



...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

Jose Solorio, Councilmember, City of Santa Ana
James Hessler, Altman Plants
Garry W. Brown, Orange County Coastkeeper
Linda Ackerman, Regional Water Quality Control Board
Vacant, San Bernardino County City Representative

REGULAR MEETING OF THE OWOW STEERING COMMITTEE

Thursday, November 15, 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: September 27, 2018**

4. **INFORMATIONAL ITEMS**

A. **OWOW Plan Update (SC#2018.23)**
Recommendation: Receive and file.

Mike Antos

B. **OWOW Program Update (SC#2018.24)**
Recommendation: Receive and file.

Mike Antos



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

5. BUSINESS ITEMS

- A. [Refining the OWOW Program Based on Stakeholder Feedback \(SC#2018.21\)](#) Mike Antos

Recommendation: Adopt an updated *Proposition 1 IRWM Implementation Grant Project Eligibility – OWOW Program Policy*, but at this time make no other changes to the OWOW Plan Update 2018 or the OWOW Program process of selecting projects for competitive grant opportunities.

- B. [Incorporating the Santa Ana River Parkway and Open Space Plan into the OWOW Plan Update 2018 \(SC#2018.22\)](#) Mike Antos

Recommendation: (1) Receive presentations by SAWPA staff and the California Coastal Conservancy about the Santa Ana River Parkway & Open Space Plan (2018); and, (2) Incorporate the Parkway & Open Space Plan by reference in an appendix to the OWOW Plan Update 2018.

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, November 8, 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

<p><u>2019 – OWOW Steering Committee Meetings</u> Fourth Thursday of Every Other Month (January, March, May, July, September, November) (NOTE: All meetings begin at 11:00 a.m., unless otherwise noted, and are held at SAWPA.)</p>	
January 24, 2019	March 28, 2019
May 23, 2019	July 25, 2019
September 26, 2019	November 21, 2019*
* Meeting date adjusted due to conflicting holiday.	



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

OWOW STEERING COMMITTEE

REGULAR MEETING MINUTES

SEPTEMBER 27, 2018

Committee Members	
<u>Santa Ana Watershed Project Authority Representatives</u>	
Ronald W. Sullivan, Eastern Municipal Water District	Present
Jasmin A. Hall, Inland Empire Utilities Agency	Present
<u>County Supervisor Representatives</u>	
Marion Ashley, Riverside County Board of Supervisors	Absent
Shawn Nelson, Orange County Board of Supervisors	Present
Curt Hagman, San Bernardino County Board of Supervisors	Present
<u>County City Representatives</u>	
San Bernardino County City Representative [Vacant]	Vacant
Laura Roughton, Councilmember, City of Jurupa Valley	Present
Jose Solorio, Councilmember, City of Santa Ana	Present [11:07 a.m.]
<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	Present
Others Present	
<u>SAWPA COMMISSIONERS:</u>	None.
<u>SAWPA STAFF:</u>	Rich Haller, Larry McKenney, Karen Williams, Dean Unger, Mike Antos, Kelly Berry
<u>OTHERS PRESENT:</u>	Heather Cooley, Director of Research with the Pacific Institute; Amanda Carr, Deputy Director, OC Environmental Resources; Michael Markus, General Manager, Orange County Water District

The OWOW Steering Committee meeting was called to order at 11:04 a.m. by Ronald W. Sullivan, Convener, at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. WELCOME AND INTRODUCTIONS

Roll call was duly noted and recorded. Mike Antos introduced Vic Nguyen, Chief, Southern Region Office, California Department of Water Resources Division of Integrated Regional Water Management.



Mr. Nguyen has reached out to engage with stakeholders and SAWPA staff and observe the work accomplished within the watershed.

2. PUBLIC COMMENTS

There were no public comments.

3. APPROVAL OF MEETING MINUTES – July 26, 2018

MOVED, approve the July 26, 2018 meeting minutes.

Result:	Adopted (Passed)
Motion/Second:	Hall/Brown
Ayes:	Ackerman, Brown, Hagman, Hall, Hessler, Nelson
Nays:	None
Abstentions:	Roughton, Sullivan
Absent:	Ashley, Solorio

4. INFORMATIONAL ITEMS

A. Pacific Institute Update on Activities in the Santa Ana River Waterside (SC#2018.19)

Heather Cooley, Director of Research with the Pacific Institute, provided a PowerPoint presentation titled, *Corporate Water Stewardship in the Santa Ana River Watershed*. Current work in the Santa Ana River Basin includes commercial and industrial properties, sustainable landscapes to improve water security and climate resilience in California, and context-based corporate water targets to reduce water risk and improve water security.

