



...A United Voice for the Santa Ana River Watershed

OWOW Steering Committee Members

Ronald W. Sullivan, Convener | SAWPA Commissioner
Jasmin A. Hall, SAWPA Commissioner
Shawn Nelson, Orange County Supervisor
Marion Ashley, Riverside County Supervisor
Curt Hagman, San Bernardino County Supervisor
Laura Roughton, Councilmember, City of Jurupa Valley

Jon Harrison, Councilmember, City of Redlands
Jose Solorio, Councilmember, City of Santa Ana
James Hessler, Altman Plants
Garry W. Brown, Orange County Coastkeeper
Linda Ackerman, Regional Water Quality Control Board

REGULAR MEETING OF THE OWOW STEERING COMMITTEE

Thursday, May 24, 2018 – 11:00 a.m.
at SAWPA, 11615 Sterling Avenue, Riverside, CA 92503

AGENDA

1. WELCOME AND INTRODUCTIONS

2. PUBLIC COMMENTS

Members of the public may address the Committee on items within the jurisdiction of the Committee; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

3. APPROVAL OF MEETING MINUTES: March 22, 2018

4. INFORMATIONAL ITEMS

A. OWOW Program Status (SC#2018.10)

Recommendation: Receive, review and provide comment.

Mike Antos



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5. BUSINESS ITEMS

- A. [Incorporating Sub-regional Plans into OWOW Plan Update 2018 \(SC#2018.11\)](#) Mike Antos
Recommendation: (1) Receive presentations by SAWPA staff and representatives from Friends of Harbors, Beaches and Parks about the Newport Bay Watershed Idea Book (2015); (2) Incorporate the Newport Idea Book as an appendix to the OWOW Plan update 2018; and, (3) Request SAWPA staff work with Friends of Harbors, Beaches and Parks to ensure proposed projects contained in the Idea Book are imported and fully-submitted to the OWOW Program Project Database to ensure inclusion of the OWOW Plan Update 2018.
- B. [CA Water Plan 2018 Indicators Pilot Status \(SC#2018.12\)](#) Mike Antos
Recommendation: Receive an update presentation from the consultants to the Department of Water Resources (DWR) CA Water Plan 2018 on the effort to develop indicators of progress towards the OWOW Plan Update 2018 Goals.
- C. [Proposition 1 IRWM Grant Program – Project Rating & Ranking Process \(SC#2018.13\)](#) Mike Antos
Recommendation: Receive, review and provide comment to SAWPA staff about the ongoing work to develop a rating & ranking system for evaluating projects that may qualify for Proposition 1 Integrated Regional Water Management (IRWM) program grant funding.

6. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or kberry@sawpa.org. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Thursday, May 17, 2018, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at the SAWPA office, 11615 Sterling Avenue, Riverside, California.

/s/

Kelly Berry, CMC



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<u>2018 – OWOW Steering Committee Meetings</u> Fourth Thursday of Every Other Month (NOTE: All meetings begin at 11:00 a.m. , unless otherwise noted, and are held at SAWPA.)	
January 25, 2018	March 22, 2018
May 24, 2018	July 26, 2018
September 27, 2018	November 15, 2018*
* Meeting date adjusted due to conflicting holiday.	

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**OWOW STEERING COMMITTEE
REGULAR MEETING MINUTES
MARCH 22, 2018**

Committee Members	
<u>Santa Ana Watershed Project Authority Representatives</u>	
Ronald W. Sullivan, Eastern Municipal Water District	Absent
Thomas P. Evans, Western Municipal Water District	Present [via-conference call]
<u>County Supervisor Representatives</u>	
Marion Ashley, Riverside County Board of Supervisors	Present [arrived 11:34 a.m.]
Shawn Nelson, Orange County Board of Supervisors	Absent
Curt Hagman, San Bernardino County Board of Supervisors	Absent
<u>County Mayor Representatives</u>	
Jon Harrison, Councilmember, City of Redlands	Present
Laura Roughton, Councilmember, City of Jurupa Valley	Present
Jose Solorio, Councilmember, City of Santa Ana	Absent
<u>Business Committee Representative</u>	
James Hessler, Director of West Coast Operations, Altman Plants	Present
<u>Environmental Committee Representative</u>	
Garry W. Brown, Convener, President, Orange County Coastkeeper	Present
<u>Regional Water Quality Control Board Representative</u>	
Linda Ackerman, Vice Chair, Santa Ana Regional Water Quality Control Board	Absent
Others Present	
<u>SAWPA COMMISSIONERS:</u>	None
<u>SAWPA STAFF:</u>	Rich Haller, Larry McKenney, Karen Williams, Mark Norton, Mike Antos, Rick Whetsel, Pete Vitt, Kelly Berry, Sara Villa
<u>OTHERS PRESENT:</u>	Steve Sentes, Chino Basin Water Conservation District Betty Andrews, Environmental Science Associates Peter Vorster, The Bay Institute

