



# **Santa Ana Watershed Project Authority**

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## **Sacramento Update**

Sept 20, 2022

Michael Boccadoro &  
Beth Olhasso

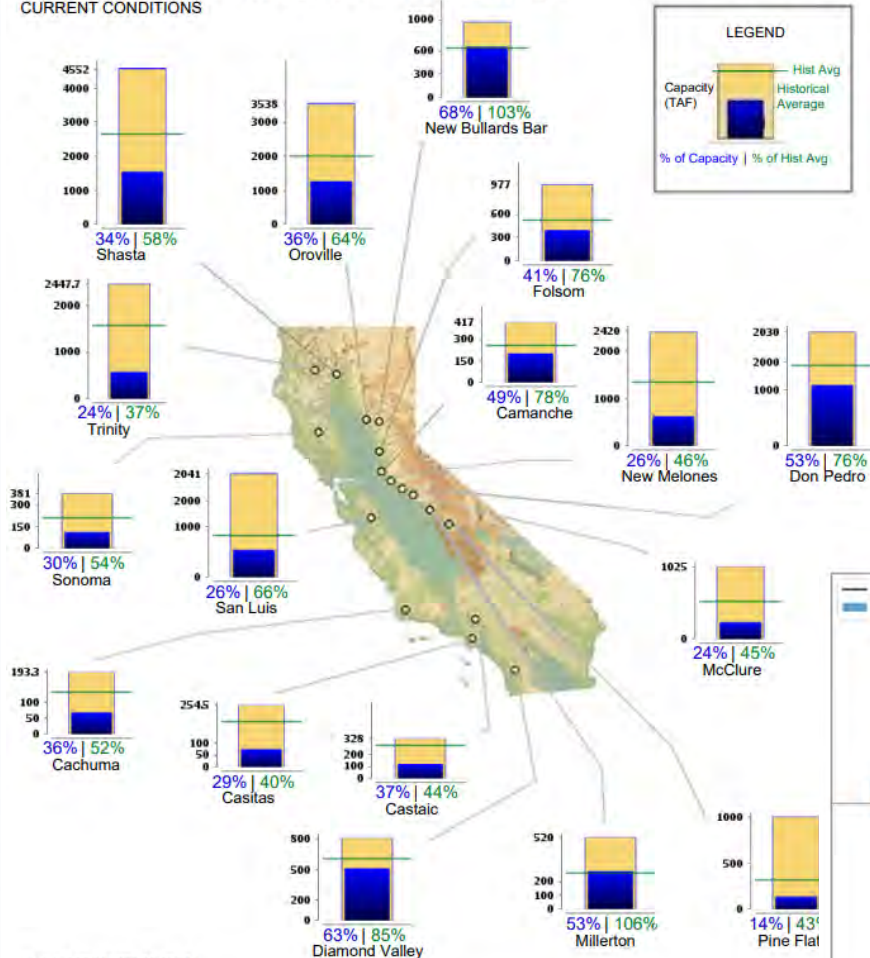


**West Coast Advisors**  
*Strategic Public Affairs*

# Drought/Water Supply Update

## CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

Midnight - September 13, 2022



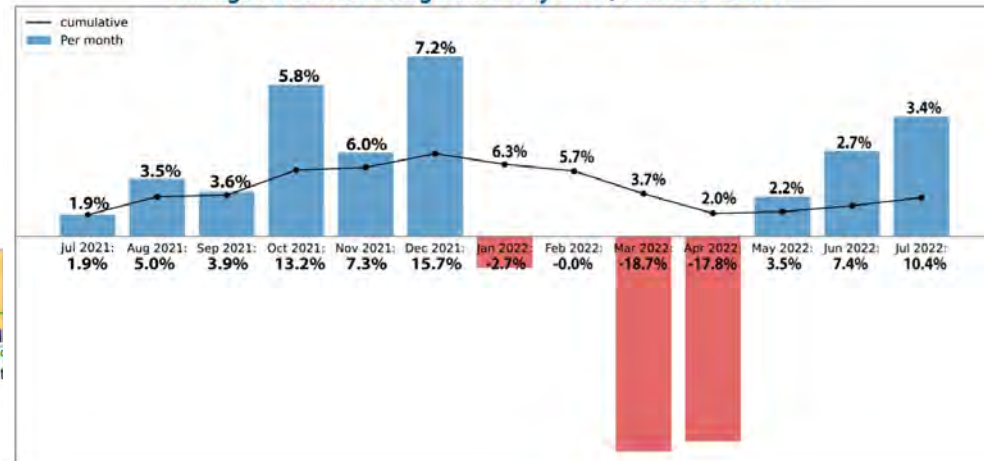
Updated 09/14/2022 12:48 PM

## Progress Towards 15% Savings


Region Type: Hydrologic Region  
 Select months: (Multiple values)

Region	May 2022	Jun 2022	Jul 2022	Cumulative
Central Coast	-2.0%	-5.4%	-6.8%	-2.5%
Colorado River	-2.5%	-6.4%	-5.6%	0.9%
North Coast	-3.7%	-10.9%	-28.5%	-14.7%
North Lahontan	-18.6%	-14.0%	-7.9%	-9.1%
Sacramento River	-3.3%	-10.0%	-12.4%	-6.1%
San Francisco Bay	-8.0%	-12.6%	-17.3%	-9.7%
San Joaquin River	-4.2%	-5.6%	-8.9%	-3.2%
South Coast	-2.1%	-5.9%	-8.6%	-1.3%
South Lahontan	-11.2%	-10.2%	-16.1%	-3.7%
Tulare Lake	-1.3%	-5.0%	-7.1%	-1.9%
Statewide	-3.5%	-7.4%	-10.4%	-3.4%

## Changes in water savings since July 2021, relative to 2020



# Legislative Update

- 
- Legislative session ended 8/31
    - 4,476 bills introduced in 21-22 legislative session
    - 2,329 bills sent to the Governor
  - Key Water Bills