Committee Member Solorio arrived at 11:07 a.m., during the presentation of Agenda Item No. 4.A.

This item was for informational purposes; no action was taken on Agenda Item No. 4.A.

B. OWOW Program Update (SC#2018.20)

Mark Norton provided a PowerPoint presentation with a status report on the OWOW Program (inclusive of the OWOW Plan Update 2018, Disadvantaged Communities Involvement Program, Proposition 1 IRWM Implementation Grants), a copy of which was provided to Committee members, staff and the public. Public review of the draft OWOW Plan Update 2018 is anticipated in mid-October. The draft Project Solicitation Package (PSP) for the Proposition 1 IRWM Implementation Grants is anticipated to be released at any time; DWR funding area workshops will be conducted during the winter 2018/2019 timeframe. Round 1 grant applications are due to DWR early April 2019, with grant awards anticipated late 2019.

This item was for informational purposes; no action was taken on Agenda Item No. 4.B.

5. BUSINESS ITEMS

A. The OC Plan and the July 13, 2018 letter from the North/Central OC Watershed Management Area Agencies (SC#2018.18)

Mike Antos provided a PowerPoint presentation, a copy of which was provided to Committee members, staff and the public. Additional handouts included (1) July 13, 2018 letter from the North/Central OC Watershed Management Area Agencies, (2) two support letters (OC Stakeholders and Newport Bay Watershed Executive Committee), and (3) a rebuttal letter from OCWD to SC#2018.18; copies of which are made a part of the record by this reference.



Amanda Carr, Deputy Director, OC Environmental Resources provided a PowerPoint presentation titled, *The OC Plan and Integrated Regional Water Management in Orange County*. Within Orange County collaboration efforts, North and Central cities and water districts expressed concerns they did not feel that Orange County water resources needs were being effectively reflected in the OWOW Plan and the OWOW IRWM process, which was the impetus for the water district, sanitation district and Orange County to begin the update and further development of the OC Plan. The OC Plan combines the north and central areas into one area; all Santa Ana Region municipalities and water districts are included. This effort to update the OC Plan was to clarify specific water resource needs of Orange County; then through that clarification of needs, to hope for better integration within the OWOW Plan.

For illustrative purposes, Carr outlined management and operation in the San Diego funding area (SD Area), where Orange County takes on the role as the lead agency. This group, consisting of a 21-member executive committee supported by a management committee of high-level staff from agencies participating in IRWM, has been awarded \$37 million in grant funding which has leveraged a total of \$216 million in investment for south Orange County water resources. The SD Area has three separate regional water management groups – South Orange County, Upper Santa Margarita, and San Diego. The Tri-County FACC serves as the formal agreement under which the funding split is modeled on the population and land area calculation that the State utilizes to distribute the funds to all twelve funding areas. Under the Tri-County FACC, Orange County receives 13% because they are a small geographic/population area relative to San Diego, but they follow the model that the State has followed in distributing funds because they believe it is representative of the needs demonstrated by those areas. Collaboration is pursued within watershed and program areas.

Carr stated that relative to North and Central Orange County, less than 20% of the geographic area is still hydrologically connected to the Santa Ana River watershed. Prado Dam physically separates the upper and lower watershed. Orange County's major focus is surface water quality; North and Central Orange County have unique priorities such as beach water quality, seawater intrusion control, marine protected areas, and the ecological health of Upper Newport Bay. Concerns have existed since the beginning on whether the focus of Orange County stakeholders, water quality (including surface water quality) and coastal issues (Upper Newport Bay), could be effectively reflected within the OWOW Plan. They recognize that the goal of the OWOW Plan is to improve the overall health of the watershed through the Santa Ana funding area and they do agree that there are several interrelated issues; however, it is much easier for projects in the upper watershed to show downstream benefits versus projects that are in the lower watershed showing upstream benefits. Carr noted that the OC Stakeholders approaching the County to re-engage in IRWM planning for Orange County illustrates the fact that the OC Stakeholders have not felt engaged/heard through the OWOW process. They were hoping to clarify and reinvigorate the voice of the OC Stakeholders and further spur dialogue through their request for integration by becoming a chapter in the OWOW Plan.