The OWOW Steering Committee meeting was called to order at 11:09 a.m. by Garry Brown, Convener, at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California, and by teleconference at 2855 McAllister Street, Riverside, California.

- WELCOME AND INTRODUCTIONS**
Roll call was duly noted and recorded.



2. PUBLIC COMMENTS

There were no public comments.

Awaiting the arrival of Committee Member Ashley before considering Agenda Item No. 3, the Committee first considered Agenda Item No. 5.B.

3. APPROVAL OF MEETING MINUTES – January 25, 2018

MOVED, approve the January 25, 2018 meeting minutes.

Result:	Adopted by Roll Call Vote (Unanimously, 6-0)
Motion/Second:	Roughton/Hessler
Ayes:	Ashley, Brown, Evans, Harrison, Hessler, Roughton
Nays:	None
Abstentions:	None
Absent:	Ackerman, Hagman, Nelson, Solorio, Sullivan

4. BUSINESS ITEMS

A. OWOW Plan Update 2018 Call for Projects and Procedure for Including Submitted Projects in the OWOW Plan Update 2018 (SC#2018.7)

Mike Antos provided a PowerPoint presentation on the Opening of the Call for Projects, Setting a Procedure for Including Projects in the OWOW Plan Update 2018. Antos noted that SAWPA has guidance from the state on how to include projects in the plan, and provided reasons as to why one would want to include a project in the OWOW Plan. Antos referenced the Steering Committee roles and noted that the next step is to set a procedure and prioritization factors so that projects competing for funding can be scored and ranked. The Call for Projects will open with an email blast, tweets, and direct contact with selected agencies. The online project submittal tool will be available for anyone in the watershed to propose a project and describe how that project will help achieve the goals of the OWOW Plan Update 2018. A brief demonstration of the online data tool was provided. It was noted that once the project information data was incorporated and submitted, it will be visible to the public through a mapping protocol. Because of changes in State policy, it is SAWPA's intention to keep the submittal tool open indefinitely. It was recommended that the OWOW Steering Committee approve the opening of the OWOW Plan Update 2018 Call for Projects. It was further recommended that the OWOW Steering Committee approve the proposed procedure for managing the inclusion of projects to the OWOW Plan Update 2018 from a continuously-open call (as referenced in SC#2018.7).

MOVED, approve the opening of the OWOW Plan Update 2018 Call for Projects, and approve the proposed procedure for managing the inclusion of projects to the OWOW Plan Update 2018 from a continuously-open call.

Result:	Adopted by Roll Call Vote (Unanimously; 6-0)
Motion/Second:	Roughton/Hessler
Ayes:	Ashley, Brown, Evans, Harrison, Hessler, Roughton
Nays:	None
Abstentions:	None
Absent:	Ackerman, Hagman, Nelson, Solorio, Sullivan



5. INFORMATIONAL ITEMS

A. DWR Proposition 1 Implementation Grants and OWOW Project Selection Weighting and Ranking (SC#2018.8)

Mike Antos provided a PowerPoint presentation on DWR Proposition 1 Implementation Grants Project Ranking and Rating. DWR is expected to release a Draft Project Solicitation Project (PSP) in May 2018, followed by a 45-day comment period during which DWR will hold three meetings across the State to review the document. The final PSP will be released in the summer, and the Grant Proposals are due December 2018. In April, the Pillars and stakeholders will meet to discuss the project selection criteria and process. With that input, staff will bring recommendations to the OWOW Steering Committee in May and July, with the intent to have an approved weighting and ranking system in July. Project proponents have had the OWOW Steering Committee's adopted Proposition 1 eligibility criteria in hand for more than a year. In the coming months, project proponents who wish to have their projects compete for implementation grants will be asked to provide additional information to the OWOW Program online database of projects. This information will quantify each project's compliance with the selection criteria, as well as the proposed benefits the project will provide the watershed. Using this submitted data, the OWOW Steering Committee will oversee the rating and ranking process for projects to be included in the grant proposal submitted by SAWPA to DWR.

