



Participatory Budgeting Workshop No. 2

July 26, 2022

Prop 1 Round 2 Integrated Regional
Water Management (IRWM) Grant Funding

One Water One Watershed - Santa Ana Funding Area

Agenda

1. Introductions
2. SAWPA – Brief Recap of June 30th Workshop
3. SAWPA – High Level Overview of Project Applicant's Response to SAWPA and Stakeholder Comments
4. SAWPA – Project Changes Allowed Due to Comments/Feedback
 - a. Benefit Area Changes
 - b. DAC Percentage Calculations
 - c. Project Cost Changes
 - d. Greenhouse Gas Calculations
 - e. Other
5. SAWPA – Feedback on Changing Numeric Benefits
6. Next Steps – Scheduling Workshop No. 3

Round 2 (R2) Process



*Best estimate currently. Dates may change based on DWR's time needed to review applications.

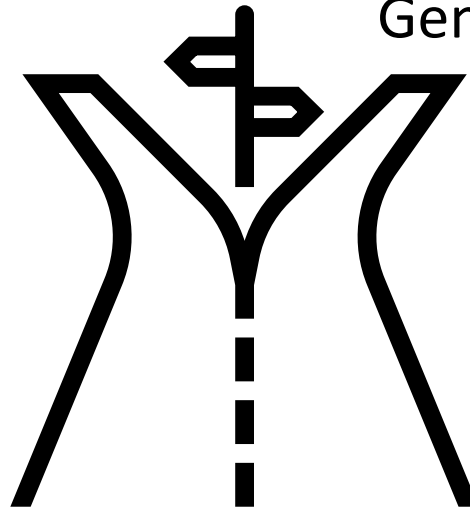
Comments Received and the Schedule

- SAWPA staff submitted comments to project applicants in late June before the June 30th workshop (and some follow-up comments last week), and
- Stakeholders submitted public comments by July 18.

Competition Pools for Your Project

Disadvantaged Community*

General Implementation



*Project must have at least 75% of the benefit area (as population and/or geographic area) must be considered “DAC”. Can be a single benefit, and single jurisdictional project.

Recommended Round 2 Competition Pools (Not including North OC)

| Competition Pools | Grant Amount |
|------------------------------|---------------------|
| DAC | \$4,095,000 |
| General Implementation | \$14,435,100 |
| Upper Watershed* | \$12,372,943 |
| Watershed Wide* | \$2,062,157 |
| DAC and General Total | \$18,530,100 |

*Not a competition pool, funding gets distributed after projects are submitted and highest scoring projects are determined.

Projects Seeking Grant Funding by Category

| Category | Projects | Grant Requested | Grant Available* |
|-------------------------|----------|-----------------|------------------|
| Disadvantaged Community | 6 | \$13,116,020 | \$4,095,000 |
| General Implementation | 18 | \$54,700,206 | \$14,435,100** |
| Total | 24 | \$67,816,226 | \$18,530,100 |

26 projects also submitted applicants in order to be included in the Santa Ana River Watershed IRWM OWOW Plan. Entities often take this action in order to be eligible for other State grant opportunities.

*There is also \$7,175,543 available through the North Orange County IRWM group for projects received through their process. Projects received by their lead administering agency, Orange County Public Works, are not shown in the above table or in this presentation.

**This amount may increase by \$2,000,000 due to roll over of funding from Prop 1 Round 1. Still awaiting approval by Department of Water Resources before it is officially increased.

Purpose of Participatory Budgeting Process

- Process developed with the goals of **transparency**, objectivity, and deliberation.
- Purpose is to receive input on the projects proposed in the OWOW process
 - Are the benefits claimed accurate and follow DWR/OWOW guidelines?
- After participatory budgeting process ends in August 2022, SAWPA staff will recommend final list of projects to the OWOW Steering Committee and SAWPA Commission.
 - Included will be the Orange County-based projects submitted to SAWPA by the lead administering agency for the North OC IRWM process.

Recap of June 30th Workshop

- SAWPA staff presented a refresher on the ranking formula and competition pools, and
- Project applicants presented on their projects (two-slides each) in order to give workshop attendees an understanding of their projects.