Development and adoption of the OC Plan were outlined, as well as the rating and ranking differences between the OC Plan and the OWOW Plan. The highest-score focus of the OC Plan, adequate/reliable water supplies and protect/enhance water quality, do not map to the OWOW plan. The OC Stakeholders place water reliability and supply and surface water quality as equal-weighted goals; this is not sufficiently reflected in the OWOW Plan to address the needs OC Stakeholders have identified as their top concerns. Water quality in Newport Bay, a focus of OC Stakeholders, is completely unrelated to water coming down the Santa Ana River and they feel that the OWOW Plan is solely focused on water coming down the Santa Ana River. So, when



projects in Newport Bay Watershed/Huntington Harbor Watershed are put forth in the OWOW Plan, they are less competitive because the OWOW Plan is focused mainly on water supply and on areas hydrologically connected.

Allocation of 38% of total available grant funds to projects in Orange County was requested in the July 13, 2018 letter from the North/Central OC Watershed Management Area Agencies. In addressing that request, Carr noted that 38% was based on the way the State allocated funding statewide to address both land area and population. Population plays a large role in bringing money to the funding area; they believe that population and land area should be used to divide money within this funding area. In addressing information contained in OWOW SC memorandum 2018.08 provided by staff for this discussion which stated the DWR is uncomfortable with the funding split that has been negotiated within the SD Area, Carr respectfully disagreed. As the manager for that area, Carr stated that has never been communicated to her during frequent conversations with the Director of Finance for the IRWM program.

Committee Members Hagman and Solorio noted they were in the State Legislature at the time, and the intent of this funding was to encourage people to work together within regional efforts, not individual counties or looking at geographical boundaries. They were seeking a holistic perspective giving the flexibility to regions relating to their own needs, not per population. Carr noted the OC Plan sets forth their needs and makes their request very clear to have meaningful integration in the OWOW process; alternatively, their IRWM plan is compliant and they can go to DWR and ask to be a separate regional water management group within the Santa Ana funding area. This is their request to have meaningful integration into the OWOW Plan and remain within the OWOW Plan.

Discussion continued regarding success within the SD Area, purpose and funding as well as rating and ranking of the OC Plan versus the OWOW Plan. Committee Member Solorio noted that within spans of time demographics change and other areas will grow; this conversation is very important and timely, and these are reasonable requests. Orange County is an important stakeholder to SAWPA overall; they have represented they feel shortchanged over several years, and this is the time to make it right.

Convener Sullivan noted the OWOW process has been an evolution over the past ten years; it has always been a competitive process for the benefit of the entire watershed, not individual areas, counties or districts. There has never been a guaranteed amount for a specified area. We are trying to support continuing a competitive grant program for the betterment of the entire watershed.

Mike Antos reported on recent communication efforts, noting a result of which is a proposal for a program goal to ensure projects within any one county will not receive less than 25% of the available funding. Carr noted this does not address the fact that OC goals of water quality and water supply are not reflected in the ranking and scoring process of the OWOW Plan. They accordingly request their projects come through their plan and scoring process, as a chapter under the OWOW Plan umbrella. Convener Sullivan suggested obtaining current population data, not 2010 data used in the OC calculations, and take that data forward to calculate what would be expected in 2020 and 2030; then come back with more accurate information so the Committee can decide with current data.

Committee Member Hall left the meeting at 12:23 p.m. and did not return.

Commissioner Bruce Whitaker noted that significant stretches of coastal areas are unique in Orange County relating to the Santa Ana Watershed. Committee Member Brown noted the



benefit and connectivity relating to groundwater throughout the watershed and support of the holistic approach to the watershed but voiced a problem with a guaranteed percentage because it moves against the purpose of the OWOW process; Brown supported integration of the OC Plan within the OWOW Plan. He would like to see a more robust effort taking into account the coastal region when it comes to project rating and ranking.

Mike Markus expressed the OC Stakeholders believe the OC Plan process is superior to that being proposed in the OWOW Plan, and encouraged the Committee take that into consideration and not just the guaranteed percentage of funding requested.

Committee Member Roughton noted she was not comfortable with the guaranteed percentage; she appreciated the robust discussion and encouraged it to continue. She was supportive of resiliency language but emphasized the need for more work among staff before she would be comfortable to vote on the item. Committee Member Hessler noted he was struggling with the guaranteed percentage, but he understands the concerns regarding competitiveness and alignment of goals expressed by Orange County and does not think the language fully addresses those concerns. Committee Member Ackerman was not prepared to vote on the item until she received more data and noted she would like to know how and to what degree climate change was discussed with the Pillars. Committee Member Solorio supported looking at current population numbers and noted it would be interesting to know how much money each of the counties have received over the past 10 years; Solorio noted water quality should be included and perhaps moved up in priority. Convener Sullivan reiterated there was no goal to shortchange the coastal region; it is a competitive program and will never be perfect. Committee Member Hagman encouraged we take into consideration what the language of the bond states and we should determine how close we are to following what is set forth in the water bond.