    - SB 1157 (Hertzberg): Lowering the indoor urban water use standard to 42 GPCD by 2030. **Passed Legislature**
    - SB 12 (McGuire): Requiring use of “heat resilient water infrastructure” in projects in high fire severity zones funded by state or federal govt **Failed Passage**
    - AB 2142 (Gabriel): Exempts turf rebates from “taxable income” . **Passed Legislature**
    - AB 2247 (Bloom): PFAS- publicly accessible reporting platform . **Passed Legislature**
    - AB 2449 (Rubio): Open Public meetings. **Signed by Governor**

# FY 2022-2023 Budget

- \$3.6 Billion-2022 Drought Resilience and Response Package
- \$710M-immediate drought response
- \$1.5B- drinking water, water supply reliability & flood
  - **\$665M to SWRCB for recycled water**
- \$441M- conservation & agriculture
- \$918M- habitat/nature-based solutions
  - **\$66M- to DWR for watershed climate resilience grants** (plus \$48M in 23-24; \$25M in 24-25; and \$11M in 25-26)
  - **\$79M- improve watershed protection and climate resiliency in Southern California through land acquisition, habitat & streamflow enhancement.**



**Thank You**



**Questions?**

# Proposition 1 Round 2 Integrated Regional Water Management Call for Projects Update

Ian Achimore, Senior Watershed Manager  
SAWPA Commission | September 20, 2022  
Agenda Item 7.A.

