



## **SLO IRWM Regional Water Management Group MEETING AGENDA**

**Date: September 2, 2015**

**Time: 9:00 AM – 11:00 AM**

**Location: SLO City/County Library Community Room  
995 Palm St, San Luis Obispo, CA 93401**

**RWMG Meeting**

**9:00 AM – 11:00 AM**

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- 1) Introductions/ Take Role of RWMG (10 minutes)
  - 2) Public Comment (5 minutes)
  - 3) Receive updates on Proposition 84 grant application (5 minutes)
  - 4) Proposition 1 (25 minutes):
    - a. Updates on DWR Proposition 1 IRWM Funding Opportunities.
    - b. Central Coast Funding Area (CCFA) Coordination:
      - i. Present CCFA coordinated funding allocation options.
      - ii. Consider making recommendation(s) for coordination with CCFA Regions.
      - iii. If 4(b)ii recommendation(s) are made, consider approval of approach and prioritization of funding allocation options.
  - 5) Long-term IRWM Plan project integration and implementation opportunities (15 minutes):
    - a. Receive an update on RWMG Working Group efforts.
    - b. Consider how to integrate discussion on desalination.
- << 10 MINUTE BREAK >>**
- 6) Workshop breakout discussion: Discuss subregional stakeholder engagement and consider next subregional meetings (35 minutes)
  - 7) Consider supporting sending and/or executing and sending a letter commenting on the IRWM grant project rating system to DWR (10 minutes)
  - 8) Discuss next RWMG Meeting & Future Agenda Topic(s) (5 minutes)

**TO:** IRWM Regional Water Management Group  
**FROM:** Carolyn Berg, Water Resources Engineer  
**DATE:** September 2, 2015  
**SUBJECT:** Item # 4: Proposition 1 IRWM Funding Opportunities

### Recommendations

- a. Receive updates on DWR Proposition 1 IRWM Funding Opportunities.
- b. Central Coast Funding Area (CCFA) Coordination:
  - i. Present CCFA coordinated funding allocation options.
  - ii. Consider making recommendation(s) for coordination with CCFA Regions.
  - iii. If 4(b)ii recommendation(s) are made, consider approval of approach and prioritization of funding allocation options.

### Discussion

Proposition 1 Updates: The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) authorizes \$7.545 billion in general obligation bonds to fund ecosystems and watershed protection and restoration, water supply infrastructure projects, including surface and groundwater storage, and drinking water protection. Various funding programs are available for Proposition 1, which are coming out intermittently starting in 2015. Public Works will release information about water resource grant fund opportunities when possible; however, stakeholders are encouraged to sign up for State email lists and to visit the Prop 1 Bond Accountability website for the State's latest schedule, grant guidelines and more information:

<http://bondaccountability.resources.ca.gov/p1.aspx>

Central Coast Funding Area (CCFA) Collaboration Opportunity & Draft Options: In response to members expressed interest at the June 2015 RWMG meeting, staff began more in-depth discussions on grant funding coordination in the Central Coast Funding Area (CCFA). Staff met with representatives of the six (6) CCFA regions (Santa Cruz, Pajaro, Monterey Peninsula, Greater Monterey, Santa Barbara, and San Luis Obispo). CCFA representatives discussed the past expense of developing competitive grant applications and the uncertainty about whether each region's grant application would be successful in receiving grant funding.

Proposition 1 IRWM grant funding is in its early stages of development (*Note: DWR expects to host its first public workshop in September 2015*). As such, this is an optimal time for the CCFA to consider a collaborative approach to grant funding. The CCFA representatives initiated discussions about how the regions could fairly distribute the \$43-million in grant funding available to CCFA. The CCFA representatives worked together to develop the attached DRAFT allocation options (attached). Several of the options included are based on existing models used in other funding areas throughout the State (e.g. San Diego, Bay Area, Lahontan). Staff will present these draft allocation options and potential next steps at the meeting.