The information provided was received by the OWOW Steering Committee; however, direction was provided to SAWPA staff but no action was taken on Agenda Item No. 5.A.

6. **ADJOURNMENT**

The meeting came to a close at 1:08 p.m.

APPROVED: November 15, 2018

Ronald W. Sullivan, Convener

Attest:

Kelly Berry, CMC, Clerk of the Board

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OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.23

DATE: November 15, 2018
TO: OWOW Steering Committee
SUBJECT: OWOW Plan Update
PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee receive and file a presentation about the Public Review Draft of the One Water One Watershed Plan Update 2018.

DISCUSSION

The OWOW Plan Update 2018 is assembled and formatted for release to a public comment period beginning November 19, 2018. This plan, an update from the 2014 OWOW 2.0 Plan, was crafted over the past eighteen months by the shared effort of many stakeholders, consultants, agency staff, SAWPA staff, and the OWOW Steering Committee.

The OWOW Plan Update 2018 Public Review Draft is complete, and compliant with the 2016 IRWM Standards released by the Department of Water Resources. However, it is possible that one or more of the appendices of the OWOW Plan Update 2018 will be incomplete when released for the public review period.

The public review period will close December 14, 2018. Comments received will be processed by SAWPA staff, and the final and complete OWOW Plan Update 2018 will be assembled for the review and approval of the OWOW Steering Committee at the January 27, 2019 regular meeting.

Following the recommendation of the OWOW Steering Committee, the OWOW Plan Update 2018 will be brought before the SAWPA Commission during the February 2019 meeting for final approval. This action requires formal notice and a public hearing.

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OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.24

DATE: November 15, 2018
TO: OWOW Steering Committee
SUBJECT: OWOW Program Update
PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee that the OWOW Steering Committee receive and file this update about OWOW Proposition 1 IRWM Implementation Grants Program activities.

DISCUSSION

Proposition 1 IRWM Implementation Grant Funding

The Proposition 1 IRWM implementation grants has been announced by Department of Water Resources with a release of the draft Project Solicitation Package (PSP) on October 5, 2018. The draft PSP will be reviewed and will help SAWPA staff further refine the “Call for Projects Seeking Grants” online tool, as well as the details of OWOW Steering Committee approved eligibility criteria (specifically the context surrounding the DWR-proposed CEQA eligibility requirements.)

The timeline shared by DWR has been updated and now reflects the release of the Draft PSP and a 45-day public comment period with public meetings from Oct. 5 – Nov. 20th, with the Final PSP expected in “late 2018”, followed by our application due to DWR “anticipated” in April 2019.

SAWPA plans to participate in one of the three statewide DWR workshops in Lakewood to provide SAWPA comments regarding the draft PSP. Preliminarily SAWPA will recommend support for the default DWR funding levels for the first round of Santa Ana Funding Area,

With the release of a Proposition 1 IRWM Project Solicitation Package from DWR, SAWPA will release a new Call for Projects for Prop 1 grant funding in late November 2018 which links to an online project information system developed by SAWPA. Thereafter the projects will be reviewed for entry errors and all projects along with project information will be released to the public for review. A workshop called “Let’s Connect through OWOW” will be held to consider whether any project proponents would be interested in merging their projects with others to improve competitiveness, multi-benefit and multi-jurisdictional partnerships allowing for revisions to their projects. Thereafter the list of projects will be rated and ranked based on the Prop 1 and OWOW eligibility criteria and the weighting of priorities as agreed upon by the OWOW Steering Committee. Thereafter additional workshops will be held among stakeholders to refine the list of priority projects based on stakeholder input. This feedback will enable a recommended portfolio of projects to be brought to the OWOW Steering Committee for their review and possible recommendation of support to the SAWPA Commission and DWR. The OWOW Governance will ensure that the portfolio of projects that are eligible for the funding opportunity, are suitably ready to proceed, have sufficient

local match funding identified, and provide benefits to the watershed in line with the goals of the OWOW Plan Update 2018.