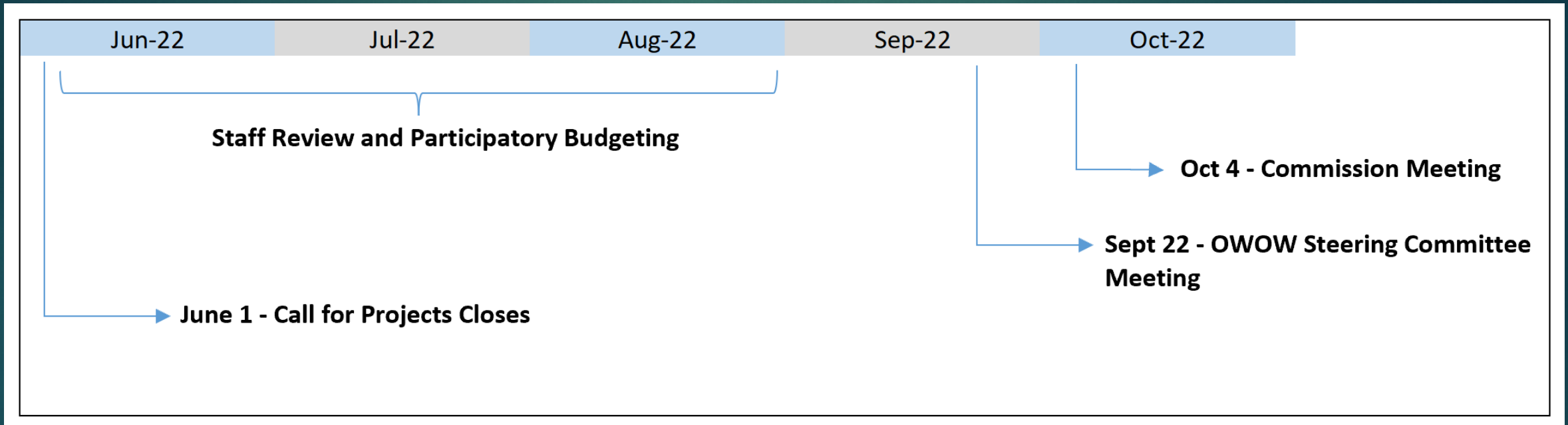


# Recommendation

- ▶ Receive and file.

Note: Pending OWOW Steering Committee approval of the Prop 1 Round 2 projects on Thursday September 22nd, SAWPA will thereafter present the projects for adoption by the SAWPA Commission on October 4, 2022.

# Prop 1 Round 2 Schedule



## Notes:

- ▶ Application to Department of Water Resources (DWR) due February 1, 2023.
- ▶ DWR/SAWPA grant agreement likely executed October 2023.



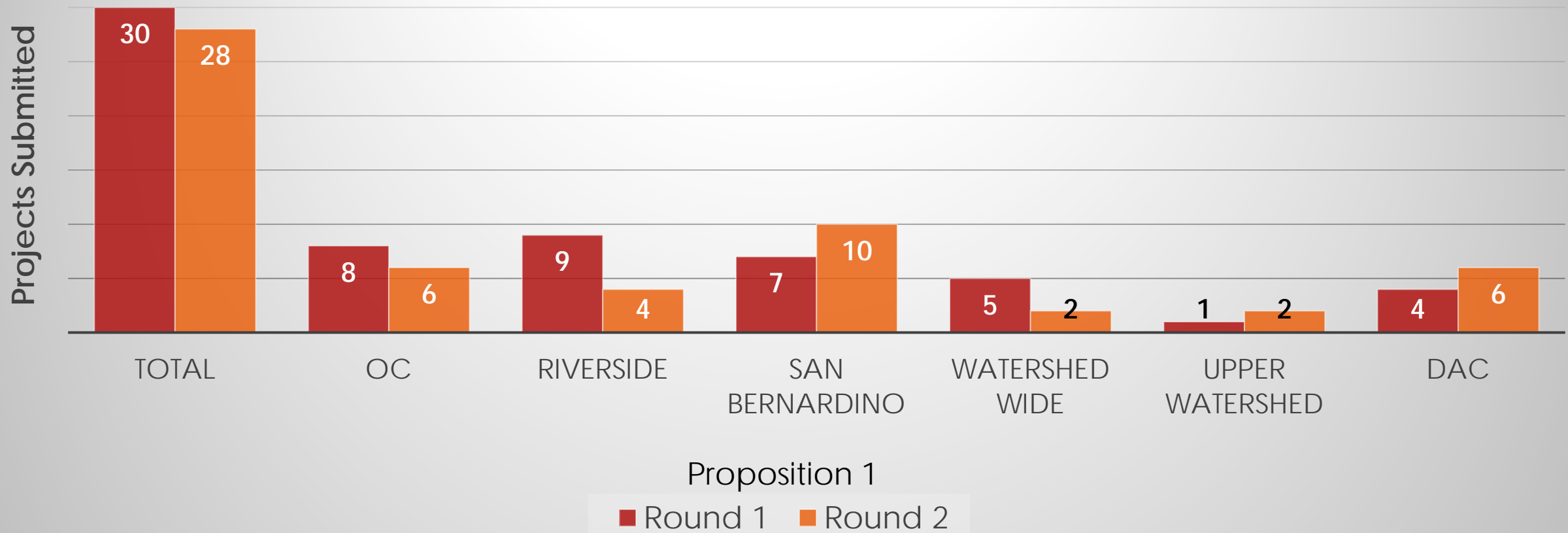
# Prop 1 Round 2 Grant Funding Available for OWOW Process

