

COVER MEMORANDUM – OWOW STEERING COMMITTEE UPDATE

DATE: March 26, 2020
TO: OWOW Steering Committee
SUBJECT: Written Status Update in Lieu of Meeting
PREPARED BY: Rich Haller, General Manager

RECOMMENDATION

Review the information provided in the attached memorandums which are being provided in lieu of a meeting.

DISCUSSION

Information is provided on the below topics with more detailed memos attached for items A through D.

A. Integrated Regional Water Management (IRWM) Support in Resiliency Bond Measures (SC#2020.5)3

The attached memo provides an update on CA State Senate (SB45) and Assembly (AB3256) versions of a climate resiliency bond. The two proposed bonds will likely be merged into a single proposal. Given the uncertainty caused by COVID-19, it is unknown if a bond will be placed on the November ballot.

B. Disadvantaged Communities Involvement (DCI) Program Status (SC#2020.6)25

The attached memo provides an update on the Disadvantaged Communities Involvement Program. Recent activities have focused on the implementation of the Technical Assistance Program.

C. OWOW Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Update (SC#2020.7).....37

The attached memo provides an update on the newest grant program. An application was submitted to DWR in November 2019 consisting of 10 projects. DWR’s response to the application is expected soon.

D. Proposition 84 Round 2 Implementation Grant Agreement Amendment (SC#2020.8).....49

The attached memo provides information on the City of Riverside’s proposed project change. The Commission will consider this request at its April 7th meeting.

E. SAWPA Preparation of an Updated Strategic Plan.

At its April 21st meeting, the SAWPA Commission will consider a proposed consultant agreement for the preparation of an updated Strategic Plan for SAWPA. The agreement scope of

OWOW Steering Committee Update in Lieu of Meeting

March 26, 2020

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work includes conducting several workshops with stakeholders including the OWOW Steering Committee. The goal is to confirm SAWPA's vision and mission and to establish goals which meet the needs of the watershed and Member Agencies.

Attachments:

1. SC Memo No. 2020.5
2. SC Memo No. 2020.6
3. SC Memo No. 2020.7
4. SC Memo No. 2020.8

OWOW STEERING COMMITTEE MEMORANDUM NO. 2020.5

DATE: March 26, 2020
TO: OWOW Steering Committee
SUBJECT: Integrated Regional Water Management (IRWM) Support in Resiliency Bond Measures
PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

Receive and file.

DISCUSSION

At the January 23, 2020 OWOW Steering Committee meeting, the Committee authorized SAWPA staff to send letters of support to the California legislature for bond measures to fund the state-wide IRWM Program. The IRWM Program is a collaborative program to plan and implement water management projects on a regional scale. The IRWM approach considers all interested entities, working across jurisdictional boundaries, encouraging diverse partnerships through collaboration, and prioritizing multiple benefit projects. Created as a result of the IRWM Planning Act of 2002, 50 IRWM regions often drawn around watershed boundaries, represent 99% of the state’s population.

Since that OWOW Steering Committee meeting, SAWPA staff has worked with the IRWM Roundtable of Regions, a task force composed of staff from most of the State’s IRWM regions, on a coordinated letter to the California legislature’s leadership. The coordinated letter with 22 IRWM regions signature was submitted to the legislature the week of February 24, 2020. With the OWOW Steering Committee’s approval, SAWPA was able to sign on to the letter.

The letter is well timed as there are several measures in discussion with the Governor’s Administration and the legislature’s leadership. Two include Governor Gavin Newsom’s Fiscal Year 2020/21 budget as well as Senate Bill (SB) 45 (Allen – Los Angeles). The bond proposals, which include funding for either IRWM or regional projects, are a possible vehicle for IRWM funding to be included in a proposal on the November 3, 2020 ballot. In the letter, the Roundtable of Region strongly urged \$1 billion in funding for IRWM, the amount that was included in the Governor’s Fiscal Year 2020/21 budget and in Proposition 84, which was adopted by the electorate in November 2006.

Since the January 23, 2020 OWOW Steering Committee meeting SAWPA staff has also met with several state legislative offices to advocate for support for bond funding for the IRWM Program and other programs and projects that achieve regional and inter-regional water resilience. The following meetings have occurred over the past month:

Date of Meeting	Legislative Office	Area Representing
February 11, 2020	Senator Richard Roth	Corona, Moreno Valley, Norco, Riverside, Perris

February 13, 2020	Assemblymember Eduardo Garcia	Indio, Coachella, Calexico
March 13, 2020	Senator Connie Leyva	Pomona, Chino, Fontana, Rialto, San Bernardino

Any bonds sponsored by the California Legislature targeting the November 3, 2020 ballot must be adopted before the legislature goes on recess July 2, 2020. Going forward SAWPA staff will complete the following actions:

- Continue to meet with local representatives.
- Coordinate with the Roundtable of Regions and SAWPA member agencies on the climate resiliency and water-related bond measures.
- Coordinate with the Association of California Water Agencies.
- Advocate for IRWM funding for programs focused on education and outreach, particularly those efforts led by non-governmental organizations (NGOs).
- Advocate for IRWM funding for innovative projects focused on using new technology and decision support tools.

BACKGROUND

There are several measures that may be the final vehicle for a climate resiliency and water-related bond to appear on the November 2020 ballot. These include:

Bond Vehicle	Title	Current Amount
Governor’s Budget FY 20/21	Climate Resilience Bond proposal	\$4.75 B
SB 45 (Allen, Los Angeles)	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020	\$4.1 B
AB 3256 (E. Garcia, Coachella)	Climate Risks: Bond Measure Placeholder (“spot bill”)	TBD
Joseph Caves signature petition	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020	\$7.8 B

Listed in the table above and of importance to IRWM, is the Governor’s Budget Proposal for Fiscal Year 2020/21 released on January 3, 2020. Out of the \$4.75 billion bond proposal, \$2.925 billion has been designated for Drinking Water, Flood and Drought with \$1 billion designated for regional and inter-regional water resilience. Though the funding is not specifically defined to IRWM Funding Areas (like the Santa Ana River Watershed), this is a promising sign and will help with discussions with the State legislators for a new bond.

It is important to note that water agencies, non-profits, tribes and other stakeholders across the state are also awaiting the release of the Governor’s final Water Resilience Portfolio. As described at the January

22, 2020 OWOW Steering Committee meeting, the draft Portfolio was released on January 3, 2020. The document lists 100+ actions to be implemented by nine state agencies such as the Department of Water Resources and the State Water Resources Control Board. Unfortunately, only three of the actions reference IRWM as follows:

20.1 Build on the Integrated Regional Water Management Program and other regional efforts to align climate scenarios and expand watershed-scale coordination and investments that contribute to water resilience. Emphasize outcome-based management that builds on integrated planning, action, and monitoring across sectors, including groundwater sustainability, upper watershed land management, and climate resilience.

20.2 Structure funding sources to reduce the hurdles for water projects that reflect integrated solutions, produce multiple benefits, and improve watershed function.

20.3 Support the capacity, participation, and full integration of tribal governments and underrepresented communities in regional planning processes.

Staff submitted a February 3, 2020 letter to the State on the portfolio with the following major comments:

- Advocates that IRWM regions serve as the venue to engage public agencies, non-profits, and other local stakeholders so projects that implement the portfolio's priorities can be collaboratively identified and funded.
- Highlights the benefits of engaging disadvantaged communities through the Prop 1 funded program.
- IRWM Programs are well adapted to address climate change as due to IRWM regions compliance with the Department of Water Resources' 2016 IRWM Plan Standards, one of the few water resources plans that require such planning.

Going forward, SAWPA staff will update the OWOW Steering Committee on the release of the final Water Resilience Portfolio. The Secretary of Natural Resources, Wade Crowfoot, has stated that he anticipates the final version might be done by the end of March 2020.

Attachments:

1. PowerPoint Presentation
2. February 24, 2020 Roundtable of Regions Bond Advocacy Letter

IRWM Support in Climate Resiliency Bond Measures

Ian Achimore, Senior Watershed Manager
OWOW Steering Committee | March 26, 2020
Item No. A.A.



Integrated Regional Water Management: Quick Facts

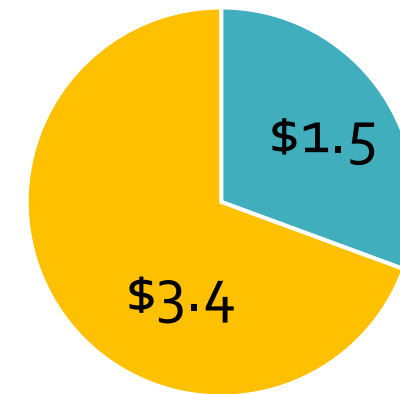
- The state-wide IRWM Program was created as a result of the IRWM Planning Act of 2002.
- Collaborative effort to plan and implement water management projects on a regional scale.
- What it does:
 - Brings Silos Together
 - Team Approach
 - Bottom Up



Funding IRWM

- Since 2002, through voter-approved bond measures Props 50, 84, and 1E, and 1 the IRWM Program has awarded grants for planning and projects.
- This funding has been made available to more than 600 grantees in 48 IRWM regions to fund 1,274 projects* that provide water resource benefits throughout the state.