On July 26th OWOW Steering Committee meeting, the eligibility criteria and the rating & ranking system for Proposition 1 IRWM Implementation grant program was adopted by the OWOW Steering Committee. This rating and ranking system may be revised and updated again before project prioritization subject to further discussion with the OWOW Steering Committee. The final rating and ranking system and extensive review process reflects a concerted effort for improved stakeholder involvement and transparency. Key features derived from the stakeholder process includes a new way to ensure there is grant support for large-budget projects but also for smaller budget projects pursuing innovative new ideas or small-scale demonstrations.

Enclosures

1. Prop 1 IRWM Implementation Grant Project Eligibility - OWOW Program Policy as approved by the OWOW SC November 2018, November 2018 (redline/strikeout format)
2. Prop 1 IRWM Implementation Grant Project Eligibility - OWOW Program Policy as approved by the OWOW Steering Committee November 2018 – final draft format

OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.21

DATE: November 15, 2018

TO: OWOW Steering Committee

SUBJECT: Refining the OWOW Program Based on Stakeholder Feedback

PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee adopt an updated *Proposition 1 IRWM Implementation Grant Project Eligibility – OWOW Program Policy*, but at this time make no other changes to the OWOW Plan Update 2018 or the OWOW Program process of selecting projects for competitive grant opportunities.

SUMMARY

Orange County stakeholders have requested that Proposition 1 IRWM grant funds be divided and pre-allocated such that 38% of the available grant funds be awarded to projects in Orange County as selected by the OC Plan. They further requested that the OC Plan be included in the OWOW Plan Update 2018 as a chapter, rather than by reference in an appendix. Staff recommends adopting amendments to the Proposition 1 grant eligibility policy, but not pre-allocating grant funds by geographic subarea. The geographic unity of the watershed as an interrelated physical and social system is the foundation of the OWOW program, and is a concept dating to the creation of SAWPA and of the Regional Water Quality Control Boards. The need to facilitate and incentivize collaboration across jurisdictional boundaries within interrelated water management regions and watersheds is the entire premise of the State's IRWM program, and a strategic goal of the California Water Plan and the California Water Action Plan.

DISCUSSION

The OWOW Program is designed to perform both the letter and the spirit of the California IRWM Program. The OWOW Plans comply with the most current IRWM Plan Standards, and the Plan is a tool for allocating grant resources when available through the program. But the OWOW Program and the OWOW Plans are much more than simply a tool for allocating implementation grant dollars.

The OWOW Program supports integrated planning at the scale of the Santa Ana River watershed. This is partially driven by requirements of the California IRWM Program, but also by the history in this watershed of understanding the interdependence of those who rely on the river for water supply, groundwater recharge, recreation, critical habitat, etc. Consensus about the need for this type of planning in the watershed pre-dates the OWOW Program. Santa Ana River watershed stakeholders of past efforts, and in recent discussions, have affirmed that the watershed-scale work of the OWOW Program is important, and that the watershed-scale planning and partnerships should not be diminished. These plans and partnerships are sought after by multiple statewide policy documents,

including the California Water Action Plan, the California Water Plan Update 2013, and the 2017 DWR Stakeholders Perspectives report.

Building resilience in the watershed

The watershed approach is fundamental to SAWPA’s mission, and something that has long had broad support at the core of the OWOW Program. Over the past few years the idea that upper watershed projects could “harm” downstream was a critique leveled by stakeholders from lower in the watershed. The OWOW Steering Committee in July 2016 acknowledged this issue by adopting policy that says projects must result in “a net benefit to the Watershed [and have] no unreasonable negative impacts on others.”

A recent concern, however, suggested that because the OWOW Program is structured around a “watershed approach” where upstream can impact downstream (positively and negatively), projects seeking grants lower in the watershed were uncompetitive because they struggle to claim project benefits accruing upstream. To overcome this challenge, which many stakeholders agreed was a valid concern, staff created and vetted with stakeholders the proposed change to the *Prop 1 IRWM Implementation Grant Project Eligibility – OWOW Program Policy*.

The proposed change suggests that resilience gained anywhere in the watershed is resilience gained everywhere. ‘Resilience’ in this case is defined as the capacity to withstand and thrive through challenges, disruption or disturbance. The changed policy language expresses that, because the communities of the watershed are interconnected and interdependent, it is valuable for everyone when improvements can be achieved anywhere. This refines how “benefit” is thought about by acknowledging that improvements anywhere support the effort to improve the whole watershed.

Stakeholders also suggested this use of “resilience” may prove valuable for considering projects that benefit members of disadvantaged communities, remote communities, or Tribal communities.