Attach: IRWM Funding Area Map  
IRWM Funding Area Allocations  
DRAFT Central Coast Funding Area Proposition 1 IRWM Funding Allocation

IRWM Funding Area Map



## IRWM Funding Area Allocations

| Funding Area           | Legislative Allocation |
|------------------------|------------------------|
| North Coast            | \$26,500,000           |
| San Francisco Bay Area | \$65,000,000           |
| Central Coast          | \$43,000,000           |
| Los Angeles            | \$98,000,000           |
| Santa Ana              | \$63,000,000           |
| San Diego              | \$52,500,000           |
| Sacramento River       | \$37,000,000           |
| San Joaquin River      | \$31,000,000           |
| Tulare/Kern            | \$34,000,000           |
| North/South Lahontan   | \$24,500,000           |
| Colorado River         | \$22,500,000           |
| Mountain Counties      | \$13,000,000           |
| <b>TOTAL</b>           | <b>\$510,000,000</b>   |

**DRAFT CCFA FUNDING ALLOCATION OPTIONS - FOR DISCUSSION PURPOSES**

8/14/2015

|   |           |                      |
|---|-----------|----------------------|
| <b>Total Proposition 1 IRWM Funding to CCFA</b>   | <b>\$</b> | <b>43,000,000.00</b> |
| Breakdown of Prop 1 to CCFA:                      |           |                      |
| DWR Administration Fee - 5% CCFA Total            | \$        | 2,150,000.00         |
| <b>DAC Funding (20% of CCFA Total) - 2 Rounds</b> | <b>\$</b> | <b>8,600,000.00</b>  |
| <b>Implementation Grants - 2 Rounds</b>           | <b>\$</b> | <b>32,250,000.00</b> |

**Basis of Factors and Percentages by Region**

| CCFA Regions           | Baseline Factor (1/6 based on 6 Regions in CCFA) | Population       | Population Factor (% of CCFA Total) | Area (sq.miles) | Area Factor (% of CCFA Total) |
|------------------------|--|------------------|-------------------------------------|-----------------|-------------------------------|
| Santa Cruz             | 16.67%   | 281,401          | 14.89%                              | 376             | 3.39%                         |
| Pajaro River Watershed | 16.67%   | 327,183          | 17.32%                              | 1,295           | 11.68%                        |
| Greater Monterey       | 16.67%   | 384,947          | 20.38%                              | 3,199           | 28.85%                        |
| Monterey Peninsula     | 16.67%   | 131,088          | 6.94%                               | 341             | 3.08%                         |
| San Luis Obispo        | 16.67%   | 309,187          | 16.37%                              | 3,322           | 29.96%                        |
| Santa Barbara          | 16.67%   | 455,468          | 24.11%                              | 2,555           | 23.04%                        |
| <b>Totals</b>          | <b>100.00%</b>                                   | <b>1,889,274</b> | <b>100.00%</b>                      | <b>11,088</b>   | <b>100.00%</b>                |

**Notes on Sources:**  
 Population & Area Source: ACS 2009-2013 from T. Hemmeter; 8/14/2015 email  
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**Funding Allocation Options Amongst IRWM Regions in CCFA**