All Awarded Grants*



\$ in Billions

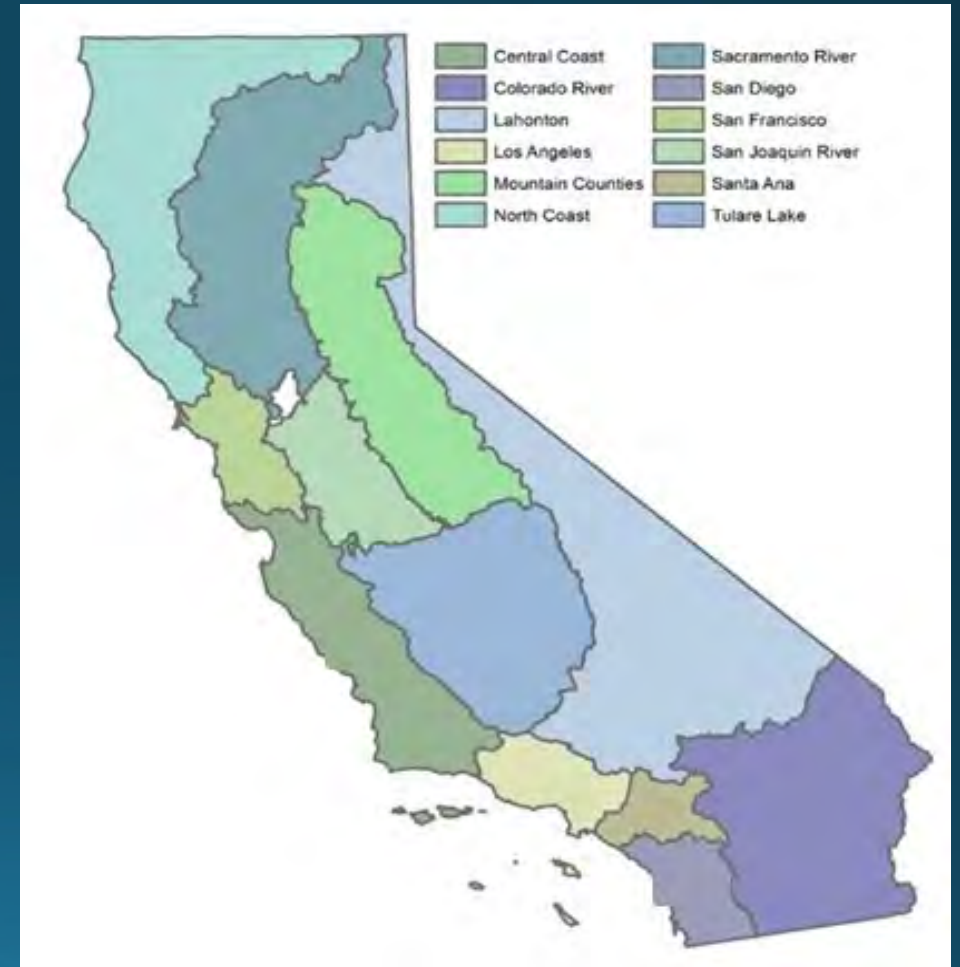
■ State Bond ■ Local Match

*Does not include Prop 1 which is to be awarded starting in 2020

Allocation of Funding

- Starting with Prop 50, IRWM funding has always been allocated by funding areas
- Local match has always been a requirement:
 - Starting with Prop 1 (2014) the match has increased to 50% of project costs.

Funding Areas Used in Proposition 1



IRWM Coverage Across the State

IRWM regions represent 87% of the State's land area and 99% of its population



IRWM Region List

1	Greater Monterey County	26	Mojave
2	San Geronio	27	Pajaro River Watershed
3	East Contra Costa County	28	Tuolumne-Stanislaus
4	Kings Basin Water Authority	29	San Francisco Bay Area
5	Poso Creek	30	Lahontan Basins
6	Santa Cruz County	31	Merced
7	San Luis Obispo	32	Coachella Valley
8	Sacramento Valley	33	Tule
9	Upper Pit River Watershed	34	American River Basin
10	Santa Barbara County	35	Greater Los Angeles County
11	Cosumnes, American, Bear, Yuba (CABY)	36	Southern Sierra
12	San Diego	37	Yuba County
13	Upper Santa Margarita	38	Tahoe-Sierra
14	Watersheds Coalition of Ventura County	39	Eastern San Joaquin
15	Westside (Yolo, Solano, Napa, Lake, Colusa)	40	Upper Feather River Watershed
16	Gateway Region	41	Yosemite - Mariposa
17	North Sacramento Valley	42	Santa Ana Watershed Project Authority
18	Antelope Valley	43	Kaweah River Basin
19	Monterey Peninsula-Carmel Bay-So Monterey Bay	44	Imperial
20	Upper Sacramento-McCloud	45	Kern County
21	Fremont Basin	46	Anza Borrego Desert
22	Westside - San Joaquin	47	Upper Santa Clara River
23	North Coast	48	Mokelumne/Amador/Calaveras (MAC)
24	Madera	49	East Stanislaus
25	South Orange County WMA	50	Inyo-Mono

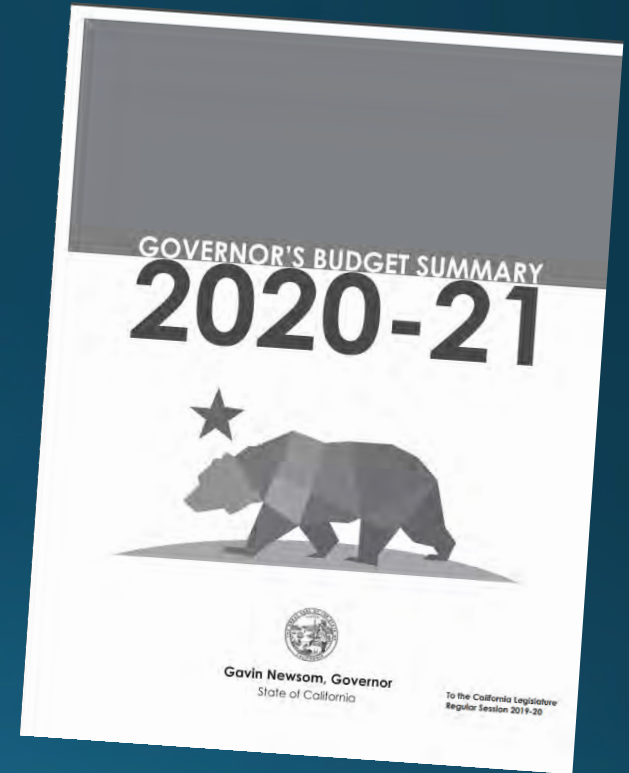
Bond Measures* in Play

Bond Vehicle	Title	Amount
Governor's Budget FY 20/21	Climate Resilience Bond proposal	\$4.75 B
SB 45 (Allen, Los Angeles)	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020	\$4.1 B
AB 3256 (E. Garcia, Coachella)	Climate Risks: Bond Measure Placeholder ("spot bill")	TBD
Joseph Caves signature petition	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020	\$7.8 B

*With nexus to IRWM

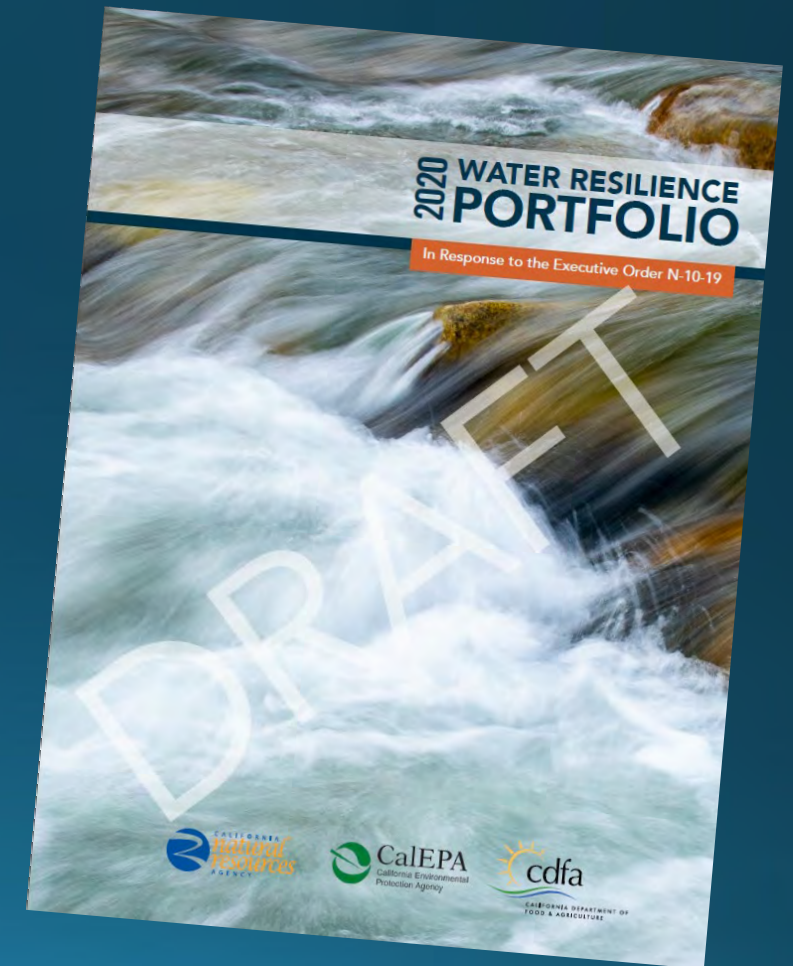
Governor's Bond Proposal: More Info

- Jan. 3rd Governor's Budget Summary FY 2020/21 released
- \$4.75 billion Climate Resilience Bond
- \$2.925 billion or 62% of bond funding would be directed to Drinking Water, Flood and Drought.
 - Within the \$2.925 billion, \$1 billion is proposed for Regional and Inter-regional Water Resilience
 - This could include but not limited to IRWM projects.