Including Sub-Regional Plans in the OWOW Plan Update 2018

The OWOW Program and the OWOW Plans acknowledge that watershed management occurs at multiple scales and is encouraged or required by multiple policy frameworks. In this, the OWOW Program considers two types of sub-regional plans. First are those that are water- or watershed-related and watershed-scale yet focused on a subset of issues contained within the OWOW Program. Examples here is the Santa Ana River Parkway and Open Space Plan (California Coastal Conservancy, 2018), or the Santa Ana Basin Water Quality Control Plan (Santa Ana Regional Board, updated 2018). Second are those integrated or broad-based water- or watershed-related plans at a geographic scale within and smaller than the watershed. Examples here are the Newport Bay Idea Book (Newport Bay Conservancy, 2015) or the Chino Basin Stormwater Resources Management Plan (Inland Empire Utilities Agency, 2016.)

When the OWOW Steering Committee acts to formally include sub-regional plans by reference in an appendix to the OWOW Plan Update 2018, it is a recognition of the efforts invested in those processes, and how success of those plans would in-turn provide progress towards the OWOW Plan goals (and likely vice-versa). But the OWOW Plan is not simply a sum of those other efforts. Rather, the OWOW Program prioritizes planning at the watershed scale because of the view, held by water

leaders in the watershed for the last fifty years, that aspects of the watershed are interconnected in ways that are best managed through watershed-wide collaboration.

For this reason, it is not recommended that any of the subregional plans be considered separate chapters of the OWOW Plan Update 2018. To do so would improperly prioritize a sub-regional planning effort in a document that is designed to consider the entire watershed. Instead, the current mechanism of accepting presentations, and taking action to “include” subregional plans by reference is recommended to be sufficient and appropriate.

The role of implementation grants in the CA IRWM Program, and the OWOW Program

The most basic way of completing the IRWM Program is to develop a plan that is compliant with the standards, and that identifies the projects which can be funded by the associated implementation grant round. This involves working backwards from the limitations and priorities embedded in the funding allocation to the types of projects which would most benefit the region, and then to craft a plan which considers the most effective way for those types of projects to benefit the region. Doing it this way is entirely compliant with the IRWM program and does successfully draw grant dollars from DWR into regional efforts elsewhere in the State.

However, when the CA IRWM Program was created by the legislature and approved by the voters it was explicitly designed to encourage regional collaborative planning because at the time this was rare. The implementation grants were included to incentivize the regional planning efforts. The OWOW Program has always recognized this incentive to develop and implement an integrated regional plan and has never focused solely on implementing meritorious projects. In other words, more integrated planning is the goal of the OWOW Program, not simply the allocation of grant funds.

Because of the broad approach to include all stakeholders, and presence of the OWOW Steering Committee as representative decision-makers, the OWOW Program considers watershed issues that reach well beyond what can be accomplished with the IRWM implementation grants. High-priority items like recreation, education, or the implications of homelessness; these are issues that come forward in the OWOW planning process that are less-easily supported with general obligation water bond grants. This is by design. A valuable purpose of the OWOW Plan is to identify needs of the stakeholders and watershed leaders that will require different sorts of action, including and beyond what the IRWM grants can address.

Within the context of IRWM implementation grants, the need of the region outstrips the available grant resources. This is starkly clear in the ratio of available funds to needs identified by OWOW Plan project lists. For instance, in the three Prop 84 calls-for-projects, stakeholders in the region submitted about \$1.95 billion dollars in grant requests for the available ~\$115 million in grant funds allocated to the Funding Area. Alternatively, the OWOW Program funded projects from Prop 84 leveraged ~\$650 million in local expenditures. This shows how the IRWM program is incentivizing local expenditures on integrated and regional projects – as is according to its design.

It is not recommended to establish a percentage of grant dollars allocated to any particular area within the watershed, as this is a concession of a core principle of the OWOW Program. The effort

from past practice, and recommended again for this grant round, is seeking the most needed projects, that would otherwise not get done through local authority or funding, and that provide a fair distribution of benefits across the watershed. The grants process in the OWOW Program has been the subject of continuous revision and improvement based on stakeholder input, and it will likely never be considered perfect. But it is the revision and improvement process that helps bring stakeholders from different functional and geographic areas together to think about the entire watershed. Dividing and pre-allocating the incentive money in order to avoid that conversation would defeat the purpose of IRWM.

