendations.” Beth Krom added that we have sacrificed vision if we don’t prioritize. Pat Morris stated, “... if we begin to prioritize, we empower stakeholders to sharpen their pencils.”

Discussion further ensued regarding funding priorities vs. planning priorities. Larry McKenney commented that the funding DWR gives us is captured through an established project ranking criteria, and we must have a strong interest in making sure that the Plan is written in a way that promotes flexibility for project ranking criteria and prioritization of goals, recognizing that the OWOW 2.0 Plan is bigger than any grant funding program. Convener Sullivan reminded the Steering Committee that this OWOW 2.0 Plan will be SAWPA’s basic planning document for our watershed.

Upon motion by Pat Morris, seconded by Ron Loveridge, the motion unanimously carried (8-0):

SC/14-01 -01
MOVED, approval to endorse the OWOW 2.0 Plan and recommend that the SAWPA Commission approve and adopt the OWOW 2.0 Plan at their meeting on February 4, 2014.

with the following vote:

- Ayes: Ramos, Krom, Loveridge, Morris, Brown, Ackerman, Sahabi, Sullivan
- Noes: None
- Abstain: None
- Absent: Ashley, Nelson, Galleano

Discussion briefly ensued regarding the project completion schedules of many Round 1 projects.

OWOW Steering Committee Appointments and Succession Planning

Celeste Cantú commented that some of the members’ appointments would be expiring shortly and that staff will be contact the appropriate appointing bodies. Discussion ensued regarding which members’ appointments were expiring. Shawn Nelson’s and Pat Morris’ appointments expire March 2014.

Convener Sullivan said he hopes everyone would continue serving on the OWOW Steering Committee, so the momentum could continue. SAWPA needs to tap into this expertise of those sitting at this table at least through the next funding cycle.

Celeste Cantú said SAWPA has contracted with Parsons Engineering to evaluate the OWOW process and to determine whether it is the best designed process to deliver the funding. We should have the results of their evaluation by March. Pat Morris stated, “...the concept of OWOW is magnificent – it has eliminated the silos, brought a collaborative spirit throughout the watershed, provided opportunities to create a unified plan, and is generally a wonderful process. The hard part is keeping people inspired and engaged, but OWOW has certainly done that.”

Old Business

None

Informational Reports

DWR Proposition 84, Round 2 Grant Funding Application Status Update

Celeste Cantú reported that DWR initially scored the OWOW Round 2 Proposal at 42 points out of 80 and recommended only 50% funding to the SAWPA IRWM region. SAWPA does not believe that DWR should be scoring the proposal at all, but rather defer to the original intent of the law. DWR only should review projects for consistency with the act, to determine if they are eligible water projects. SAWPA requested DWR to re-score our funding proposal. DWR is expected to finalize their funding recommendations for Round 2 by the end of this month. DWR spoke at the SAWPA Commission meeting in January about their process of ranking the grant proposals and we do expect that SAWPA will prevail for 100% funding. DWR has hired a consultant to review their process. Discussion ensued regarding why DWR treated Proposition 84, Round 2 so differently than Round 1, and changing the Steering Committee meeting time from 3:00 p.m. to 11 a.m. It was the consensus of the members to change the meeting time to 11 a.m. with a light lunch, effective March 27. The informational report was received and filed.

Consent Calendar

Upon motion by Ron Sullivan, seconded by Pat Morris, the motion unanimously carried:

SC/14-01-02
MOVED, approval of the Consent Calendar.
A. The Steering Committee approved the Minutes from the meeting held on 9-6-13.

with the following vote:

- Ayes: Ramos, Krom, Loveridge, Morris, Brown, Ackerman, Sahabi, Sullivan
- Noes: None
- Abstain: None
- Absent: Ashley, Nelson, Galleano

Announcements

Celeste Cantú announced the 2014 meeting calendar as follows:

March 27	<u>11 a.m.</u>	at SAWPA
May 22	"	
July 24	"	
September 25	"	
November 20	"	

Discussion briefly ensued regarding water storage throughout the State.

Adjournment

There being no further business, Convener Sullivan adjourned the meeting at 4:35 p.m.

APPROVED:

April 3, 2014

Ron Sullivan, Convener

2014-1-16 SC Min