Governor's Water Priorities

- Draft Portfolio released January 3, 2020,
- Lists 100+ actions by nine state agencies such as DWR and State Water Board,
- Only three actions mention IRWM,
- Other priorities mentioned:
 - Voluntary agreements that enhance flows and habitat,
 - Single-tunnel conveyance project under the Bay-Delta, and
 - Climate change adaptation strategies.



SAWPA Letter on Resilience Portfolio

- SAWPA submitted a February 3, 2020 letter to the State regarding the Portfolio.
- Summary of comments:
 - Advocates that IRWM regions serve as the venue to engage public agencies, non-profits, and other local stakeholders so projects that implement the portfolio's priorities can be collaboratively identified and funded.
 - Highlights the benefits of engaging disadvantaged communities as was done through the Prop 1 funded program.
- The Secretary of Natural Resources has stated that he anticipates that the final Portfolio might be done at the end of March 2020.

Committee Action in January 2020

- On January 23, 2020, the OWOW Steering Committee authorized staff to submit letters to legislature.

Information on the letter:

- Submitted to State Senate and Assembly **leadership** the week of February 24, 2020
- Cosigned by **22 IRWM Regions**
- Urges **\$1 billion** for IRWM and other programs/projects that achieve regional and inter-regional resilience

Signatories to the Letter



Timeline for Bond Measures

- Governor's budget must be adopted by June 15, 2020 by both the Senate and Assembly.
- Legislature goes on recess July 2, 2020.
 - Any legislatively proposed bond measures need to be adopted by then.

SAWPA Staff Meetings with Legislative Offices

Date of Meeting	Legislative Office	Area Representing
February 11, 2020	Senator Richard Roth	Corona, Moreno Valley, Norco, Riverside, Perris
February 13, 2020	Assemblymember Eduardo Garcia	Indio, Coachella, Calexico
March 13, 2020	Senator Connie Leyva	Pomona, Chino, Fontana, Rialto, San Bernardino

Actions Going Forward

- Continue to meet with local representatives
- Coordinate with the Roundtable of Regions and SAWPA member agencies on resiliency related bond measures.
- Coordinate with the Association of California Water Agencies.
- Advocate for IRWM funding for programs focused on education and outreach, particularly those efforts led by non-governmental organizations.
- Advocate for IRWM funding for innovative projects focused on using new technology and decision support tools.



Questions



February 24, 2020

Toni Atkins
 Senate President pro Tempore
 State Capitol Room 205
 Sacramento, California 95814

Anthony Rendon
 Speaker, California State Assembly
 State Capitol, Room 319
 Sacramento, California 95814

Shannon Grove
 Senate Minority Leader
 State Capitol Room 305
 Sacramento, California 95814

Marie Waldron
 Assembly Minority Leader
 State Capitol Room 3014
 Sacramento, California 95814

RE: Support for \$1 billion in Climate Resilience Bond for Integrated Regional Water Management

Dear President pro Tem Atkins, Speaker Rendon, Leader Grove and Leader Waldron,

We, the undersigned representatives of Integrated Regional Water Management (IRWM) regions, write to **strongly support the allocation of \$1 billion for IRWM and other programs and projects that achieve regional and inter-regional water resilience** as described in the Governor’s proposed Climate Resilience Bond.

As you know, IRWM is a highly effective and efficient collaborative effort to plan and implement water management solutions on a regional scale. The IRWM approach delivers a higher value for investments by considering all interested entities, working across jurisdictional boundaries, encouraging diverse partnerships through collaboration, and prioritizing multiple benefit projects. Created as a result of the IRWM Planning Act of 2002, IRWM regions represent 99% of the state’s population.

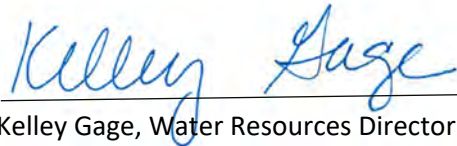
The Governor correctly identified IRWM as the best program to implement the Water Resilience Portfolio. IRWM funds a diverse set of projects that meet the goals of regional partnership and climate resilience. In the past, IRWM has funded conservation, recycled water, stormwater, groundwater

recharge, habitat restoration, salt removal and many other projects on a regional scale -- exactly the kinds of projects identified in the "Regional and Inter-regional Water Resilience" section of the proposed bond.

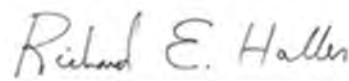
Investment in IRWM is leveraged by matching local funds. The 50 percent match required under Proposition 1 leverages state investment and increases overall finding for regional and inter-regional water resilience.

We appreciate your leadership on water and climate issues and look forward to answering any questions you may have. **We strongly urge retaining \$1 billion in the Climate Resilience Bond for IRWM and other programs and projects that achieve regional and inter-regional water resilience as proposed by the Governor.**

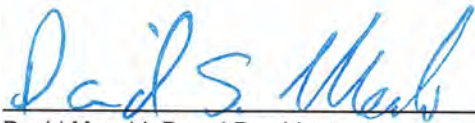
Sincerely,



Kelley Gage, Water Resources Director
San Diego County Water Authority
(on behalf of San Diego Regional Water Management Group)



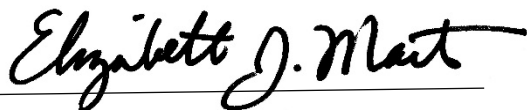
Richard E. Haller, P.E., ENV SP
Santa Ana Watershed Project Authority
General Manager



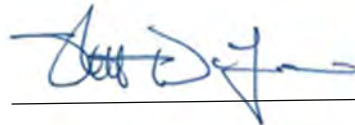
David Mecchi, Board President
Mariposa County Resource Conservation District

/s/ Fray Crease

Fray A. Crease
Manager
Santa Barbara County Water Agency



Elizabeth Martin
Chief Executive Officer
THE SIERRA FUND



Scott DeLeon
Director of Public Works, & Director
Water Resources Department
County of Lake

/s/ Holly Alpert

Holly Alpert, Ph.D.
Program Director
Inyo-Mono IRWM Program



Brendan Clark, PE
Supervising Water Resources Engineer &
IRWM Program Manager
County of San Luis Obispo



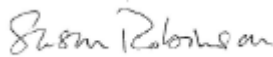
Judy Morris
Trinity County Supervisor
On behalf of the North Coast Resource
Partnership leadership



Norma Sierra Galindo, Board President
Imperial Irrigation District



EILEEN MANNIX
Board President
Twain Harte Community Services District



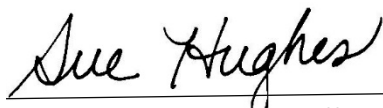
Susan Robinson
Program Director,
Greater Monterey County Integrated Regional
Water Management Program



Michael D. Nusser, Water Resources Associate
Coachella Valley Water District
On behalf of the Coachella Valley Regional
Water Management Group



Lance Eckhart
Director of Basin Management and Resource
Planning, Mojave Water Agency
Mojave IRWM Coordinator



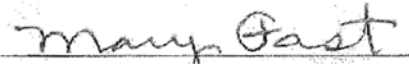
Senior Deputy Executive Officer
County of Ventura, Government Affairs



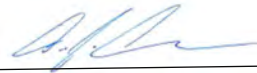
Dana Munn
Chairman, Poso Creek IRWM Group



Tim Carson, Program Director
Regional Water Management Foundation
Santa Cruz IRWM



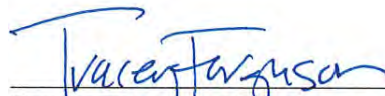
Mary Fast
Chair
Kings Basin Water Authority



Jim Alves
Associate Civil Engineer • Utilities Department
City of Modesto, CA
East Stanislaus IRWM Region Representative



Eric Averett
Co-Chairman of the Executive Committee
Kern IRWM



Tracey Ferguson, AICP, Representative
Upper Feather River Integrated RWMG



John Thiel
General Manager
South Tahoe Public Utility District

cc: Senator Bob Wieckowski, Chair Senate Budget Sub 2
Senator Brian Jones, Senate Budget Sub 2, Vice Chair Sen. Natural Resources and Water Comm
Senator Henry Stern, Chair, Senate Natural Resources and Water Committee
Assemblymember Richard Bloom, Chair Assembly Sub 3
Assemblymember Eduardo Garcia, Chair Assembly Water, Parks and Wildlife Comm
Assemblymember Megan Dahle, Chair Assembly Water, Parks and Wildlife Comm
Assemblymember Laura Friedman, Chair Assembly Natural Resources Committee
Assemblymember Heath Flora, Vice Chair Assembly Natural Resources Committee
Director Kate Gordon, Office of Planning and Research
Rachel Machi Wagoner, Deputy Legislative Secretary

OWOW STEERING COMMITTEE MEMORANDUM NO. 2020.6

DATE: March 26, 2020
TO: OWOW Steering Committee
SUBJECT: Disadvantaged Community Involvement (DCI) Program Status
PREPARED BY: Rick Whetsel, Senior Watershed Manager

RECOMMENDATION

Receive and file.