Committee Member Ashley left the meeting at 12:43 p.m., during the discussion of Agenda Item No. 5.A., and did not return.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 5.A.

B. California Water Plan Update 2018 Pilot Study in the Watershed (SC#2018.9)

Mike Antos introduced Betty Andrews of Environmental Science Associates and Peter Vorster of The Bay Institute; and provided a PowerPoint presentation on the Sustainability Assessment for the Santa Ana River Watershed. Andrews informed the Committee that the Department of Water Resources (DWR) is really engaged at the level of providing support in the form of resources for the California Water Plan Update 2018 Pilot Study in the Watershed. The monitoring is to accomplish prioritization of, and investment in, actions, demonstrate progress, enlist support of progress, educate, and get towards the outcomes that were intended for the developed plan. Vorster provided a brief background of the history and framework of the Sustainability Assessment for the California Water Plan and the Sustainable Water Management. Andrews provided the OWOW Planning context process of identifying the goals, selecting the indicators, assessment, reporting results, and re-evaluate the plan and priorities. Andrews noted that the next step is the selection of indicators which is driven by the Goals from the OWOW Plan Update 2018, and to present the indicators at the Pillar Integration Workshop. A proposed suite of indicators will then be brought back to the Steering Committee in May. Once approval is confirmed the assessment will begin June or July, with a submittal of a Draft White Paper in September. It is anticipated that the Final Assessment White Paper can be adapted and incorporated into the OWOW Plan Update 2018.

Committee Member Ashley joined the meeting at 11:34 a.m., during the discussion of Agenda Item No. 5.B.

Committee Member Evans questioned how the indicators will be determined and how the process will go forward. Antos noted that the water retailers submit information to the State about how much water they are serving to their population, and in that reporting is an estimate of how much water per person is being used. It is anticipated to use the data and use one of our



indicators of whether we're successful at our educational efforts in the watershed to see whether people are decreasing the amount of water that they're using every day. Committee Member Hessler stated that he applauds and appreciates the Steering Committee's investment of time and that it is making a difference and going in a good direction. Larry McKenney suggested looking into a timescale of tracking the indicators and reporting back to the committee either monthly, quarterly, or annually. Antos noted it would be based off an annual update and an assessment will be meaningful in a 4-5 year plan.

Convener Brown questioned how the process will be separated between the planning of projects and allocating money for projects, and then how the completed projects and their impact on the watershed will be assessed. Antos emphasized the two-step process to improve the OWOW Plan and include projects that may be funded by the IRWM program or by other programs. SAWPA recognizes that other planning efforts will produce projects that help achieve OWOW Plan goals, while the IRWM program aims to promote activities that set goals at a watershed scale. Committee Member Roughton requested having the list of goals and objectives and the list of indicators presented at the next OWOW Steering Committee meeting, and to include in the indicators a component for human usage of the watershed and the river due to the awareness of the ecological character of the watershed. Committee Member Roughton suggested re-visiting the list of indicators semi-annually.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 5.B.

The Committee next considered Agenda Item No. 3, and followed the order of the agenda for the remainder of the meeting.

6. **ADJOURNMENT**

The meeting came to a close at 1:01 p.m.

APPROVED: May 24, 2018

Ronald W. Sullivan, Convener

Attest:

Kelly Berry, CMC, Clerk of the Board

OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.10

DATE: May 24, 2018

TO: OWOW Steering Committee

SUBJECT: OWOW Program Status

PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee receive, review and if appropriate provide comment to SAWPA staff about the OWOW Program.

DESCRIPTION

The OWOW Program currently is undertaking three main efforts; the OWOW Plan Update 2018, the Disadvantaged Communities Involvement Program, and the upcoming Proposition 1 IRWM Implementation grant opportunity. Below is a brief status update of these three efforts.

The OWOW Plan Update 2018 remains on its ambitious schedule, with kudos due to the ten Pillar workgroups who have completed important work over the past year. At the time of this memo, six of the ten chapters have been submitted, hitting the April 30 deadline. The other four are expected during May. The non-Pillar chapters of OWOW 2.0 are being reviewed, edited and updated by SAWPA staff and a consultant team from Dudek.