|   | Baseline Factor - Equal Split Amongst Regions | Population Factor | Area Factor | Santa Cruz      | Pajaro Valley Watershed | Greater Monterey | Monterey Peninsula | San Luis Obispo | Santa Barbara   | Total CCFA       |
|---|---|-------------------|-------------|-----------------|-------------------------|------------------|--------------------|-----------------|-----------------|------------------|
| <b>ALLOCATION OPTION # 1 (Bay Area)</b>   |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #1 - DAC Funds</b><br>((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4 % by acreage))    | 0.50  | 0.25              | 0.25        | \$ 1,109,809.57 | \$ 1,340,106.79         | \$ 1,775,034.33  | \$ 931,966.27      | \$ 1,712,669.31 | \$ 1,730,413.72 | \$ 8,600,000.00  |
| <b>Allocation Option #1 - Impl'n Funds</b><br>((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4 % by acreage)) | 0.50  | 0.25              | 0.25        | \$ 4,161,785.90 | \$ 5,025,400.46         | \$ 6,656,378.74  | \$ 3,494,873.52    | \$ 6,422,509.92 | \$ 6,489,051.46 | \$ 32,250,000.00 |
| <b>Total Allocation Option #1</b>   |   |                   |             | \$ 5,271,595.48 | \$ 6,365,507.25         | \$ 8,431,413.07  | \$ 4,426,839.79    | \$ 8,135,179.23 | \$ 8,219,465.18 |                  |
| <b>ALLOCATION OPTION #2</b>   |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #2 - DAC Funds</b><br>((1/3 Equal Split Among Regions) + (1/3 %by population)+ (1/3 % by acreage))     | 0.33  | 0.33              | 0.33        | \$ 1,001,968.32 | \$ 1,309,031.28         | \$ 1,888,934.66  | \$ 764,843.92      | \$ 1,805,781.30 | \$ 1,829,440.52 | \$ 8,600,000.00  |
| <b>Allocation Option #2 - Impl'n Funds</b><br>((1/3 Equal Split Among Regions) + (1/3 %by population)+ (1/3 % by acreage))  | 0.33  | 0.33              | 0.33        | \$ 3,757,381.20 | \$ 4,908,867.28         | \$ 7,083,504.99  | \$ 2,868,164.69    | \$ 6,771,679.89 | \$ 6,860,401.94 | \$ 32,250,000.00 |
| <b>Total Allocation Option #2</b>   |   |                   |             | \$ 4,759,349.53 | \$ 6,217,898.56         | \$ 8,972,439.65  | \$ 3,633,008.61    | \$ 8,577,461.19 | \$ 8,689,842.46 |                  |
| <b>ALLOCATION OPTION #3 (San Diego, but 50%/ 50% rather than 73%/ 27%)</b>  |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #3 - DAC Funds</b><br>((1/2 %by population)+ (1/2 % by acreage))                                       | 0.00  | 0.50              | 0.50        | \$ 786,285.82   | \$ 1,246,880.25         | \$ 2,116,735.33  | \$ 430,599.21      | \$ 1,992,005.29 | \$ 2,027,494.11 | \$ 8,600,000.00  |
| <b>Allocation Option #3 - Impl'n Funds</b><br>((1/2 %by population)+ (1/2 % by acreage))                                    | 0.00  | 0.50              | 0.50        | \$ 2,948,571.81 | \$ 4,675,800.93         | \$ 7,937,757.48  | \$ 1,614,747.04    | \$ 7,470,019.83 | \$ 7,603,102.92 | \$ 32,250,000.00 |
| <b>Total Allocation Option #3</b>   |   |                   |             | \$ 3,734,857.62 | \$ 5,922,681.17         | \$ 10,054,492.81 | \$ 2,045,346.25    | \$ 9,462,025.12 | \$ 9,630,597.03 |                  |
| <b>ALLOCATION OPTION #4</b>   |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #4 - DAC Funds</b><br>((1/3 Equal Split Among Regions) + (2/3 % by population))                        | 0.33  | 0.67              | 0.00        | \$ 1,331,738.47 | \$ 1,470,671.98         | \$ 1,645,966.97  | \$ 875,587.31      | \$ 1,416,059.96 | \$ 1,859,975.31 | \$ 8,600,000.00  |
| <b>Allocation Option #4 - Impl'n Funds</b><br>((1/3 Equal Split Among Regions) + (2/3 % by population))                     | 0.33  | 0.67              | 0.00        | \$ 4,994,019.26 | \$ 5,515,019.92         | \$ 6,172,376.13  | \$ 3,283,452.40    | \$ 5,310,224.85 | \$ 6,974,907.42 | \$ 32,250,000.00 |
| <b>Total Allocation Option #4</b>   |   |                   |             | \$ 6,325,757.73 | \$ 6,985,691.90         | \$ 7,818,343.10  | \$ 4,159,039.71    | \$ 6,726,284.81 | \$ 8,834,882.74 |                  |
| <b>ALLOCATION OPTION #5</b>   |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #5 - DAC Funds</b><br>((1/2 Equal Split Among Regions) + (1/2 % by acreage))                           | 0.50  | 0.00              | 0.50        | \$ 862,481.96   | \$ 1,218,876.26         | \$ 1,957,260.10  | \$ 848,908.73      | \$ 2,004,960.32 | \$ 1,707,512.63 | \$ 8,600,000.00  |
| <b>Allocation Option #5 - Impl'n Funds</b><br>((1/2 Equal Split Among Regions) + (1/2 % by acreage))                        | 0.50  | 0.00              | 0.50        | \$ 3,234,307.36 | \$ 4,570,785.98         | \$ 7,339,725.38  | \$ 3,183,407.74    | \$ 7,518,601.19 | \$ 6,403,172.35 | \$ 32,250,000.00 |
| <b>Total Allocation Option #5</b>   |   |                   |             | \$ 4,096,789.32 | \$ 5,789,662.25         | \$ 9,296,985.48  | \$ 4,032,316.47    | \$ 9,523,561.51 | \$ 8,110,684.97 |                  |
| <b>ALLOCATION OPTION #6 (Lahontan)</b>  |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #6 - DAC Funds</b><br>((1/2 Equal Split Among Regions) + (1/2 % by population))                        | 0.50  | 0.50              | 0.00        | \$ 1,357,137.19 | \$ 1,461,337.32         | \$ 1,592,808.56  | \$ 1,015,023.81    | \$ 1,420,378.30 | \$ 1,753,314.82 | \$ 8,600,000.00  |
| <b>Allocation Option #6 - Impl'n Funds</b><br>((1/2 Equal Split Among Regions) + (1/2 % by population))                     | 0.50  | 0.50              | 0.00        | \$ 5,089,264.45 | \$ 5,480,014.94         | \$ 5,973,032.10  | \$ 3,806,339.30    | \$ 5,326,418.64 | \$ 6,574,930.57 | \$ 32,250,000.00 |
| <b>Total Allocation Option #6</b>   |   |                   |             | \$ 6,446,401.63 | \$ 6,941,352.26         | \$ 7,565,840.66  | \$ 4,821,363.11    | \$ 6,746,796.94 | \$ 8,328,245.39 |                  |
| <b>ALLOCATION OPTION #7</b>   |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #7 - DAC Funds</b><br>(Equal split on regions)   | 1.00  | 0.00              | 0.00        | \$ 1,433,333.33 | \$ 1,433,333.33         | \$ 1,433,333.33  | \$ 1,433,333.33    | \$ 1,433,333.33 | \$ 1,433,333.33 | \$ 8,600,000.00  |
| <b>Allocation Option #7 - Impl'n Funds</b><br>(Equal split on regions)  | 1.00  | 0.00              | 0.00        | \$ 5,375,000.00 | \$ 5,375,000.00         | \$ 5,375,000.00  | \$ 5,375,000.00    | \$ 5,375,000.00 | \$ 5,375,000.00 | \$ 32,250,000.00 |
| <b>Total Allocation Option #7</b>   |   |                   |             | \$ 6,808,333.33 | \$ 6,808,333.33         | \$ 6,808,333.33  | \$ 6,808,333.33    | \$ 6,808,333.33 | \$ 6,808,333.33 |                  |
| <b>ALLOCATION OPTION #8 (San Diego)</b>   |   |                   |             |                 |                         |                  |                    |                 |                 |                  |
| <b>Allocation Option #8 - DAC Funds</b><br>((73 %by population)+ (27 % by acreage))   | 0.00  | 0.73              | 0.27        | \$ 1,013,827.22 | \$ 1,358,412.33         | \$ 1,949,087.62  | \$ 507,012.15      | \$ 1,723,097.56 | \$ 2,048,563.12 | \$ 8,600,000.00  |
| <b>Allocation Option #8 - Impl'n Funds</b><br>((73 %by population)+ (27 % by acreage))                                      | 0.00  | 0.73              | 0.27        | \$ 3,801,852.07 | \$ 5,094,046.25         | \$ 7,309,078.57  | \$ 1,901,295.56    | \$ 6,461,615.86 | \$ 7,682,111.70 | \$ 32,250,000.00 |
| <b>Total Allocation Option #8</b>   |   |                   |             | \$ 4,815,679.29 | \$ 6,452,458.58         | \$ 9,258,166.19  | \$ 2,408,307.71    | \$ 8,184,713.42 | \$ 9,730,674.82 |                  |