DISCUSSION

The Disadvantaged Communities Involvement Program (DCI Program) for the Santa Ana River Watershed has three main Program Elements, within which are twenty separate activities. Those three Program Elements consist of 1) Strengths and Needs Assessment, 2) Engagement and Education, 3) Project Development. A fourth element contains grant administration tasks assigned to SAWPA.

The attached presentation provides an update on the activities within each of these Project Elements.

BACKGROUND

The Disadvantaged Communities Involvement Program is a Prop 1 funded effort within the Integrated Regional Water Management Program to ensure the involvement of disadvantaged communities, economically distressed areas, and underrepresented communities in integrated regional water management planning. As the Santa Ana River Watershed approved Regional Water Management Group, SAWPA was awarded a \$6.3 million grant in June 2017. With permission from DWR, SAWPA and our partners have been working on the scope since October 2016.

SAWPA manages the program with five program partners: California State University, Local Government Commission (a 501c3 nonprofit), the California Rural Water Association (a 501c3 nonprofit), the Water Education Foundation (a 501c3 nonprofit), and the University of California Irvine. Each partner organization has a defined scope of work, and together is responsible for project management and reporting.

Attachments:

1. PowerPoint Presentation

Disadvantaged Community Involvement Program

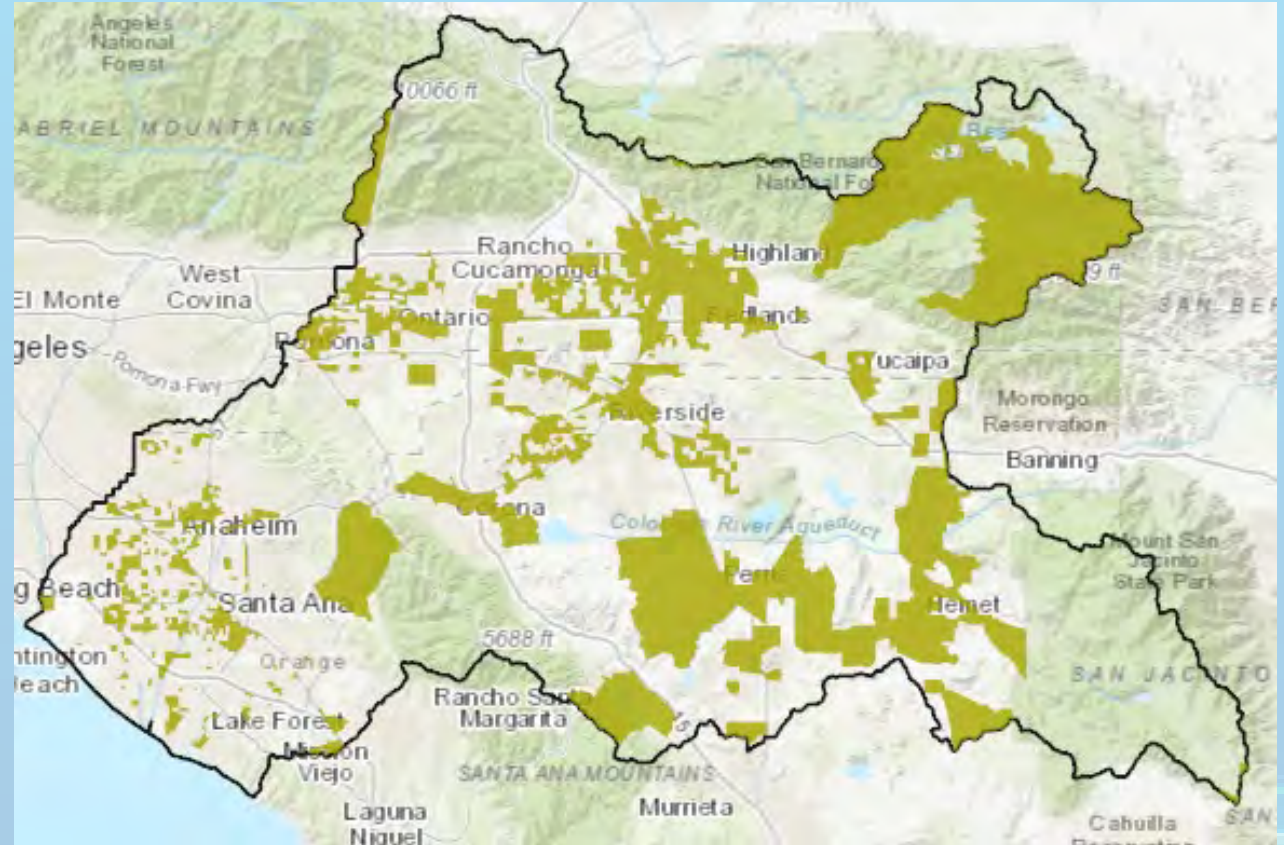
Status Report

Mark Norton, Water Resources & Planning Manager
OWOW Steering Committee | March 26, 2020
Item No. B.



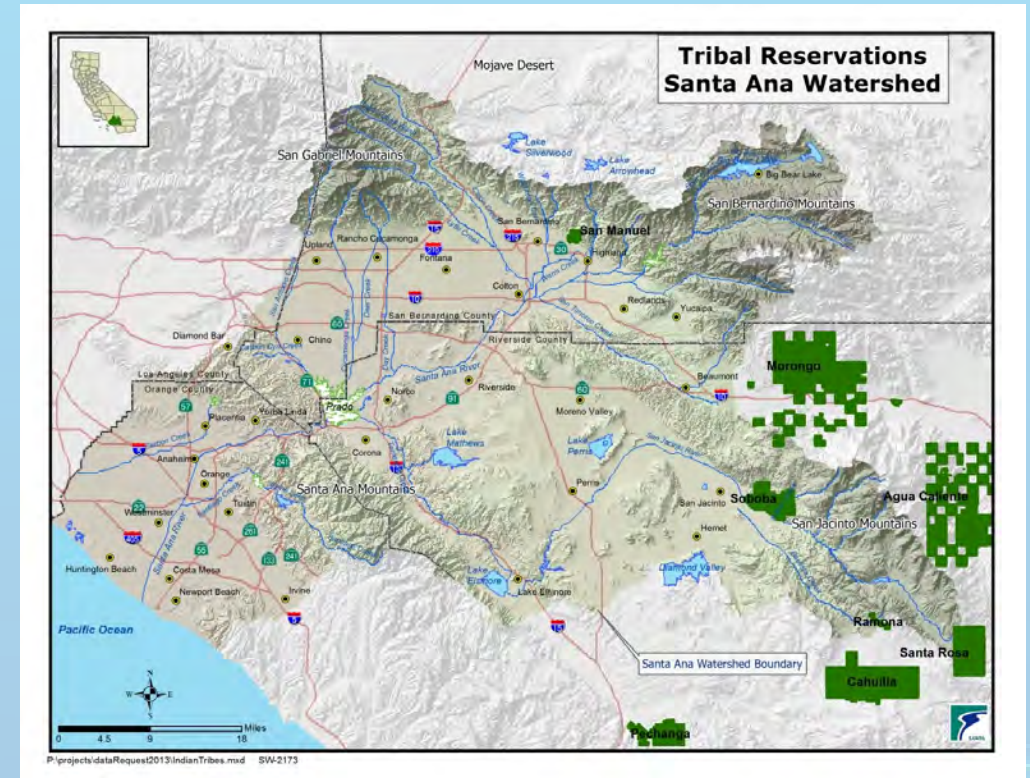
DCI Program Elements

1. Strengths and Needs Assessment
2. Education and Engagement
3. Project Development
4. Administration



Activity 9: Tribal Consultation

- Objective: Establish a Tribal Advisory Committee (Tribal AC) with California Native American Indian Tribes and agency staff to provide opportunities for collaboration.
- Activity Lead: CRWA
- Current Status: development of Charter
- Activity Budget \$120 K



Tribal Advisory Committee

Tribal Advisory Committee Meeting held in Orange County the evening of March 25th

Next Steps:

- Mid April
 - Finalize Charter
 - Finalize SAWPA Resolution
- Early May
 - Letters Designating Tribal Representatives
- May/June
 - First Formal Tribal Advisory Committee



Activity 11: Translation Services

- Objective: Translation services for documents and meetings are available.
- Foreign languages include, but are not limited to, Spanish, Vietnamese, Korean, Chinese, and Tagalog.
- American Sign Language interpretation available for simultaneous translation.
- Completed: 41 jobs at \$78 K
- Activity Budget capped at \$100 K



Activity 15: Water Agency Community Engagement Training

- Partner LGC and CRWA to provide trainings and workshops for water agencies
- Up to 10 trainings directed at agency staff for small Community Water Systems and Mutual Water Companies
- Three workshops to inform and educate water agencies staff in the watershed on the SAWPA Disadvantaged Community Involvement program.
- Activity Budget \$150 K



Activity 16: Local Elected Leader Training

- Objective: Provide trainings for local elected leaders and their staff in the watershed. These training sessions will relay the findings of the Strengths & Needs Assessment program element, basic information on water management topics, and best practices for helping the communities they serve interact with water planning.
- Activity Leads: LGC CRWA