Category	Project Applications	Grant Requested	Grant Available
Disadvantaged Community	6	\$13,116,020	\$4,095,000
OWOW General Implementation	18	\$54,700,206	\$14,435,100
North OC - General Implementation	4	NA	\$7,175,543
SAWPA - Grant Administration (4.7% of total grant available)	NA	NA	\$1,352,929
Rollover available from Prop 1 Round 1	NA	NA	\$2,000,000
<b>Total</b>	<b>28</b>	<b>\$67,816,226</b>	<b>\$29,058,572</b>

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.

# Projects Submitted by County/Region

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Note: Includes projects submitted through the North OC IRWM process.

# OWOW - Staff Review and Participatory Budgeting

- ▶ Staff provided comments to project proponents on June 24,
- ▶ There was an opportunity for stakeholders to comment on all projects (comment period from June 29 to July 18),
- ▶ Four participatory budgeting workshops held with the lead applicants for them to:
  - ▶ Explain/defend their benefits claimed and the geographic areas benefiting, and
  - ▶ Come to consensus on the final recommended funding list of DAC and General Implementation projects.
- ▶ Consensus was reached with the ranked list and grant funding allocation.



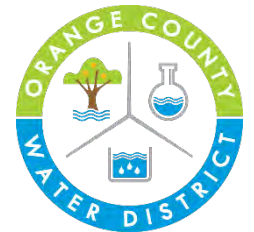
# North Orange County IRWM Cooperative Agreement

- ▶ In 2018, North OC requested 38% of available Proposition 1 IRWM grant funds to projects in Orange County as selected by their ranking process in the OC IRWM Plan.
- ▶ In February 2019, SAWPA Commission adopted the agreement which agreed to the following allocation:
  - ▶ North Orange County ranked projects: 30%
  - ▶ OWOW ranked projects located in San Bernardino/Riverside counties: 60%
  - ▶ OWOW ranked projects that have watershed-wide benefits: 10%
  - ▶ There is also a formula in the agreement that allocates any of the unused watershed-wide 10% funding
- ▶ Note: DAC Implementation category not allocated by county.



OC SAN

OC Public Works



(North OC IRWM Group)

# SAWPA's Role in North OC IRWM Projects

- ▶ OC Public Works administers process and has a thorough ranking process,
- ▶ Per the 2019 agreement, SAWPA to ensure all projects are eligible per Prop 1 requirements released by the State,
  - ▶ Agreement states - "projects will be reviewed by the Committee only for compliance with the requirements of the applicable DWR project solicitation."
- ▶ These eligibility requirements include:
  - ▶ Project to be completed by December 2027,
  - ▶ Sufficient local match (at least 50%) provided, and
  - ▶ Project has a "useful life" consistent with Government Code 16727.