**TO:** IRWM Regional Water Management Group

**FROM:** Carolyn Berg, Water Resources Engineer

**DATE:** September 2, 2015

**SUBJECT:** Item # 5: Long-Term IRWM Plan Project/ Program Integration and Implementation Opportunities

### **Recommendation**

- a. Receive an update on RWMG Working Group efforts.
- b. Consider how to integrate discussion on desalination.

### **Discussion**

On May 6, 2015, the RWMG held a workshop-style discussion to consider opportunities for project integration within the current IRWM Plan Full Project List. The results of that discussion were compiled into summary notes and were presented at the June RWMG meeting. At the same meeting, the RWMG formed an RWMG Working Group to further consider opportunities for project integration, and to look at IRWM Plan Full Project List long-term implementation, and potential opportunities in Prop 1 Water Bond funding program. The RWMG Working Group includes: Paavo Ogren (Oceano CSD), Steph Wald (Central Coast Salmon Enhancement), Linda Chipping (Coastal San Luis RCD), Devin Best (Upper Salinas Las Tablas RCD), and Rick Sauerwein (City of Morro Bay).

The RWMG asked the District to coordinate with RWMG member agencies to update the current IRWM Full Project List (e.g. input project status where known or remove projects no longer viable). District Staff received input from various organizations (e.g. which projects are under construction/ completed, the financial and project phase status, and which projects are no longer being pursued) and subsequently updated the Full Project List.