Round Three Workshops: Communicating the Value of Water to Your Constituents

- **Orange County – Monday, May 11, 2020:** Buena Park Community Center at Civic Plaza, Ballroom
- **San Bernardino County – Wednesday, May 13, 2020:** Rialto Community Center, Francis Brooks Room
- **Riverside County – Thursday, May 14, 2020:** Jurupa Community Services District, Board Room



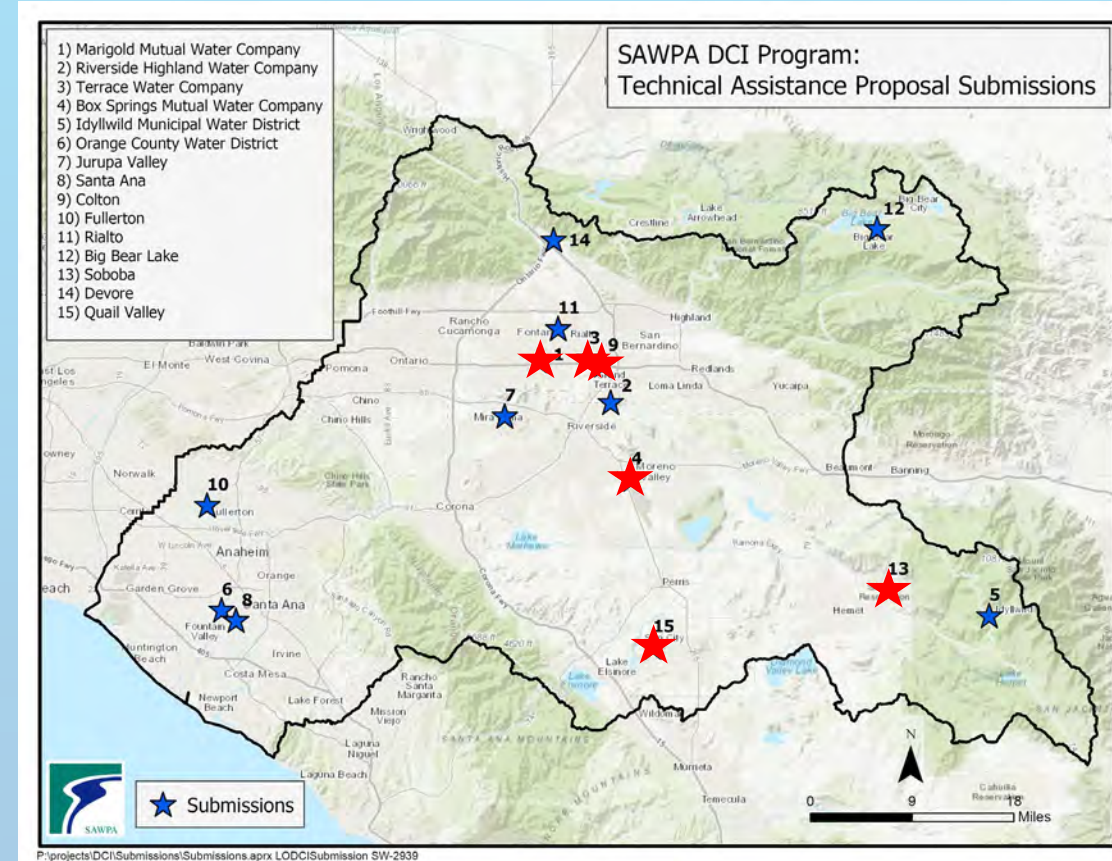
Activity 18: Technical Assistance for Community Need

- Objective: Technical Assistance (TA) funding to support the development of projects and programs that address the water needs of disadvantaged and underrepresented communities.
- Requires evaluation of projects, plans, and programs following set of evaluation criteria developed by DCI Technical Advisory Committee (TAC)
- Allocated Funding \$2.9 M



March 5th Site Tour with DWR Staff

- Quail Valley sub-area 4 septic to sewer project (EMWD)
- Residential Asbestos Cement Pipe Abandonment and Replacement Project (Soboba Band of Luiseno Indians)
- Water Storage Reservoir project (Box Springs MWC)
- Potable Well project (City of Colton)
- Potable Well project (Terrace Water Company)
- Potable Well project (Marygold MWC)



Questions



OWOW STEERING COMMITTEE MEMORANDUM NO. 2020.7

DATE: March 26, 2020

TO: OWOW Steering Committee

SUBJECT: OWOW Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Update

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

Receive and file.

DISCUSSION

As discussed at OWOW Steering Committee meeting on January 23, 2020, the ultimate Proposition 1 Integrated Regional Water Management (IRWM) Round 1 Implementation grant application submitted to the Department of Water Resources (DWR) totaled to \$23,091,428 and included 10 projects. SAWPA, and consultant Dudek, worked with the project proponents to submit the final application to DWR on the application's November 1 deadline. SAWPA is awaiting DWR's draft and final funding announcement for the application. Based on preliminary feedback from DWR staff, it is likely that the draft will be announced in Spring 2020 and the final in late Spring 2020.

After the funding awards are announced, SAWPA will work with DWR to draft a grant agreement that allows DWR to reimburse SAWPA, and the 10 project proponents, for expenses as well as track completion of their projects. DWR staff has also preliminarily shared that they will begin drafting the Proposition 1 Round 2 Implementation grant guidelines documents in 2021. With those grant guidelines, SAWPA will bring to the OWOW Steering Committee a recommended process for distributing those funds. Based on the total amount of funding granted to the Santa Ana River Watershed IRWM region in Proposition 1 and the funding allocated in Round 1, there is estimated to be approximately \$27,000,000 in grant funding available in Round 2 as shown in the table below.

IRWM Funding Round	Implementation	Implementation	Total
Round 1	\$ 20,996,678	\$ 2,094,750	\$ 23,091,428
Round 2	\$ 22,853,322	\$ 4,205,250	\$ 27,058,572
Total	\$ 43,850,000	\$ 6,300,000	\$ 50,150,000

BACKGROUND

When the California Legislature and voters make funding available to the IRWM Program, the OWOW Program is responsible for identifying appropriate expenditures in the Santa Ana River Watershed IRWM region. DWR is the lead State agency for releasing grant guidelines and managing funding contracts with the 50 IRWM regions throughout the State. The OWOW Steering Committee adopted funding policies for the Proposition 1 IRWM Implementation grants that assisted the watershed in incentivizing innovative projects and projects that are small in both benefit and cost. SAWPA initiated

the Proposition 1 Round 1 IRWM Implementation Grant preparation following the OWOW Steering Committee’s approval in November 2018.

Concurrent with the Proposition 1 Round 1 IRWM Implementation grant preparations, a funding allocation agreement or MOU was developed and executed between SAWPA and North Orange County IRWM lead agencies. In accordance with the MOU between SAWPA and the North OC IRWM agencies, staff incorporated three additional IRWM projects from the North OC call for projects managed by the County of Orange’s Department of Public Works. After conducting a Pre-Application Workshop with DWR, feedback from DWR prevented one of the North OC projects from proceeding so this North OC IRWM lead agencies agreed to roll the available funding allocated for this project for use in the future North OC IRWM Round 2 funding.

Over the subsequent months SAWPA used “participatory budgeting” to determine which projects should receive grant funding. After 30 projects were submitted through a Call for Projects in early 2019, SAWPA held a “Let’s Connect” workshop to allow watershed stakeholders to learn about projects and encourage project proponents to find linkages between their projects and possibly combine their projects with others. After several projects combined, SAWPA released a preliminary ranking of all projects by scoring them based on their nexus to the IRWM’s goals, using a scoring process that was approved by the OWOW Steering Committee.

SAWPA led three additional workshops to allow the applicants to articulate and justify the project benefits they claimed and to allow other stakeholders to challenge assumptions. The workshops were open to all applicants and stakeholders throughout the watershed. SAWPA then re-ranked the projects using the updated benefit amounts. In a final workshop SAWPA recommended an allocation of the available grant funding whereby each project received a proportional share of the funding based on their percentage of the points scored. The OWOW Steering Committee approved the final package of projects, shown in the table below, at their May and July 2019 Committee meetings.

Proposition 1 IRWM Round 1 Implementation Final Project List

IRWM Solicitation	Project	Project Lead	Grant Award
OWOW	Replenish Big Bear	Big Bear Area Regional Wastewater Agency	\$4,563,338
	Evans Lake Tributary Restoration and Camp Evans Recreation	San Bernardino Valley Municipal Water District	\$2,000,000
	Well 30 Wellhead Treatment Project	Monte Vista Water District	\$3,431,225
	Regional Comprehensive Landscape Rebate Program	Project Partners*	\$2,767,344
	Physical Harvesting of Algal Biomass in Lake Elsinore – Pilot Program	City of Lake Elsinore	\$297,000
	Santa Ana Mountains Watershed Protection Project	Cleveland National Forest	\$497,998
	Enhancements to Watershed-Wide Water Budget Decision Support Tool	SAWPA	\$500,000
	Joint IEUA-JCSD Regional Water Recycling Program	Inland Empire Utilities Agency	\$2,617,970

North Orange County	Groundwater Replenishment System Final Expansion	Orange County Water District	\$3,589,553
	Raitt & Myrtle Park	City of Santa Ana	\$1,670,000
N/A	Grant Management**	SAWPA	\$1,157,000
Total			\$23,091,428

*Municipal Water District of Orange County, Eastern MWD, Inland Empire Utilities Agency, San Bernardino Valley MWD, Western MWD and Big Bear Lake Department of Water and Power.