# Funding Categories

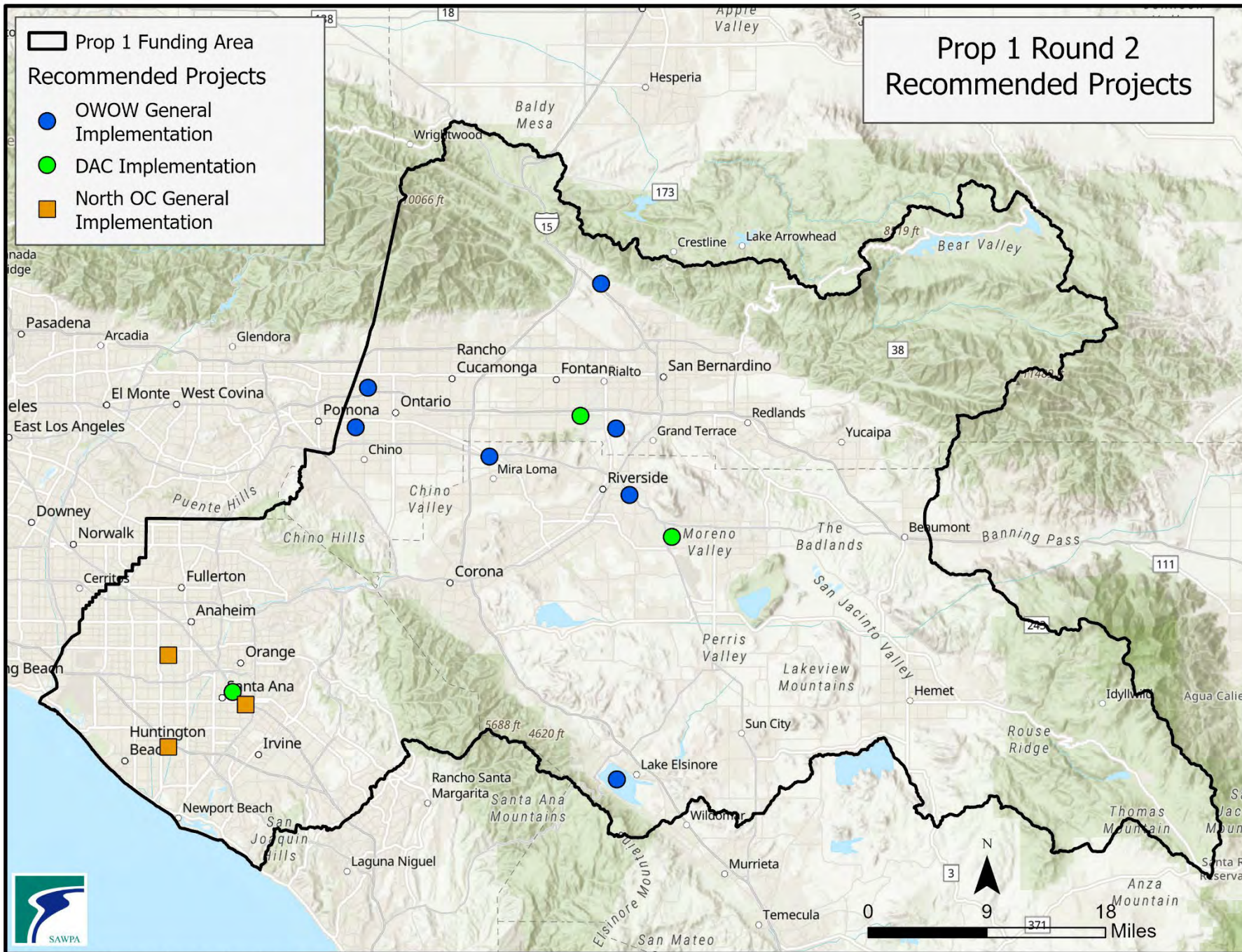
Competition Pools	Grant Amount
DAC	\$4,095,000
General Implementation	\$14,435,100
Upper Watershed*	\$12,372,943
Watershed Wide*	\$2,062,157
Watershed Wide Not Utilized	\$2,062,157 - \$861,400 = \$1,200,757

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

# How Non-Utilized Funding Gets Dispersed

- ▶ Language included in the North OC Cooperative Agreement:
  - ▶ “In the event that selected projects that benefit both the upper and the lower watersheds do not expend any portion of the 10% allocation, any unexpended funds shall be allocated as follows:
    - ▶ Thirty-four percent (34%) .... through the OC Plan...., and
    - ▶ Sixty-six percent (66%) .... through the OWOW for the upper watershed (area in San Bernardino County or Riverside County).”