During May and June, the Pillar workgroups are reviewing the work of their peers and considering how to craft sections of each chapter that describe the intersections between recommendations of their work and that of other Pillars.

A public review draft of the OWOW Plan Update 2018 will be ready by late July and following the OWOW Steering Committee action at the July meeting, the Plan will be available and noticed for a 4-6 week public comment window.

Throughout the Fall, comments will be documented and addressed, and a final Plan will be compiled and formatted for the OWOW Steering Committee to review and recommend for adoption by the SAWPA Commission in November.

The Call for Projects to be included in the OWOW Plan Update 2018 remains underway, at the time of this memo twenty-one organizations have submitted eighty-two projects to the online OWOW Projects Database. The OC Plan projects have been imported, and the California Coastal Conservancy Santa Ana River Parkway & Open Space plan projects were imported, when feasible, in

early May. Managers of other plans continue to work with SAWPA staff to import other lists of projects.

The Disadvantaged Communities Involvement Program is nearing completion of its first Program Element – Strengths & Needs Assessment. The past six months has seen program partners fanning out across the watershed to conduct interviews and listening sessions with members of communities. A report summarizing this work and its findings will be complete in the Fall.

In addition, the Trust the Tap campaign, funded by this Program, is in the hands of a consultant who will soon begin conducting meetings with interested water agencies. The effort will provide marketing, social media and other materials in English, Spanish and Vietnamese to ensure that all people can understand and recognize the quality and value in the tap water in the watershed.

Initial consideration of Technical Assistance opportunities is also underway. A partnership between SAWPA and the City of Riverside is developing related to homelessness and watershed health. Also highlighted is the need for income surveys in the watershed in places where recent development has obscured low-income communities from being identified by the statewide tools. This type of analysis supported Quail Valley in earlier rounds of funding. Additional aspects of Technical Assistance include financial or technical support on CEQA documents for projects, the establishment of a Tribal advisory group, and policy and/or engineering templates to support linking water management infrastructure and the provision of safe-routes-to-schools.

The Proposition 1 IRWM Implementation Grants are expected to be awarded in the Spring of 2019, per recent communication from Department of Water Resources. Between now and the awarding of grants, several steps are expected, some of which are new in how DWR manages their grant-giving. First, the draft Project Solicitation Package (PSP) will be released in late June, with a comment period following. The Final PSP will be released in Fall.

New to the process will be Pre-Application Workshops, one held in each Funding Region. Prior to the workshop our region will provide a relatively light amount of detail about our region's critical needs, our planning and engagement approaches, and the projects we propose to fund using the Prop 1 allocation. DWR staff, along with peers from other State agencies, will then come to our region for a workshop and to dialog with us about the items we are proposing. This is intended to ensure high-quality applications that contain fundable and realistic projects.

Following the workshop, DWR will provide written comments, and referencing them our region will compile and submit an application for grant funding. DWR is hopeful that applications will roll in following the workshops, which will be distributed between November 2018 and April 2019. Grant Agreements then take several (or more) months to complete, meaning that grant awards to project proponents will be ready in summer 2019 at the earliest.

It remains unclear if DWR would permit a region to request the entire allocation within the first round of submittals. In discussions DWR staff are eager to support strategic planning and achieving success in regions that are ready to go, however, their documents continue to describe multiple rounds of funding. This is an ongoing discussion between DWR and SAWPA.

Another small but very impactful change DWR is proposing involves project readiness. In past rounds, one of the suite of construction projects submitted for funding had to be through the CEQA process. In Prop 1 DWR is proposing that all construction projects submitted for funding must each complete CEQA within six months of the grant award date. If a project does not achieve that milestone, it will be judged ineligible for grant funding, and the awarded funding will be available for future rounds. Comments are still being accepted by DWR on this conceptual idea.

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OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.11

DATE: May 24, 2018

TO: OWOW Steering Committee

SUBJECT: Incorporating Sub-regional plans into OWOW Plan Update 2018

PREPARED BY: Mark Norton, Water Resources & Planning Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee:

- 1) Receive presentations by SAWPA staff and Friends of Harbors, Beaches and Parks about the Newport Bay Watershed Idea Book (2015);
- 2) Incorporate the Newport Idea Book as an appendix to the OWOW Plan update 2018; and,
- 3) Request SAWPA staff work with Friends of Harbors, Beaches and Parks to ensure proposed projects contained in the Newport Idea Book are imported and fully-submitted to the OWOW Program Project Database to ensure inclusion of the OWOW Plan Update 2018.