Brief Overview of SAWPA Staff Comments

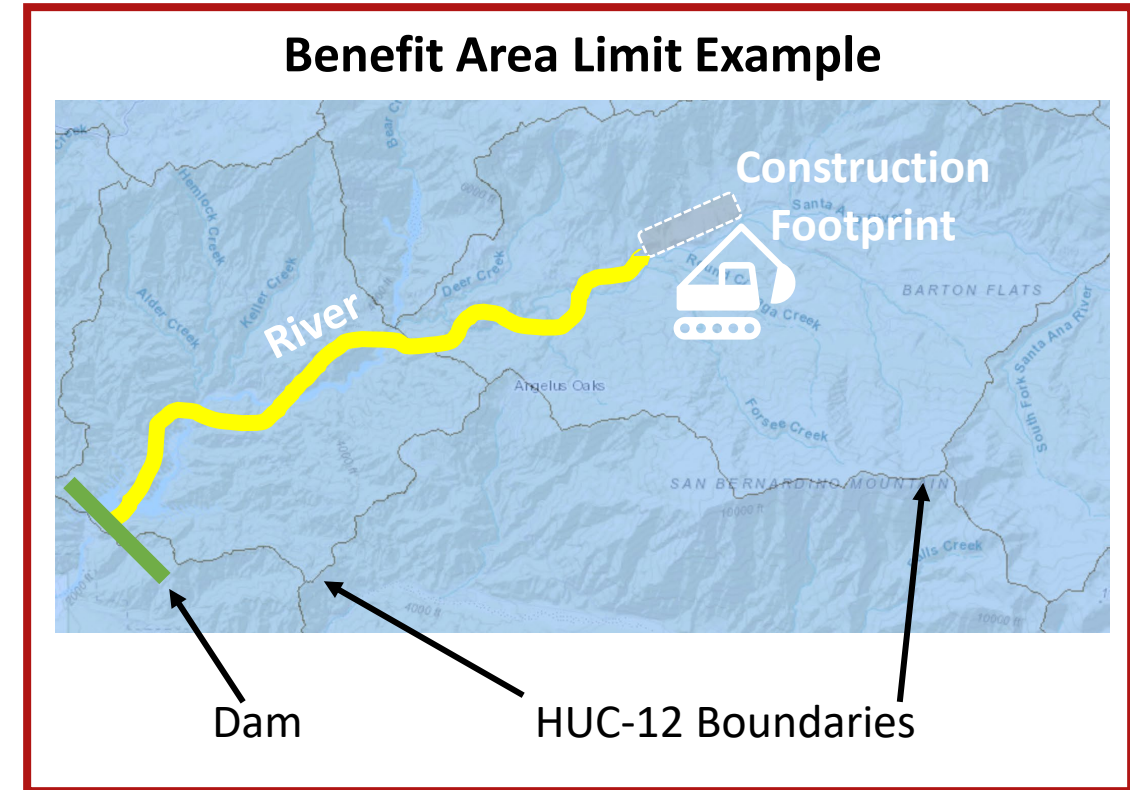
- Comments reflect similar feedback we received from the Department of Water Resources in Prop 1 IRWM Round 1.
- Many comments are related to the OWOW guidelines.
- And many comments are viewed through the lens of the IRWM philosophy:
 - Does project provide new benefits to the region?
 - How does the project impact other portions of the region?

Project Changes Policy (As Shared on June 30)

- A. An applicant may make changes based on SAWPA quality control comments in the document provided (as well as items based on DWR's guidelines and clarifications that they provide after the OWOW Call for Projects deadline). Some of the quality control comments may lead you to recalculate your benefit area and greenhouse gas emissions.
- B. What is not allowed, is a modifications to the project's scope of work using information already available before the OWOW Call for Projects deadline. Or unilaterally adding to the benefits claimed in the Call for Projects application.

OWOW **Benefit Area** Guidance

- Benefit Area limits include the following (listed by project benefit type):
 - **Ecosystem Projects:** US Geological Survey designated HUC-12* level watersheds,
 - **Surface Water Quality and Groundwater Quality:** HUC-12s and DWR-118 Groundwater Basins,
 - **Coastal water quality:** 10-mile buffer areas, and
 - **Inland water body open to public:** 10-mile buffer areas.