** (5% of Total Grant Award)

Attachment:

1. PowerPoint Presentation

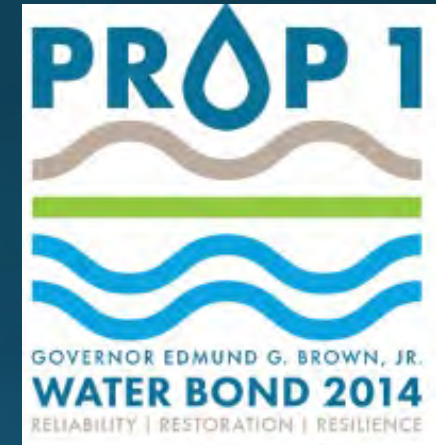
OWOW Proposition 1 Round 1 Integrated Regional Water Management Implementation Grant Update

Ian Achimore, Senior Watershed Manager
OWOW Steering Committee | March 26, 2020
Item No. C.C.

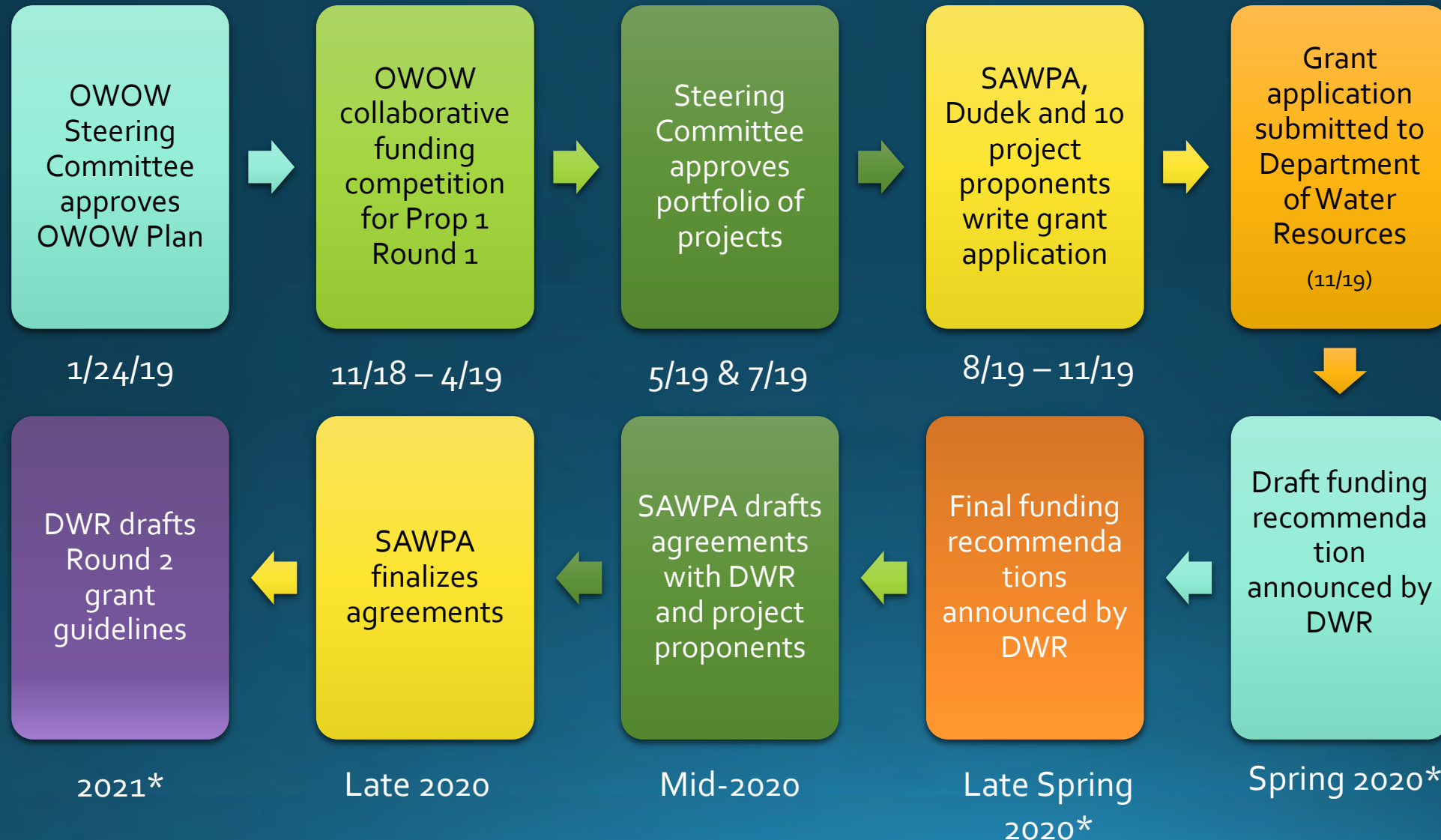


Prop 1 IRWM Requirements

- **All overall project proposals must:**
 - Respond to climate change, and
 - Contribute to regional water self-reliance.
- **All individual projects must:**
 - Address the most critical needs of the IRWM region,
 - Be consistent with Statewide Priorities,
 - Have an expected useful life, and
 - Have CEQA/permits acquired within 12 months of final grant award.



Proposition 1 IRWM Schedule

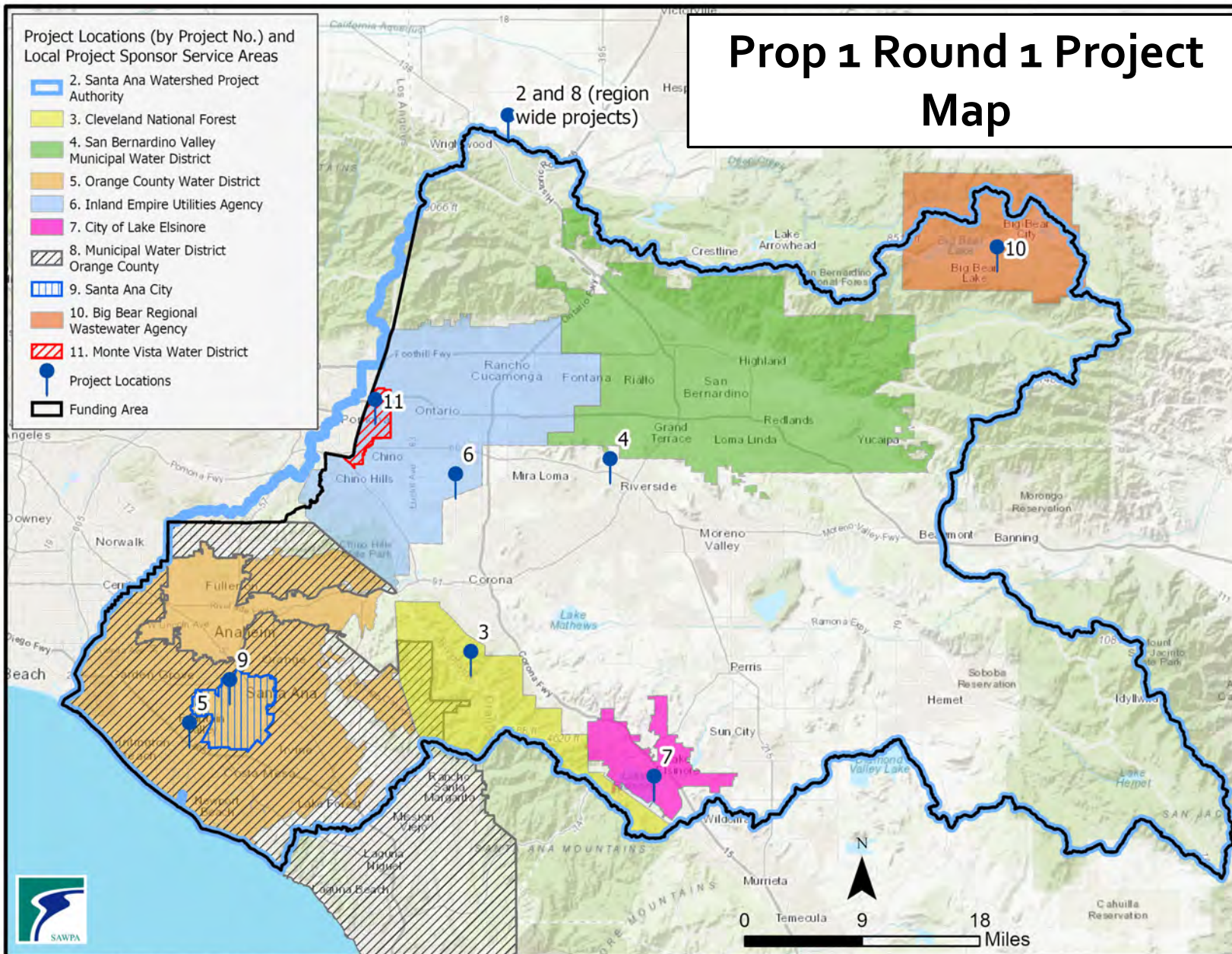


*Preliminary dates shared by DWR

Prop 1 Round 1 Final Project List

IRWM Solicitation	Project	Project Lead	Grant Award
OWOW	Replenish Big Bear	Big Bear Area Regional Wastewater Agency	\$4,563,338
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	Enhancements to Watershed-Wide Water Budget Decision Support Tool	Santa Ana Watershed Project Authority	\$500,000
	Joint IEUA-JCSD Regional Water Recycling Program	Inland Empire Utilities Agency	\$2,617,970
North OC	Groundwater Replenishment System Final Expansion	Orange County Water District	\$3,589,553
	Raitt & Myrtle Park	City of Santa Ana	\$1,670,000
N/A	Grant Management (5% of Total Grant Award)	Santa Ana Watershed Project Authority	\$1,157,000
Total			\$23,091,428

Prop 1 Round 1 Project Map



P:\projects\lan\Prop1Rnd1Maps\ProjectSponsors\ProjectSponsors.aprx LO_ProjectProponents SW-2929

Note: Project 1 is identified in the DWR application as grant management and is thus not shown on this project map.