The law directs DWR, when considering IRWM grant applications, to defer to the project selections of a Plan, like the OWOW Plan, that covers substantially all of a watershed. It is not recommended to permit multiple systems for selecting projects within the region. The *Rating & Ranking System* developed by stakeholders and approved by the OWOW Steering Committee will best support a stakeholder-driven process of prioritizing and selecting projects to include in the proposal to DWR for Prop 1 Implementation grants.

Population Projections for the Santa Ana River Watershed

Following direction of the Steering Committee, SAWPA staff analyzed population projections made by California Department of Finance, Urban Water Management Plans, and the Southern California Association of Governments. Because the proposal to use an allocation calculation in this region referenced the system used by the California Legislature, it was decided to use the Department of Finance population projections.

Below is a table showing how the land area of the watershed is divided between four counties.

Watershed Area	Square Miles	% total land area	% total land area (not including LA)
Orange County	536	18.9%	19.2%
Riverside County	1,244	43.8%	44.5%
San Bernardino County	1,014	35.8%	36.3%
Los Angeles	43	1.5%	
Watershed:	2,837	100.0%	100.0%

And here are the Department of Finance population projections, calculated for the Santa Ana River Watershed, through 2050. The population of each county measured in the 2010 census was assessed for how many lived inside the watershed, and how many outside. Using census tract data, Orange County has approximately 85% of its total population living inside the watershed, Riverside 77% and San Bernardino 85%. These proportions are used in the table below to adjust the Department of Finance projections of countywide populations in the future.

California Department of Finance (Jan 2018): County Population Projections Calculated for within the Santa Ana River Watershed												
County	2010	%	2020	%	2030	%	2040	%	2050	%	2060	%
Orange	2,562,475	43	2,771,010	42	2,918,484	40	3,024,360	39	3,073,545	37	3,074,090	36
Riverside	1,690,984	28	1,925,751	29	2,200,272	30	2,432,891	31	2,618,286	32	2,769,373	32
San Bernardino	1,736,961	29	1,896,012	29	2,107,055	29	2,321,321	30	2,530,283	31	2,747,550	32
Total:	5,990,421		6,592,773		7,225,810		7,77,8573		8,222,115		8,591,013	

This analysis reveals that the watershed population is expected to grow by about 2 million people by 2060, with most of the growth in Riverside and San Bernardino County (about 850,000 and 750,000 respectively.) By 2060, the watershed population will essentially be split into thirds by the three counties.

The table below shows how the formula that the Legislature uses to distribute IRWM grants to the Funding Areas would allocate portions of funding within the Santa Ana Funding Area, using the values above for area and population. The formula weights population (0.73) and area (0.27) to calculate the distribution. In these calculations, the section of the watershed in Los Angeles County (about 1.5% of the total watershed area) is omitted from consideration, chiefly because assessing the population of that small area is difficult, but also because the neighboring Greater Los Angeles County IRWM Program considers itself responsible for supporting that area.

Values from CA Legislature Funding Area allocation calculation Weight = (area*.27)+(pop*.73)						
County	2010	2020	2030	2040	2050	2060
Orange County	36.40%	35.86%	34.66%	33.56%	32.46%	31.30%
Riverside County	32.63%	33.34%	34.25%	34.85%	35.27%	35.55%
San Bernardino County	30.97%	30.80%	31.09%	31.59%	32.27%	33.15%

The values in the 2010 column here differ from numbers previously provided in other presentations to the OWOW Steering Committee. The different value found in this analysis can be accounted for by slightly different input values, where estimates of area and population were completed using different estimates.

BACKGROUND

The SAWPA Commission is the state-approved Regional Water Management Group for the Santa Ana Funding Area of the California Integrated Regional Water Management Program. The One Water One Watershed Program is the Funding Area’s planning effort within the California IRWM Program. The OWOW Program is itself an outgrowth of regional watershed planning that began early in the history of SAWPA. SAWPA was created in recognition of the interdependence of those who rely on the flow of the Santa Ana River.

In a delegated advisory role to the SAWPA Commission, the OWOW Steering Committee acts on behalf of the One Water One Watershed Program to govern stakeholder-driven planning and selection of programs and projects across the Santa Ana Funding Area.

The OWOW Program uses the name “Santa Ana River Watershed” to include other adjacent smaller watersheds which are administratively contained in the Funding Area. These adjacent smaller watersheds are today distinct because of flood control infrastructure and urban development, when in an historic sense they were components of a dynamic and flashy Santa Ana River system.

