

FINAL

Bay Area IRWMP Coordinating Committee

Agreements and Action Items from March 22, 2010 Meeting

1. Roll Call—Appointed FA representatives present

WS-WQ	WW-RW	FP-SW	Watershed	Other
Molly Petrick, SFPUC	Brian Campbell, EBMUD	Mark Boucher, CCCFCD; Brian Mendenhall, SCVWD	Harry Seraydarian, NBWA; Jennifer Krebs, SFEP; Melanie Denninger, SCC	Paul Helliker, Chair, MMWD; Nadine Hitchcock, Vice- Chair, SCC

Others present:

Mitch Avalon (CCCFCD)
Jack Betourne (NCFWCD)
Chris Choo (MCFCWCD)
Craig Conner (USACE, SF District)
Patrick Costello (City of Napa)
Theresa Eade (StopWaste.org)
Thomasin Grim (MMWD)
Cynthia Havstad (StopWaste.org)
Dale Hopkins (SF Bay RWQCB)
Carol Mahoney (Zone 7 Water)
Glenn Moeller (DWR-NCRO)
Carl Morrison (Morrison Assoc/SCWA, Zone 7)
Rolf Ohlemutz (VSFCD)
Joanne Siew (RMC)
Christy Spector (DWR)
Gary Wolff (StopWaste.org)

2. Review Agreements/Action Items from January 25, 2010 meeting (Discussion, led by CC)

- The draft letter prepared by Ann Riley, from the CC to the Senator Boxer regarding the Boxer-Kerry Climate Bill was circulated to the CC for comments. The CC agreed that it would be worthwhile for the Bay Area CC to show support for climate change legislation. Nadine Hitchcock will make edits to and finalize the letter, for Paul Helliker to sign off and send to Senator Boxer. It was noted that the title for Nancy Pelosi should be updated to "Speaker".

Action Item(s)

- Nadine to edit letter and Paul to sign off and send letter to Senator Boxer.

3. Update – Planning & Process Subcommittee (Discussion, led by PnP)

- DWR staff Christy Spector and Glenn Moeller provided an update on the recently released Prop 84/1E guidelines and PSPs, noting that agencies should pay attention to

the Plan standards, Statewide Priorities and integration of Statewide Priorities into their projects.

- With regards to the climate change criteria in the Prop 84/1E guidelines, grantees must enter into an agreement with DWR to update their IRWM plans to the IRWP Standards within 2 years of entering into an agreement with DWR. This includes the Climate Change standard.
- Comments on the PSPs are due to DWR on April 23, at 5 pm.

DWR Update

- Christy indicated that DWR is likely to post the final Prop 50 Supplemental and Local Groundwater Assistance (LGA) PSPs in the next two weeks.
- The application may be extended to a period longer than the 21 days as stated in the draft PSP, but the time period is dependent on other factors and it has not been finalized by DWR management to date.
- Brian Campbell noted that a longer application period (~45 days or more) would work better for the Bay Area CC since meetings typically only occur once a month. Christy suggested that this point be included in comments to DWR on the PSPs.
- Melanie Denninger questioned if DWR would be able to spend the encumbered funds immediately after implementation of the program, or would an additional level of approval from the State be required. Jennifer Krebs added that it would be useful for DWR to provide an update on the funding status/funding availability timeline for agencies to plan ahead.

Schedule for comments to DWR on released guidelines and PSPs

- Thomasin Grim provided a summary of the schedule to the CC (shown below). She added that in addition to the volunteer reviewers, everyone involved in the Bay Area CC should read the guidelines and send their comments (if any) to her by April 6.

Action	Deadline	Responsible Party
PnP/PSC to inform and request for CC to take action adding projects to the IRWM Plan.	March 22	PnP/PSC
Volunteer reviewers to send consolidated comments to Thomasin.	April 6	Volunteer reviewers: <ul style="list-style-type: none"> • IRWM Grant Program Guidelines for Prop 84 and 1E (Thomasin, Tracy) • PSP – Prop 84 IRWM Planning Grants (Jennifer, Melanie) • PSP – Prop 84 IRWM Implementation Grants (Brian, Carl) • PSP – 1E IRWM Storm Water Flood Management Grants (Mark, Carol)
Consolidate comments from the PSPs and guidance and draft letter of comments to DWR. Email letter to PSC/PnP for review.	April 9	Thomasin Grim
Finalize draft letter of comments and email to the CC for review and consensus.	April 16	Thomasin Grim
Sign off letter of comments and send letter to DWR.	April 23	Paul Helliker

Comparison of previous Prop 50 and Prop 84 Guidelines

- Christy Spector noted to the CC that DWR has not and is not planning to develop a comparison document for the Prop 50 vs Prop 84 guidelines, but a document comparing Plan standards under Prop 50 against Prop 84 was produced before the RAP. The link to the document is as follows:
<http://www.water.ca.gov/irwm/docs/prop84/Stdhandout.pdf>

Economic Cost-Benefit Analysis required for Prop 84/1E Programs

- There was discussion on the high level of detail required for the economic analysis of costs and benefits, and CC members noted that this could prove difficult for certain projects (e.g. smaller-scale projects or projects proposed by non-profits/DACs that may not have the resources to conduct a full-scale economic analysis).
- Christy Spector and Glenn Moeller explained that the economic requirement section in the guidelines was prepared by economists which explained the specificity of the section. However, they noted that project proponents should try to address requirements which are relevant to them, and provide explanation or justification where the information requested is not available or relevant.