Prop 1 Round 1 and 2 Funding

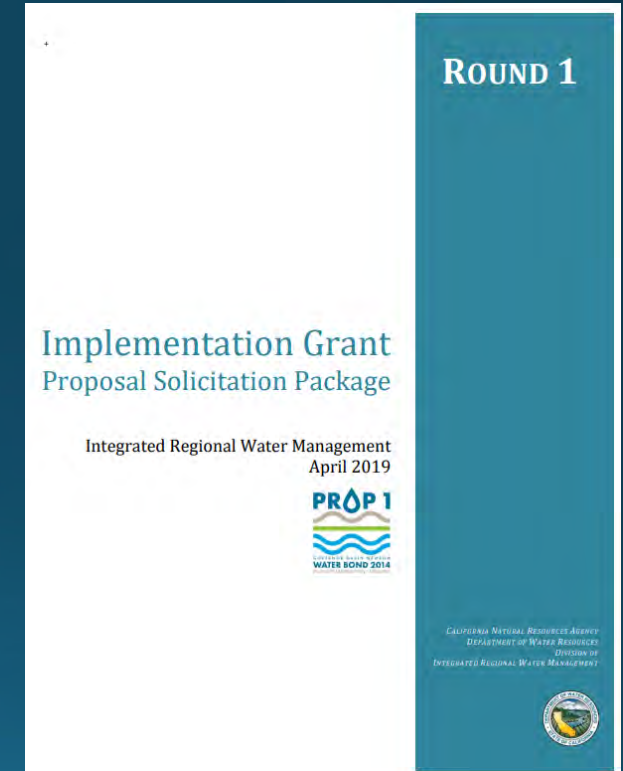
	Round 1 Implementation	Round 1 DAC Implementation	Total
Round 1	\$ 20,996,678	\$ 2,094,750	\$ 23,091,428
Round 2	\$ 22,853,322	\$ 4,205,250	\$ 27,058,572
Total	\$ 43,850,000	\$ 6,300,000	\$ 50,150,000



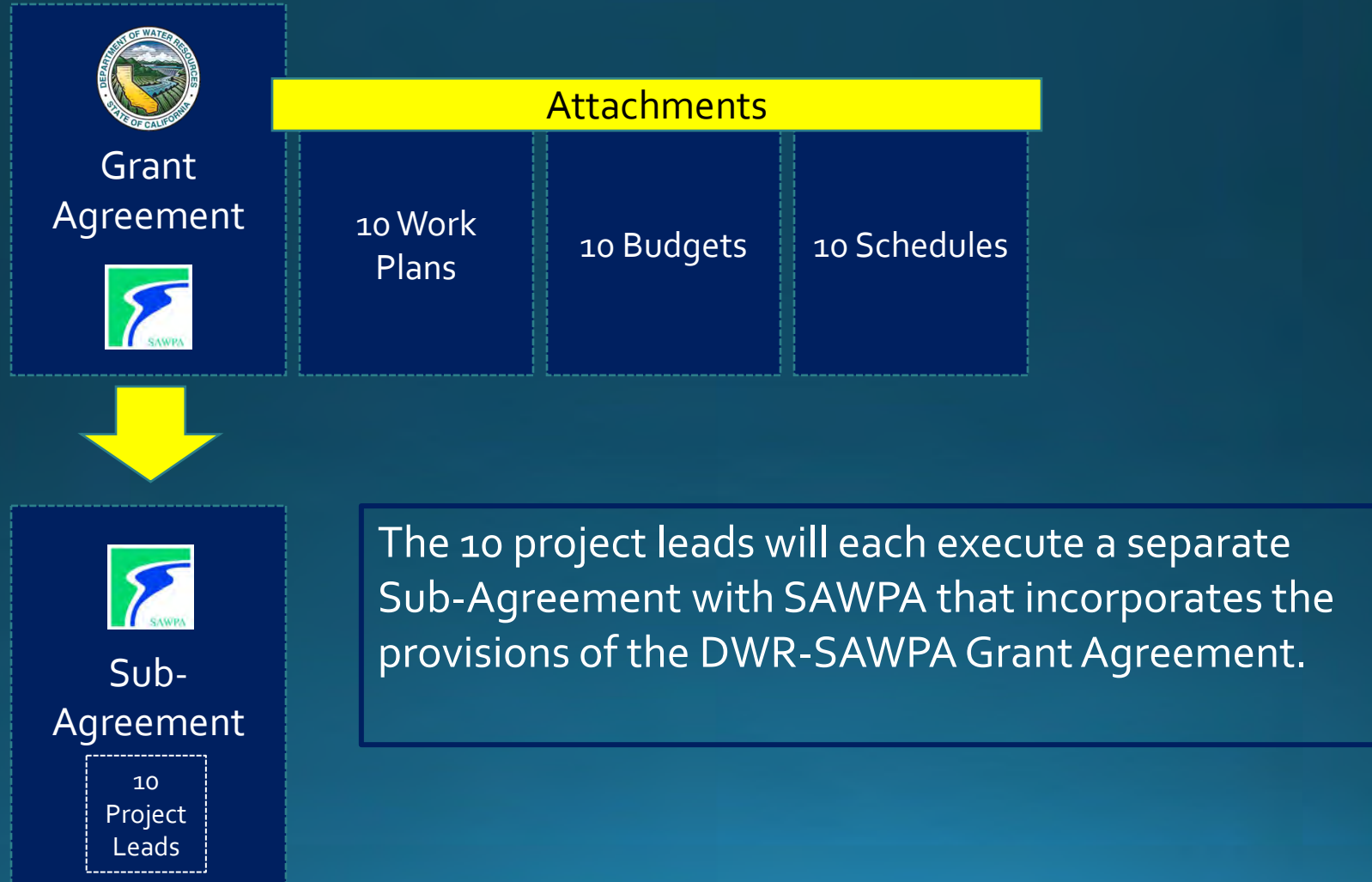
Round 2 grant guidelines likely be drafted by DWR by in 2021.

Next Steps

- DWR to make final award announcements later this year.
- SAWPA-DWR grant agreement and SAWPA sub-agreements with project proponents to be developed.



Agreements to Be Executed



Questions

OWOW STEERING COMMITTEE MEMORANDUM NO. 2020.8

DATE: March 26, 2020

TO: OWOW Steering Committee

SUBJECT: Proposition 84 Round 2 Implementation Grant Agreement Amendment

PREPARED BY: Marie Jauregui, Project Manager

RECOMMENDATION

Receive and file.

DISCUSSION

The Recycled Water Project Phase I project by the City of Riverside Public Utilities (RPU) Department is receiving grant funding under Proposition 84 Round 2. RPU has requested changes to the project's scope, budget, and schedule.

This project was split into two phases – Phase 1A and Phase 1B. \$500,000 of grant funds were allocated to each Phase, giving RPU a total of \$1M in grant funding. The Phase 1A project includes installation of approximately 14,600 linear feet of recycled water pipeline and is complete. RPU is currently working to complete approximately 17 customer conversions. Anticipated completion of the customer conversions is September 2020. The Phase 1A project will offset approximately 600 AFY of landscape irrigation. The total project cost for Phase 1A is approximately \$11.9M

Phase 1B would install approximately 11,000 linear feet of recycled water pipeline and a booster pump station. It also would offset approximately 8,000 AFY of potable water as follows:

- 400 AFY of landscape irrigation;
- Provide Western Municipal Water District (WMWD) approximately 2,600 AFY of new recycled water supply which will offset existing groundwater production;
- Provide WMWD with an additional 2,500 AFY of new recycled water supply to be used for groundwater recharge in their service area; and
- WMWD will provide approximately 2,500 AFY of new diluted water supply to be blended with the 2,500 AFY of new recycled water supply for groundwater recharge.

Phase 1B will not be completed before the grant termination date of December 2020. Furthermore, the final rate increase package that was approved by the Riverside City Council was smaller than originally presented. As a result, Phase 1B of the project was not included in the approved rate increase package. The total project cost for this phase is approximately \$9.8M. RPU has requested that Phase 1B be removed from the project scope, budget, and schedule and replaced with another project with comparable benefits.

The project that will replace Phase 1B of the Recycled Water Pipeline Phase I project is the RPU Groundwater Well Rehabilitation Project. This project would rehabilitate two (2) groundwater production wells for a total project cost of \$767,000. RPU has a wheeling agreement with WMWD which includes a 5,208 AFY obligation. Within that agreement, there also is a surplus obligation of 2,000 AFY. Furthermore, RPU also has a five-year surplus agreement with the City of Norco which includes a 1,000 AFY obligation. Rehabilitating these wells would allow RPU to meet these obligations. During

peak demand, RPU does not have enough water to supply their contractual volume obligations to the City of Norco and WMWD. If these obligations cannot be met, imported water would have to be purchased from Metropolitan Water District (MWD) resulting in a loss of revenue for all parties involved. The Well Rehabilitation Project increases water supply reliability, increases the capacity of the two wells, and reduces the amount of imported water purchased from MWD by 8,208 AFY, which is slightly higher than the 8,000 AFY of new recycled water supply from Phase 1B. Additionally, Well Rehabilitation Project will be completed within the timeline of the grant.