*HUC = Hydraulic Unit Code (more info: <https://water.usgs.gov/GIS/huc.html>)

Benefit Area Changes

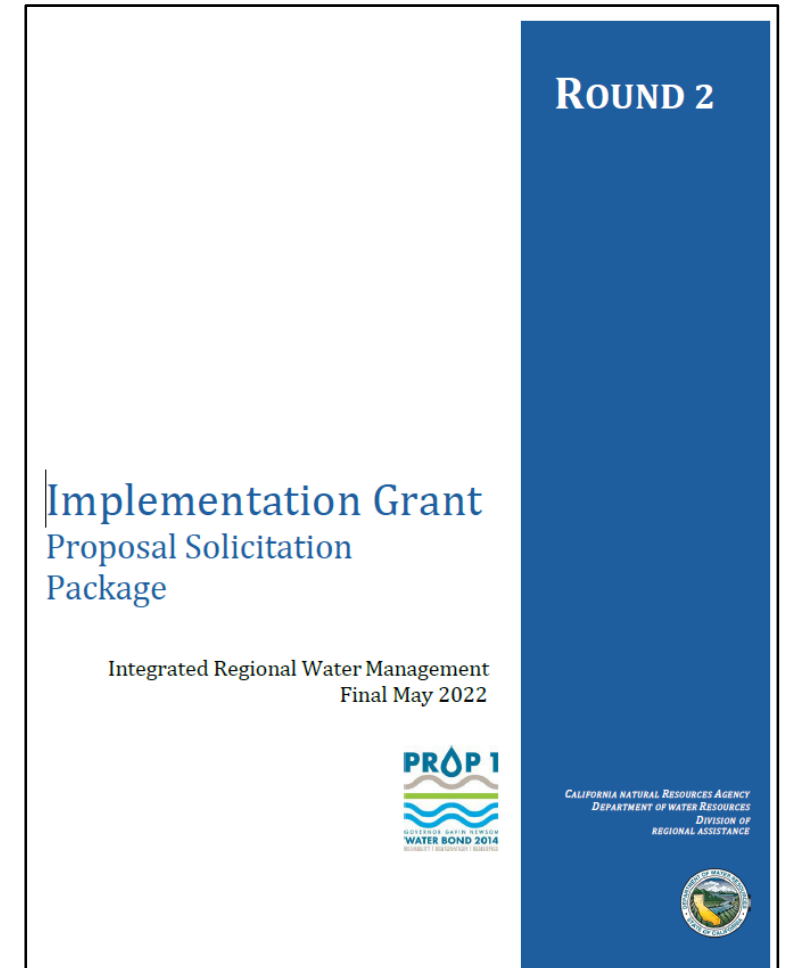
- LESJWA, San Bernardino Parks, and Rialto: Able to increase their benefit areas (by utilizing the benefit area guidelines for buffer areas around lakes),
- Santa Ana, City: Decreased benefit area due to DAC calculation,
- WMWD: Ensured their benefit area represents the groundwater basin they were benefiting as well as the regional partners who are utilizing new supply from that basin.

Changes are ok per SAWPA policy.