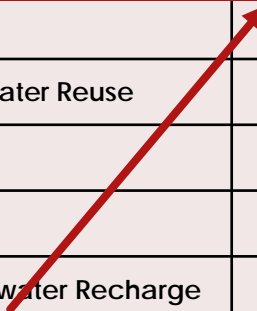
Non-Utilized Funds	North OC	OWOW
\$1,200,757	\$408,257	\$792,500
100%	34%	66%





General Implementation Project	Applicant	Watershed Wide	Water Supply (AFY)	Water Quality (MGD)	Greenhouse Gas*	Habitat (Acres)	Flood Protection (Acres)	DAC %	Score	Funding Recommendation
Santa Ana River Watershed Weather Modification Pilot	SAWPA	Y	8,200	4.40	6,265	-	-	46%	31.45	\$861,400
Etiwanda Intervalley Water Quality and Water Resiliency Phase-1A	JCSD	-	4,355	4.00	3,311	-	-	30%	17.51	\$2,954,213
Wellhead Nitrate Treatment for Wells 4 & 27	MVWD	-	4,516	4.03	-	-	-	42%	15.01	\$2,533,492
Cable Creek Basin (Upper)	SBCFCD	-	859	-	-	-	390	65%	14.94	\$2,521,678
Phase 1 - Lake Elsinore Algae Harvesting and Nutrient Removal	LESJWA	-	-	1.00	-	3,000	-	42%	12.84	\$1,500,000
Lake Rialto Habitat Management and Community Open Space	Rialto, City	-	-	5.90	7	10	-	51%	12.74	\$2,149,748
Well 2 Replacement	MVWD	-	3,226	2.88	-	-	-	42%	11.89	\$2,006,311
City of Rialto Recycled Intertie	IEUA	-	3,500	3.10	-	-	-	25%	10.87	
Santa Ana River Sustainable Parks & Tributaries Water Reuse	SBVMWD	-	5,109	-	-	187	-	38%	10.03	
Calimesa Aquifer Storage and Recovery	YVWD	-	2,890	-	2,197	-	-	37%	9.49	
Well Pump Replacements	MVWD	-	4,194	-	-	-	-	42%	8.90	
Improving Recycled Water Used in Local Groundwater Recharge	WMWD	-	985	3.0	749	-	-	26%	8.81	
Well 4 Replacement	MVWD	-	1,936	1.73	-	-	-	42%	8.76	
Water Well RN #6 Nitrate Removal System	RHWC	-	1,300	1.20	-	-	-	56%	8.22	
Improved Lake Circulation at Prado Regional Park	SBCRP	-	-	4.3	-	62	-	12%	7.47	
Large Landscape Water Efficiency Program	IEUA	-	671	0.04	510	-	-	43%	6.40	
Regional Water Distribution System Leak Detection and Repair	MWDOC	Y	1,338	1.19	1,017	-	-	12%	5.59	
Cactus Basins Connector Pipeline	SBVMWD	-	1,360	-	-	-	-	41%	5.28	

**Top project threshold.**



\*Measured in tons of Greenhouse Gas reduced.

DAC Project	Applicant	Water Supply (AFY)	Water Quality (MGD)	Flood (Acres)	DAC %	Score	Funding Recommendation
New Washington Well	Santa Ana, City	4,000	3.57		85%	17.00	\$3,394,743
Lead Service Line Replacements in the Bloomington DAC	WVWD	3,454	3.10		100%	14.72	\$315,000
Box Springs Mutual Water Company Well Improvement	California Rural WA	411	0.37		100%	1.93	\$1,885,257
Recycled Water Use Expansion	Santa Ana, City	370	-		63%	0.83	
Shamrock and Meridian Septic to Sewer Conversion	Rialto, City	-	0.13		100%	0.29	
Cottonwood Avenue Recycled Water Pipeline (East)	EMWD	90	-		100%	0.20	

Notes:

**Top project threshold.**

\$1.5 million (of \$2 million) rolled over from Round 1 to DAC Implementation and the Box Springs Project

\$500k (of \$2 million) rolled over from Round 1 to General Implementation through the ranking formula.