CRITICAL SUCCESS FACTORS

The following OWOW critical success factors are addressed by this action:

1. Administration of the OWOW process and plan in a highly efficient and cost-effective manner.
2. Data and information needed for decision-making is available to all.

RESOURCE IMPACTS

The changes proposed to the project will result in a DWR amendment and modifications to the sub-agreements. The SAWPA labor time associated with these changes will be charged to SAWPA's grant administration budget for Prop 84 Round 2 grant program and sufficient funding has been budgeted for such changes.

Attachments:

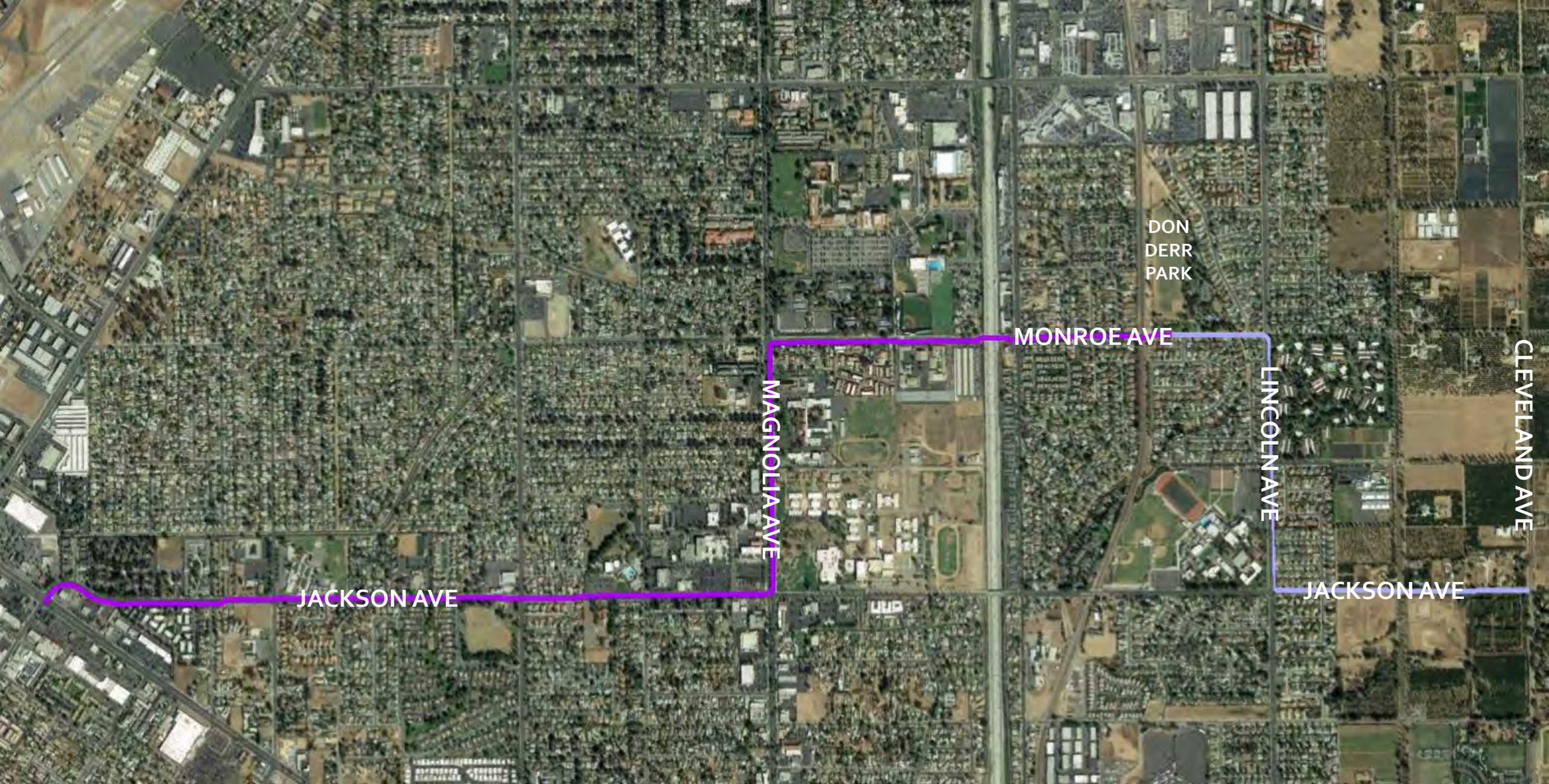
1. PowerPoint Presentation

Proposition 84 Round 2 Project 19 Amendment

March 26, 2020
Steering Committee Meeting
Item No. D.



Marie Jauregui
Project Manager



DON
DERR
PARK

MONROE AVE


LINCOLN AVE


CLEVELAND AVE

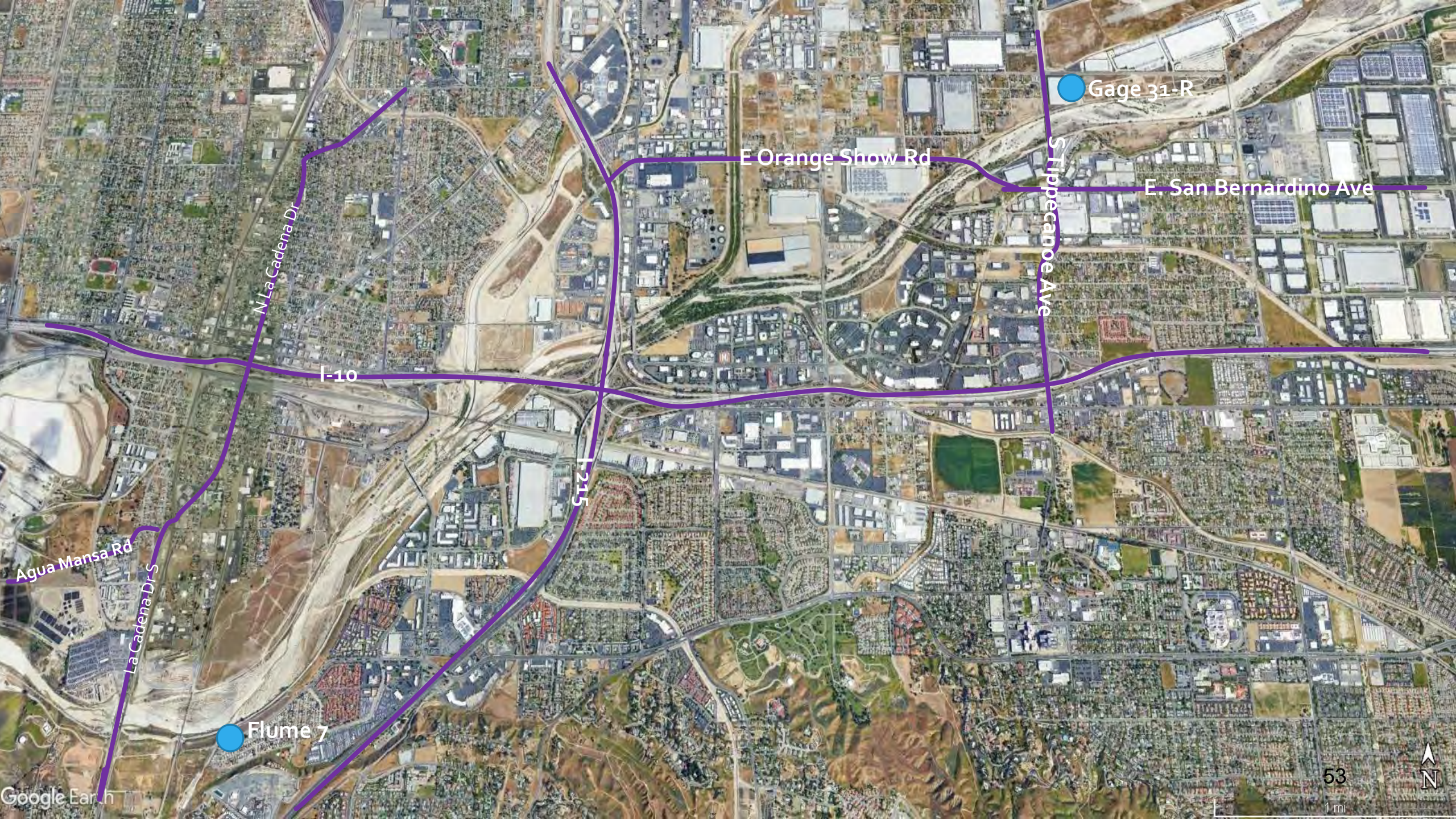
MAGNOLIA AVE

JACKSON AVE

JACKSON AVE

 = Phase 1A

 = Phase 1B



Gage 31-R

E Orange Show Rd

E. San Bernardino Ave

N La Cadena Dr

S Tippecanoe Ave

I-10

I-215

Agua Mansa Rd

La Cadena Dr S

Flume 7





Questions?