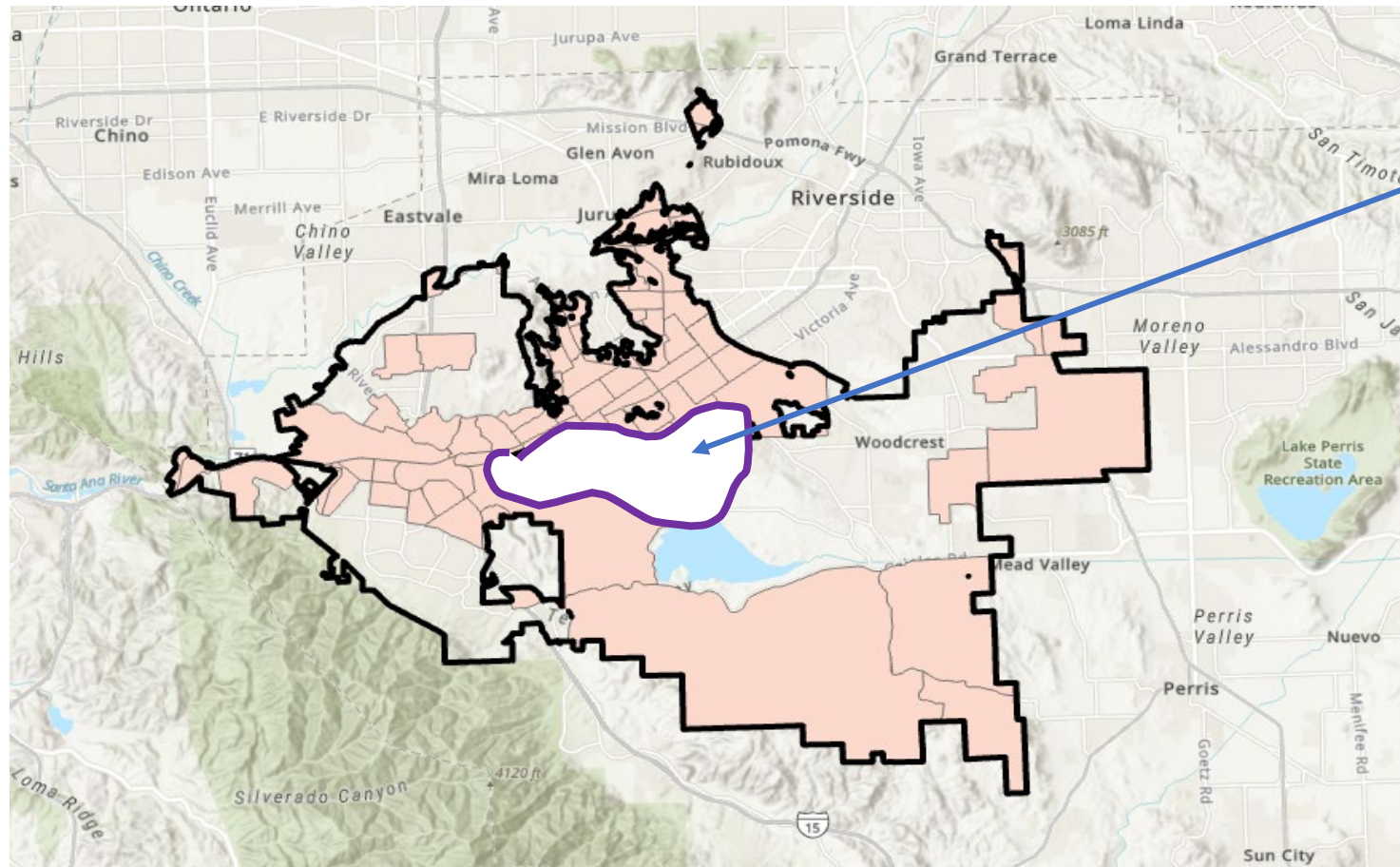
Benefit Area Guidance from DWR PSP

- “The project **benefit area** is determined by the area receiving the primary benefit from the project, not by the physical location of the project.
- The primary benefit must be a **quantified direct benefit** of the project.”

Page 13 of Proposal Solicitation Package (PSP)



Project with Quantified Water Supply and Quality Benefits (Example)



Groundwater
basin example

“Downstream Impact” Comments

- Several projects include changes that involve downstream habitat or water supply systems:
 - IEUA: Rialto Channel,
 - JCSD: Upper Chino Basin,
 - Santa Ana, City: Green Acres Project,
 - SBVMWD: Santa Ana River Mainstem near Riverside Narrows, and
 - YVWD: San Timoteo Creek.

SAWPA staff had just one follow up comment to YVWD regarding coordination with downstream parties.

Comments Related to Extra Point Categories

| Benefit Category | Weighting Factor | Category Information |
|---|------------------|---|
| Tribal Benefit | NA - Extra 10% | Lead applicant is federally recognized Indian Tribe or CA State Indian Tribe listed on the Native American Heritage Commission's CA Tribal Consultation List |
| Regional Benefit | NA - Extra 15% | Benefit area (or equivalent impact) covers at least approximately 75% of IRWM Funding Area, including adjacent IRWM Regions |
| New and Innovative Decision Support Tools | NA - Extra 5% | Project employs new or innovative technology or practices, or is a pilot project. |
| Non-Profit Partner or Lead (501c3) | NA – Extra 5% | Non-profit provides labor, land value, and/or resources, toward implementation of the project. If they are the lead (and not just a partner), project is also eligible for this 5%. |

Most comments focused on these two categories.