DESCRIPTION

The One Water One Watershed Plan serves many roles in the Santa Ana River watershed, chiefly through it is the approved Integrated Regional Water Management Plan for the Santa Ana Funding Region within the Department of Water Resources Integrated Regional Water Management Program.

Representatives from the Friends of Harbors, Beaches and Parks, who were instrumental in the Newport Bay Watershed Idea Book (2015), will present the purpose and content of this plan, so that it can be incorporated into the OWOW Plan Update 2018 by reference.

Because the plan contains project concepts or a list of proposed projects, the “incorporation” of the plan does not also include automatic incorporation of those projects. Rather, for projects to be included in the OWOW Plan Update 2018 they must be submitted through the online OWOW Program Project Database. To facilitate this, SAWPA staff is committed to directly importing lists of projects from this other plan and ensuring that project proponents face as little extra data entry as possible.

BACKGROUND

The OWOW Program and the OWOW Plans acknowledge that watershed management occurs at multiple scales and is undertaken, encouraged or required by multiple policy frameworks. OWOW Plan Update 2018, like its predecessors, places integration at the center of the efforts to achieve watershed goals. By including sub-regional plans as appendices to the OWOW Plan Update 2018, the region benefits through the figurative and literal integration of the implementation of these plans. Connecting other planning efforts related to water and land management, general plans, stormwater management plans, urban water management plans, among others, is one key role for OWOW Plan Update 2018. As the plan for the watershed, it seeks not to reproduce what more specific plans have concluded or encouraged, but rather to express opportunities at the intersection of activities, and to provide detail on topics that haven't otherwise been addressed.

For this reason, subregional plans are being incorporated in the OWOW Plan Update 2018. This is not required prior to a subregional plan being used to inform the content of the OWOW Plan. Rather, this incorporation plays two important roles. First, some subregional or topic-specific plans are required by policy to be incorporated into an IRWM Plan, as is the case for Stormwater Resources Management Plans. Second, some subregional or topic-specific plans seek to be acknowledged, and to reveal the alignment with the goals and purpose of the OWOW Plan.

The Newport Bay Watershed Idea Book describes itself this way:

...facilitate[s] a discussion among Newport Bay Watershed stakeholders about the opportunities for ecological sustainability in the region. These opportunities are structured to be useful to:

- *Public works departments and infrastructure agencies working to identify opportunities for compliance with regulatory programs and accommodate future growth requirements.*
- *Community development directors and urban planning departments looking to standardize the regulatory process for future growth planning, while achieving a greater level of urban amenity value from infrastructure projects and investment.*
- *Infrastructure Agencies that want to cost effectively increase their capacity.*
- *Elected officials looking for new ways to coordinate and align the many agencies active in their jurisdiction to enable a greater level of institutional partnership, community support, and return on public investment.*

OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.12

DATE: May 24, 2018

TO: OWOW Steering Committee

SUBJECT: CA Water Plan 2018 Indicators Pilot Status

PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee receive an update presentation from the consultants to the Department of Water Resources (DWR) CA Water Plan 2018 on the effort to develop indicators of progress towards the OWOW Plan Update 2018 Goals.

DESCRIPTION

OWOW Program and SAWPA are among early adopters of using watershed assessment tools to understand progress and performance towards planning targets. Integrated water management is very complex and is a shared enterprise. Understanding whether all the disparate and collaborative management actions are together achieving progress towards shared goals is a key to good management. That broad understanding, however, remains very difficult to achieve and maintain over time.

During OWOW 2.0 Plan development, SAWPA retained the non-profit Council for Watershed Health (CWH) to develop a suite of indicators that would reveal progress towards the OWOW 2.0 Plan goals. CWH had experience conducting several state and federally-funded indicators-based assessment projects in the Los Angeles River watershed, including work that supported the California Water Plan Update 2013. OWOW 2.0 Plan Appendix A remains a valuable tool that was never fully deployed due data acquisition limitations and is among the items SAWPA is eager to update during OWOW Plan Update 2018.

As part of the development of the California Water Plan Update 2018, DWR is supporting two pilot applications of the Sustainability Outlook, one in the Russian River Valley, and the other here in the Santa Ana River Watershed. SAWPA is very proud to have been selected for this partnership with DWR and recognizes how the benefits of the effort will accrue both to the watershed and to the State.