# Further Information on \$2 Million Roll Over from Round 1

- ▶ Box Springs Mutual Water Company Well Improvement Project (in DAC Implementation competition pool) not able to move forward due to low grant allocation.
- ▶ To solve issue, SAWPA moved \$1.5 Million (from the \$2 Million roll over from Prop 1 Round 1) to Box Springs.
- ▶ The other \$500,000 (of the \$2 Million roll over) was allocated to the top General Implementation projects using the ranking formula.

# Justification of \$1.5M/\$500k Split

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- ▶ Same question posed in Prop 1 Round 1, but all projects able to move forward in the past with initial amount due to inquiries by SAWPA as the Regional Water Management Group (RWMG),
  - ▶ We have a unique issue this round due to the low score with the 3<sup>rd</sup> top DAC project.
- ▶ SAWPA/RWMG interested in projects able to move forward with grant provided.
- ▶ SAWPA wants to be responsive to comments received in participatory budgeting workshops regarding “per capita” benefits.
- ▶ Box Springs’s nitrate removal and water quality focused project is consistent with the Prop 1 State requirements and OWOW/IRWM Plan’s focus on small water systems.

# “Back up” Projects

- ▶ Due to DWR’s grant application requirements, we are required to provide “back up” projects that are ranked just below the top projects.
- ▶ “Back up” projects are needed in case a selected project cannot proceed forward during the implementation phase from Summer 2023 to December 2027.
- ▶ There will be two back up projects – one for DAC and one for OWOW General Implementation.
  - ▶ DAC: Shamrock and Meridian Septic to Sewer Conversion
  - ▶ OWOW General: City of Rialto Recycled Intertie
- ▶ The North OC IRWM group prefers to have their funding reallocated between the remaining two projects if one of their three projects cannot move forward.

# Final Grant Funding With Changes from Slide 4

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Category	Projects Recommended	Grant Available
Disadvantaged Community	3	\$5,595,000*
OWOW - General Implementation	7	\$14,526,843**
North OC - General Implementation	3	\$7,583,800***
SAWPA - Grant Administration (4.7% of total grant available)	NA	\$1,352,929
Grand Total	13	\$29,058,572

\*Reflects an increase of \$1.5 million (from \$2 million available from Round 1).

\*\*Reflects an increase of \$500k (from \$2 million available from Round 1), and a reduction of \$408,257 due to transferring a portion of the unutilized watershed-wide amount to North Orange County IRWM.

\*\*\*Reflects an increase of \$408,257 due to the transferring of a portion of the unutilized watershed-wide amount.

# North OC IRWM Projects

Project Name	Project Lead	Grant Award	Total Cost
Orange County Regional PFAS Groundwater Treatment Program in Santa Ana and Garden Grove	Orange Count Water District	\$4,200,000	\$11,100,000
Santa Ana Zoo Stormwater Capture and Diversion Project	City of Santa Ana	\$2,603,525	\$5,000,000
Making Conservation an Orange County Way of Life	Municipal Water District of Orange County	\$780,275	\$2,783,200
<b>Grand Totals</b>		<b>\$7,583,800</b>	<b>\$18,883,200</b>

# Next Steps

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- ▶ August 30 (Previous step): Released RFP for consultant to assist with grant application,
- ▶ September 22: Present projects to OWOW Steering Committee,
- ▶ October 4: Present projects for final approval to Commission,
  - ▶ Commission considers adding 26 “plan only” projects to the OWOW Plan Update 2018.
  - ▶ Commission to also consider results of RFP and approve contract for grant consultant,
- ▶ February 1, 2023: Submit application to DWR.





# Recommendation

## ► Receive and file.

Note: Pending OWOW Steering Committee approval of the Prop 1 Round 2 projects on Thursday September 22nd, SAWPA will thereafter present the projects for adoption by the SAWPA Commission on October 4, 2022.