New and Innovative Extra Points

- DWR guidelines based on Water Code Section 79707(e):

“A reasonable explanation of how a project employs **new or innovative** technology or practices, including, but not limited to:

- Decision Support Tools that support the integration of multiple jurisdictions, new and/or innovative business approaches, technology and partnerships etc.
 - Technologies that were developed and/or became accessible within the last ten years (e.g., Smart Meters, new apps, etc.)
 - New applications of existing technologies
 - Pilot studies seeking to test new technologies or management strategies for future implementation projects”.
- Public comment was submitted regarding JCSD’s ability to claim new and innovative. In light of DWR guidelines, it is ok to claim “new and innovative” for their regional intertie project.

Decision Support Tool Background

Decision Support Tools in Proposition 1 IRWM Implementation



Decision support tools are the only non-implementation project type eligible to receive Proposition 1 Implementation funding. A decision support tool project should collect data and/or generate a model to support future water management decisions. Proposals for decision support tool projects should include a clear description of how data will be collected and used for future projects or the development of future programs (i.e., who will use the collected data, how the data will be used, and what decisions will be derived).

As defined in Proposition 1, decision support tools:

- Support the integration of multiple jurisdictions, including, but not limited to, water supply, flood control, land use, and sanitation.
- Evaluate the benefits and costs of multi-benefit stormwater projects.
- Model regional water management strategies to account for climate change and other changes in regional demand and supply projections.

Decision Support Tool (Project Changes)

- Santa Ana River Watershed Weather Modification Pilot Project (SAWPA), and
- Recycled Water Use Expansion Project (Santa Ana, City).
- Have requested changes to their projects due to new feedback from Department of Water Resources and SAWPA during participatory budgeting process.
 - Those modifications are ok per the SAWPA policy.

Request to Change Numeric Benefits

- IEUA: New water savings study from another water agency (Turf Replacement Multiplier Effect Study),
 - San Bernardino Parks: Additional estimation done by applicant using riparian area around lake, and
 - JCSD: New project-specific study now available.
-
- Unfortunately, changes not allowed due to policy (i.e. are seen as “unilateral changes” not related to comments)

Ranking Projects

| Project Name (General Implementation) | Applicant | Water Supply AFY | Ranking Value |
|---|--------------|---------------------|---------------|
| City of Rialto Recycled Intertie | IEUA | 3,500 | TBD |
| Large Landscape Water Efficiency Program | IEUA | 671 | TBD |
| Etiwanda Intervalley Water Quality and Water Resiliency Project Phase-1A | JCSD | 4,355 | TBD |
| Phase 1 - Lake Elsinore Algae Harvesting and Nutrient Removal Project | LESJWA | | TBD |
| Well 2 Replacement | MVWD | 3,226 | TBD |
| Well 4 Replacement | MVWD | 1,936 | TBD |
| Well Pump Replacements | MVWD | 4,194 | TBD |
| Wellhead Nitrate Treatment for Wells 4 & 27 | MVWD | 4,516 | TBD |
| Regional Water Distribution System Leak Detection and Repair Program | MWDOC | 1,338 | TBD |
| Water Well RN #6 Nitrate Removal System | RHWC | 1,300 | TBD |
| Lake Rialto Habitat Management and Community Open Space Project | Rialto, City | | TBD |
| Santa Ana River Watershed Weather Modification Pilot Project | SAWPA | 8,200 | TBD |
| Cable Creek Basin (Upper) | SBCFCD | 859 | TBD |
| Improved Lake Circulation at Prado Regional Park | SBCRP | | TBD |
| Cactus Basins Connector Pipeline | SBVMWD | 1,360 | TBD |
| Santa Ana River Sustainable Parks & Tributaries Water Reuse (Purple Pipe) | SBVMWD | 5,109 | TBD |
| Improving Water Quality of Recycled Water Used in Local Groundwater | WMWD | 985 | TBD |
| Calimesa Aquifer Storage and Recovery | YVWD | 2,890 | TBD |

Overlapping Benefits Between Projects

- Comments addressed to Rialto (as the City WWTP involved in several projects) and MVWD (two wells with overlapping benefits).
- Rialto and MVWD addressing comments.

Greenhouse Gas Calculations

- SAWPA to follow up with project applicants, and at the next workshop, to ensure all projects who claimed GHG are using similar methodology.

Project Cost Changes

- Some entities had changes to their budgets as a result of SAWPA staff comments.
- Those changes are ok per OWOW policy. See highlighted red cells in the Project Benefits Spreadsheet.

Questions

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