At the January 2018 OWOW Steering Committee meeting, the consultant team tasked by DWR to assist SAWPA in the update of Appendix A visited to describe the effort underway, and to receive feedback from the Steering Committee. They also attended the April Pillar Integration meeting, where the group was able to workshop aspects of the effort. Today, the team returns to reveal progress to-date and receive final input from the Steering Committee as they complete their work over the coming months.

The effort has selected two indicators for each of the six goals in the OWOW Plan Update 2018 and has identified what measurements will inform the status and trend of each indicator. These indicators and metrics will be presented during the meeting, described, and feedback will be sought.

The remainder of the project includes finalizing indicators and metrics, documenting the process for both OWOW Plan Update 2018 and the California Water Plan Update 2018, completing the assessment, and sharing the results during the winter months.

OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.13

DATE: March 24, 2018

TO: OWOW Steering Committee

SUBJECT: Proposition 1 IRWM Grant Program – Project Rating & Ranking Process

PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee receive, review and provide comment to SAWPA staff about the ongoing work to develop a rating & ranking system for evaluating projects that may qualify for Proposition 1 Integrated Regional Water Management (IRWM) program grant funding.

DESCRIPTION

Upon the release of a Proposition 1 IRWM Project Solicitation Package from DWR, the OWOW Steering Committee becomes responsible for bringing the SAWPA Commission a portfolio of projects that are eligible for the funding opportunity, are suitably ready to proceed, have sufficient local match funding identified, and, most importantly, provide benefits to the watershed in line with the goals of the OWOW Plan Update 2018. One critical aspect of the process of developing a suite of projects for the grant proposal is the development and application of a set of Rating & Ranking Criteria. This tool is used to assess and rank all the competing projects in a way that is transparent and appropriate.

Rating & Ranking Criteria have been under development for the past two months. Built from the system previously used in Prop 84 and using the Project Eligibility Criteria established by the OWOW Steering Committee in July 2016 (attachment 1), stakeholders and the Pillar Chairs have provided input about the proposed system.

The current draft system proposes a series of steps to select a project suite. The first step will be for a project proponent to answer a series of eligibility questions, each structured to be a Yes/No question. Any project that cannot answer “Yes” to all the eligibility questions will not be considered. Draft examples of this type of questions are: “Are at least two organizations providing resources to accomplish the project?” and “Has the required 50% local match been identified and secured?”

Once a project has been identified as eligible, the project proponent will be required to quantify the benefits the project, once complete, will provide to the watershed. The benefit classes are derived from the July 2016 Steering Committee document and the Proposition 1 language. The complete list of benefit classes, and the structure of how to quantify them, remain in development. Examples include “Removal of invasive species” and “groundwater recharge and management.” Proposed quantification for these are “acres of watershed managed by project” and “acre-feet per year of

new usable groundwater from any source”, respectively. The benefits, envisioned to be in a list of about ten benefit classes, will be weighted through a stakeholder process. The weighting establishes the region’s focus on most critically needed projects.

When the Call for Projects for grant competition closes, submittals will be reviewed by SAWPA staff for accuracy, data entry errors, omissions and duplication. The range of benefits proposed by the suite of projects will be established, from most to least in each class. The range within each benefit class is used to proportionally allocate points to all proposed projects. This analysis will be completed for each benefit class and each project, using the stakeholder weighting. Each project then will have a summary score, which will permit ranking of the proposed projects.

A second component that has been discussed by the Pillar Chairs, in response to a request by the OWOW Steering Committee, is developing a system whereby smaller projects are able to compete for grant resources. A draft idea was discussed during the May 7 Pillar Chairs meeting involves separating the available grant funds (about \$50 million) into two pots, one for projects with a grant request under \$1 million, and one for projects with a grant request over \$1 million. In this concept 10% (~\$5 million) be available for small budget projects to compete, using the system above, against one another. The other 90% (~\$45 million) would be available for large budget projects to compete against one another. The size of the two pots, and the threshold between “small” and “large” budget projects, are both still in development.

This system is not the same as the set-aside for projects that benefit disadvantaged communities. Within the funding is a requirement for \$6.3 million of the grant be used to produce projects that meet the needs of members of disadvantaged communities. Using the eligibility and rating criteria, it is expected that projects of any size will describe their benefits to disadvantaged communities, and that the system will make them a priority within the ranking. Once all is said and done, a minimum \$6.3 million of the available implementation grant funding must support projects benefitting disadvantaged communities. The hope expressed by the Pillar Chairs is that the region will naturally far surpass that legislative “floor” in the projects that are ranked most highly.

