

Draft Operating Guidelines: Prop 84 Project Selection Process

TO: Santa Barbara County Region Project Selection Team Members

FROM: Kathy Caldwell

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As part of the biennial review of the Santa Barbara County IRWMP, the region is conducting a project selection process to update the IRWM project list. The process requires operating guidelines to help guide the group decision-making process.

The Operating Guidelines describe how the Santa Barbara IRWM Prop 84 Project Selection Team (all participants) will govern itself during the project selection process. The guidelines are created to answer questions such as how the team will make decisions; how it will communicate internally and externally; how it will resolve conflict, and how it will manage change.

This memo lays out draft Operating Guidelines (or ground rules) for the Prop 84 Project Selection Process workshops. These guidelines have been reviewed and discussed by the IRWM Steering Committee. A summary of the Steering Committee's discussion and recommendation is included following the title of the guideline. The guidelines will be discussed and updated at the 1st workshop on September 23, 2009. The guidelines can be amended at any time during the process.

1. **How the team will make decisions** – Summary: The project selection process will include a series of workshops that are open for attendance by all regional stakeholders. Voting members will include the Cooperating Partners and other organizations (e.g. with 501 (c)(3) status) that commit to participation in the workshop process. Voting will occur during the processes of selecting and scoring the criteria, weighting the criteria, scoring the projects, and ranking the projects. The workshops will be facilitated by consultants with the goal of allowing a full discussion and exchange of ideas. Decisions will be made by consensus, when possible, or by majority vote.
2. **How will we communicate internally and externally** – Summary: Communications outside the workshop setting will be coordinated by the Steering Committee and consultant team. External communications including details of meetings/workshops and the process will be communicated via email, telephone (when appropriate), the Santa Barbara Region IRWM web site, and public notice in local newspapers. Internal communications will be conducted by in-person meetings, conference calls, emails, and telephone.
3. **How do we assure that we receive valid project info data from each project proponent** - Summary: Team members will receive orientation about information that will be required and criteria to be met to make a project competitive. Project Information forms will be filled out by proposing entities. Team members, along with the consulting team,

will have the opportunity to review all submitted project information. This presents the opportunity to review and ask questions of the project proponents regarding the information submitted. We will trust that all project proponents will do their best to submit accurate information. After project selection, consultants can do a due diligence review (audit) of the top ranking projects to double check information.

4. **If an agency's project was funded in Prop 50, will the agency be allowed to have a project funded in the first round of the Prop 84 process?** Summary: In the end, we want the most competitive project list with the strongest projects so will consider all submitted projects. We will give further consideration to this when we get further into the project selection process.
5. **One agency – one vote? – Can an agency with different departments have each department represented in the project selection process and therefore, a vote for each department?** Summary: Two ways to look at it – it is useful for an entity to be able to bring forth a range of projects so group can evaluate potential regional benefits. That entity could understandably believe that each department proposing a project should have a vote. On the other hand, this could be seen as giving an undue advantage to the projects proposed by larger entities. JPAs could bring more than one vote for a JPA sponsored project. It is recommended that there be one vote per Cooperating Partner or participating organization to mirror the IRWM MOU (revised) language. It is unlikely that one additional vote from an entity will not significantly alter the outcome of the voting.
6. **How does one organization appeal decisions of the group as a whole?** Summary: participants will be able to appeal the scoring of the draft final project list. An appeal could be made verbally to the team as a whole or the appeal could be presented as written comments to an "appeals" group. Having concerns in writing would avoid misunderstandings of the nature of the comments and appeal. If an appeals group is formed, it should be impartial and populated by people with no projects in the mix. Potential representatives for the appeals group could include a representative from the Ventura IRWM group (e.g. Lynn Rodriguez), a consultant, or representative from another region. The organization making the appeal could submit a written appeal to the team as a whole first for a reconsideration of the scoring. If not satisfied with the outcome, the written appeal could be submitted to the outside appeals group. The appeals group would do a short analysis and make a recommendation. The analysis would then go back to the group as a whole for a final review. The ultimate decision-maker is the project selection team.
7. **Will voting be anonymous when scoring projects?** Summary: It is planned that voting will be conducted in an open meeting format with votes cast verbally.
8. **Should every sub-region (north, central, and south coast) have a project or should we put regional benefit of projects first?** Summary: One end goal of the process is to create the most competitive project list. Our first cut at a Draft SB Regional Prop 84 Project List should include the most competitive projects that are most responsive to regional needs and DWR Prop 84 guidelines. If the list of projects favors one sub-region or seems unbalanced then the list can be reconsidered.
9. **Should there be a limit on the individual project request amount?** Summary: Not initially. On the "long" project information form, each project proponent will make a project funding request and also be asked to estimate by how much they can reduce the size of the overall request. Agencies and organizations proposing projects should

discuss this within their own groups and be forthcoming with an alternative project request amount. If and when needed, project funding amount reductions will be considered by the project selection team. DACs might be exempt.

10. Should there be a limit on the total request amount of the Final Draft Project List?

Summary: Since we don't know what the actual limit of our total request will be, it would be prudent to develop two projects lists. A master list would include all projects and their requested amounts according to rank. A second list would present top ranking competitive projects that more closely fit within the estimated money available. For the first implementation grant (SBxx1), our region will be vying for from \$1 – 6 million (\$5.7 - \$12.5 million to be available to the Central Coast Region as a whole). We will be working with other regions in the Central Coast Funding Area to see if it is advisable to submit one application for the first "expedited" round. It is recommended that the total of the Final Draft Project List be around \$10 million. A limit will have to be placed on each priority project but that limit will be easier to determine once all projects have been proposed and scored.

11. When you have to reduce the amount of the total project request from the region, does everyone have to reduce their project request?

Summary: This part of the process was a challenge during Prop 50 and also may be for the Prop 84 process. However, each project proponent will be required to submit an alternative request amount which should assist if reductions need to be made. It is hoped that all participants in the process will understand the importance of considering the needs of the region and be willing to reduce funding, if needed, in order to submit the most competitive project list. If needed, the Steering Committee could be tasked with drafting a reduced project request amount.

12. How many projects can an agency/organization put forth?

Summary: There should be no initial limit. The region will want to get a comprehensive overview of all needs. All projects should complete a short project info form to this end. However, for the selection process agencies should be limited to 2 or 3 priority projects that meet Prop 84 criteria. For these priority projects, a long project information form should be completed. Some agencies will have no priority projects. Agencies and organizations should be aware that the project selection team does not have the resources to consider a large number of projects.

13. What if a project is an O & M project does it qualify for the project list?

Summary: It will depend on the project. The region is looking for the most competitive projects and those projects may sometimes be capital projects. Projects should be framed and presented as capital projects with a compelling explanation as to why the project is a capital project. We successfully included this type of project in the Prop 50 grant application.

14. Can one member hold up the process by stating that they have to check with their Board before proceeding?

Summary: Participants should be delegated the responsibility by their management to make decisions on most things. Participants should anticipate as many issues as possible. The process will give appropriate time for decisions requiring board approval.