The Santa Ana River Watershed of the OWOW Program, the IRWM Funding Area, is nearly identical to the jurisdictional boundary of the Santa Ana Regional Water Quality Control Board (Santa Ana Regional Board). The Santa Ana Regional Board was constituted at that boundary because of the same hydrologic relationships as drove the creation of SAWPA, and the OWOW Program. The Santa Ana River Basin is the unit of regulatory authority, including “the upper and lower Santa Ana River watersheds, the San Jacinto River watershed, and several other smaller drainage areas.”

ATTACHMENTS

1. Prop 1 IRWM Implementation Grant Project Eligibility – OWOW Program Policy (redline)
2. Prop 1 IRWM Implementation Grant Project Eligibility – OWOW Program Policy (final)

Prop 1 IRWM Implementation Grant Project Eligibility - OWOW Program Policy

As approved by OWOW Steering Committee, ~~July 26~~November 15, 2018

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. The OWOW Program seeks benefits which improve the watershed and are not achieved at the unreasonable expense or detriment of another.

Applicants is required to describe how the project:

- Is consistent with and supports the implementation of the OWOW Plan Update 2018.
- Complies with eligibility requirements contained within a specific Proposal Solicitation Package.
- Is consistent with the implementation of the California Water Action Plan.
- Meets all statutory requirements including grant recipient eligibility and project eligibility, including compliance with:
 - Groundwater Management Plans
 - Urban Water Management Planning Act
 - Agriculture Water Management Plan
 - Surface Water Diversion Reporting
 - AB 1420 compliance
 - SBX 7-7
 - CWC Section 529.5
 - CWC Section 10920
 - CWC Section 10562(b)(7) (for stormwater projects).
- Is an integrated project that enhances the resilience of a portion of the watershed, thereby enhancing the resilience of the entire watershed.
- ~~Is a 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
 - Non-point source pollution reduction, management, and monitoring
 - Removal of invasive non-native species, the creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space and watershed lands
 - 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.

Prop 1 IRWM Implementation Grant Project Eligibility - OWOW Program Policy

As approved by OWOW Steering Committee, November 15, 2018

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OWOW STEERING COMMITTEE MEMORANDUM NO. 2018.22

DATE: November 15, 2018

TO: OWOW Steering Committee

SUBJECT: Incorporating the Santa Ana River Parkway and Open Space Plan into OWOW Plan Update 2018

PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION

It is recommended that the OWOW Steering Committee:

- 1) Receive presentations by SAWPA staff and the California Coastal Conservancy about the Santa Ana River Parkway & Open Space Plan (2018);
- 2) Incorporate the Parkway & Open Space Plan by reference in an appendix to the OWOW Plan update 2018

DESCRIPTION

The One Water One Watershed Plan serves many roles in the Santa Ana River watershed, chiefly as the the approved Integrated Regional Water Management Plan for the Santa Ana Watershed Project Authority IRWM Region and the Santa Ana Funding Region within the Department of Water Resources Integrated Regional Water Management Program (IRWM).

Representatives from the California Coastal Conservancy, who were instrumental in the creation of the Santa Ana River Parkway & Open Space Plan (2018), will present the purpose and content of this plan, so that it may 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 worked directly with the California Coastal Conservancy staff, following direction of the OWOW Steering Committee, to directly import lists of projects from this plan. This ensured that project proponents faced as little extra data entry as possible, and that the important work of the Parkway & Open Space Plan process was included in the OWOW Program.

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. Connecting other planning efforts related to water and land management, general plans, stormwater management plans, and 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, the regional plan for the expansion of parkways and open space adjacent to the Santa Ana River is recommended to be incorporated into the OWOW Plan Update 2018. This incorporation will play two important roles. First, projects whose scopes blend water and watershed management with the provision of recreation and other benefits along the river may be identified and aligned, and, equally important, this integration may prevent unexpected interference with the project plans of related agencies in the watershed. Second, the Santa Ana River Parkway & Open Space Plan will have a greater platform to distribute information about the regional aims of the watershed as they relate to the expansion of parkways and open space along the banks of the Santa Ana River.

The Santa Ana River Parkway & Open Space Plan (2018):

"...facilitate[s] the collaborative development of the Parkway beyond the trail spine, integrating parks and open space opportunities, and connecting nearby communities to the Santa Ana River Trail. The three key function of the plan are to:

- *Define a shared vision for the Parkway as a state, regional, and local asset.*
- *Gather and present the first comprehensive list of completed, planned[,] and potential parkway projects.*
- *Provide tools for prioritizing, developing, and implementing projects through proactive collaboration."*