The RWMG Working Group met on August 26<sup>th</sup> to discuss project integration. The group decided that rather than focusing on the specific projects, it would be beneficial to focus on improving subregional stakeholder engagement and encouraging partnerships and long-term IRWM Plan implementation. The RWMG Working Group is interested in re-engaging in subregional workshops in the coming months. The series of subregional workshops could focus on:

- Educating stakeholders on the final IRWM Plan and its future implementation
- Re-evaluating current subregional priorities
- Discussing project/ program integration and encouraging partnerships
- Discussing IRWM Plan implementation indicators and monitoring

***Please come ready to participate in a workshop style discussion on stakeholder engagement and subregional IRWM Plan implementation for Item # 6.***

**TO:** IRWM Regional Water Management Group  
**FROM:** Carolyn Berg, Water Resources Engineer  
**DATE:** September 2, 2015  
**SUBJECT:** Item # 7: Consider Letter Commenting on the IRWM Grant Project Rating System

**Recommendation**

Consider supporting sending and/or executing and sending a letter commenting on the IRWM grant project rating system to DWR.

**Discussion**

Several members of the Water Resources Advisory Committee (WRAC) have drafted a letter commenting on the Department of Water Resources' (DWR) IRWM grant project rating system (see attached). On September 2<sup>nd</sup>, the WRAC will consider making recommendations regarding such a letter. Given the RWMG's role in leading the IRWM program, the RWMG is asked to consider supporting sending and/or executing and sending a comment letter to this effect to DWR.

Attached: Draft Comment Letter from September 2<sup>nd</sup> WRAC Agenda

October 1, 2015

California Department of Water Resources  
1416 9th Street  
Sacramento, CA 95814

Attn: Mark W. Cowin, Director

Re: Integrated Regional Water Management (IRWM) Program, Project Rating System

Dear Mr. Cowin:

The San Luis Obispo County Water Resources Advisory Committee would like to comment on the Department of Water Resources' (DWR) rating process required to evaluate and advance projects for Integrated Regional Water Management (IRWM) grant funding. The process has proven useful in prioritizing projects that meet the objectives established by DWR. However, considerable local experience with this system has demonstrated that two factors, readiness to proceed and Disadvantaged Community (DAC) status, are heavily weighted in the project ranking system and strongly favor municipalities. Locally, successful projects are inevitably those proposed by municipalities. This has caused considerable frustration among SLO County Regional Water Management Group (RWMG) members representing non-municipal organizations.

Municipalities are the only RWMG partners in our region that, by definition, can qualify as disadvantage communities. Municipalities have in-house resources available to advance projects to the ready to proceed stage. Necessary investment to complete the engineering and design to demonstrate readiness is difficult to obtain for non-municipal RWMG members. Many non-municipal groups have brought worthy, innovative, and collaborative projects to the SLO County RWMG. These projects repeatedly fail qualify for the San Luis Obispo IRWM grant application submitted to DWR because they do not qualify for points in these two categories.

Current DWR prioritization overlooks the less visible benefits of projects that lack readiness to proceed or DAC points, as well. In our region, these projects nearly always involve collaboration and participation by public, non-profit, and private entities. Failing to advance these projects blocks the possibility of expanding these partnerships, an important objective of the IRWM Plan. Perhaps an example will best demonstrate less tangible benefits of projects that have failed to qualify for our Region's IRWMP proposal.

A project proposed for Round 3 Prop 84 funding was designed to evaluate opportunities for farms and ranches adjacent to a coastal creek to implement groundwater recharge basin



technology during the wet season to enhance recharge of the creek during the dry season. Downstream of the farms and ranches, this creek is a critical water supply for a coastal community facing a dire water supply shortage. The project was proposed by a coalition of non-municipal groups with support from the farming and ranching community. Without qualifying for readiness to proceed or DAC points, this project proposal ranked low and not submitted as part of our IRWM grant application. The less quantifiable benefits of the project included (1) private match funding to supplement DWR funds; (2) the support of a new public/private partnership to enhance resource conservation; and (3) the possibility that several adjacent properties might join the project in subsequent years. Though not fully planned and engineered, or benefiting a DAC, the project had the potential to substantially augment beneficial uses of the downstream community.

Our county remains strongly committed to the goals and objectives of our IRWM Plan. We are deeply appreciative of the support we have received to date. Our hope is that DWR will consider our experience and the possibility of modifying the scoring system as they edit the guidelines governing Proposition 1 funds for IRWM.