The next step of rating and ranking is reviewing the submittals from project proponents, evaluating any data entry errors in the online project information forms, verifying that benefits claimed are within reason, that DWR grant eligibility requirements are met, and that projects are achieving the most critical needs in the region. SAWPA staff, as conducted under previous grant funding rounds, would undertake this quality assurance and quality control process. Thereafter, the list of submitted projects is sent out to stakeholders seeking their review input. Then all projects submitted to SAWPA seeking grant funding are rated and ranked based on the project selection criteria approved by the OWOW Steering Committee.

For Prop 1 IRWM grant funding, SAWPA is considering a project portfolio development process that borrows some of the methods of “participatory budgeting”, a system that local governments have been experimenting with over the past decade. The concept would take the list of projects that are rated and ranked, and using the grant requests and available grant funds, SAWPA would establish a

list of projects that are highest ranked and likely to be funded. Then SAWPA would host an open meeting, led by the Pillar Chairs, where the project proponents on that list would make presentations to the Pillar Chairs and stakeholders. Anyone present may ask reasonable questions about assertions made by project proponents. Following a formal process and for a set period of time, each project will be discussed in the meeting. At the end of the discussion period, all participants at the meeting would work together to reach a consensus on a recommended portfolio of projects and funding levels.

The overall project list would be updated and re-ranked following the meeting, taking into account any changes to benefits or budgets that are made by proponents. This final list of projects would be based on what was agreed upon by those in the meeting.

This final portfolio of recommended projects for Prop 1 IRWM grant funding would be brought to the OWOW Steering Committee for action, and, when appropriate, to the SAWPA Commission to authorize submittal to the State.

Attachments:

1. Proposition 1 IRWM Implementation Grant Project Eligibility Criteria (as approved by the OWOW Steering Committee, July 7, 2016)

Prop 1 IRWM Implementation Grant Project Eligibility Criteria

As approved by OWOW Steering Committee, July 7 2016

IRWM is a collaborative effort to manage all aspects of water resources in a region. IRWM crosses jurisdictional, watershed and political boundaries; involves multiple agencies, stakeholders, individuals and groups; and attempts to address the issues and differing perspectives of all entities involved through mutually beneficial solutions. Our goal is to seek benefits which improve the entire watershed and are not achieved at the expense or detriment of another.

Applicants is required to describe how the project:

- Applicant meets all statutory requirements, as was the case in all prior rounds, including grant recipient eligibility and project eligibility, including:
 - IRWM region acceptance through the Regional Acceptance Process (SAWPA has complied)
 - Project must be consistent with the OWOW Plan
 - Project proponents must adopt the OWOW Plan
 - Groundwater Management Plan compliance
 - Urban Water Management Planning Act compliance
 - Agriculture Water Management Plan compliance
 - Surface Water Diversion Reporting compliance
 - AB 1420 compliance
 - SBX 7-7 compliance
 - CWC Section 529.5 compliance
 - CWC Section 10920 compliance
 - CWC Section 10562(b)(7) compliance (for stormwater projects).
- Is an integrated project that benefits the entire watershed or a significant sub-watershed in the region, will be completed with active participation of multiple agencies and/or NGOs or other stakeholders, produces a net benefit to the Watershed and has no unreasonable negative impacts on others?
- Is a sustainable project that is resilient to changing conditions in the watershed?
- Provides multiple benefits and includes two or more of the following elements:
 - Water supply reliability, water conservation, and water use efficiency
 - Stormwater capture, storage, clean-up, treatment, and management
 - Removal of invasive non-native species, the creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space and watershed lands
 - Non-point source pollution reduction, management, and monitoring
 - Groundwater recharge and management projects
 - Contaminant and salt removal through reclamation, desalting, and other treatment technologies and conveyance of reclaimed water for distribution to users
 - Water banking in the Watershed, exchange, reclamation, and improvement of water quality
 - Multipurpose flood and storm water management programs
 - Watershed protection and management
 - Drinking water treatment and distribution
 - Ecosystem and fisheries restoration and protection.
- Is consistent with the implementation of the California Water Action Plan.
- Implements the OWOW 2.0 Plan as adopted on February 4, 2014.
- Complies with eligibility requirements contained within a specific Proposal Solicitation Package.