Streamline Funding Coordination Process

- Paul Helliker queried if there are provisions written in the guidelines to streamline the project coordination/funding allocation process for regions which coincide with the whole funding area (e.g. the Bay Area) vs regions that are part of a larger funding area and are competitive? Glenn Moeller indicated that the guidelines do not include language explaining the difference, and suggested for the CC to highlight this in comments to DWR.

Prop 1E Stormwater Flood Management Grant Program

- Eligible projects must be consistent with an adopted IRWM Plan (that is the project is included as an implementation project for the IRWMP Plan, or the project has been added to the IRWM Plan implementation list after adoption, but in accordance with the procedures in the adopted Plan).
- A total of \$212 million is available on a competitive basis Statewide.
- Jennifer Krebs noted that since this is a Statewide competitive grant, it is anticipated that a high volume of project proposals would be submitted from the Bay Area through the CC. Nadine Hitchcock agreed that the CC needs to be cognizant of this and needs to plan ahead on how it would want to coordinate/manage the project submittal process.
- Molly Petrick noted that Prop 1E has different criteria from Prop 50, which was the criteria that projects in the current IRWM Plan were scored against. She queried if new projects that were submitted for Prop 1E would need to be scored against Prop 50 and Prop 84 criteria as well to be included in the Plan. Nadine Hitchcock suggested that perhaps 2 types of ranking need to be implemented: one for Prop 84 IRWM and one for Prop 1E.
- Carol Mahoney suggested that the subregional process be initiated to check in with agencies on their plans for proposed projects under Prop 1E.
- Nadine Hitchcock suggested that the CC could implement a project screening fee for project proponents to cover the costs of hiring a third-party consultant to score the project.
- Harry Seraydarian questioned how much effort should be put into developing Prop 1E projects when there is no allocation of funds to regions – Christy Spector suggested this should be included as a comment to DWR on the guidelines.
- Paul Helliker noted that the CC (via PSC and/or FC/SW FA) should focus on how Prop 1E projects will be included in the Plan, and how that process should be managed. Brian Campbell suggested that Mark Boucher and Carol Mahoney evaluate ways of adding projects to the Plan as part of their review of the Prop 1E guidelines/PSP. Melanie Denninger seconded his suggestion.

- Melanie added that the Bay Area CC may want to coordinate with other regions as well on comments to DWR regarding the guidelines/PSPs.

Funding Match

- For proposals containing multiple projects, the funding match is based on the total of the proposal.
- For IRWM Planning grants, the minimum funding match is 50% of the total project cost. For IRWM Implementation grants, the minimum funding match is 25%. (For IRWM implementation projects that address a critical water supply or water quality need for a disadvantaged community (DAC) and are seeking Proposition 84 funds, funding match may be waived).
- For the Proposition 1E SWFM funding, a cost-share minimum of 50% is required.
- Christy Spector noted that for Prop 84 IRWM, the \$100 million for interregional projects have already been allocated to Statewide Priorities – Delta Plan (appropriates funding from Prop 84 to fund the Two-Gates Fish Protection Demonstration Program).

General Comments and Next Steps

- Brian Campbell noted that the new projects will have to be added into the IRWM Plan and be consistent with Plan standards in order for them to be eligible for Prop 50 Supplemental/Prop 84/Prop 1E.
- Nadine Hitchcock suggested that the CC explore the need to create a funding subcommittee to deal with funding coordination and other strategic issues for the Bay Area.
- Paul Helliker noted that project proponents will be preparing their own applications for the next round of funding (i.e. Prop 50 Supplemental, Prop 84 and Prop 1E), and would be responsible for cost of preparing project applications.

Action Item(s)

- See table on Page 2 for action items and responsibilities.

4. Update – Project Screening Subcommittee (Action, led by PSC)

Selection of Projects for Prop 50 Supplemental Funding

- Brian Campbell provided an update on the March 11 PSC meeting.
- The PSC's recommendation from the March 11 meeting was to prioritize projects based on their scoring. The ranking of the new projects (conducted by RMC) is as follows:
 - 1 Regional Green Infrastructure Project (new project)
 - 2 South Bay Advanced Recycled Water Treatment Plant RO Facility (existing partially-funded project)
 - 3 Disadvantaged Communities Watershed Program (new project)
 - 4 Mercury and PCB Risk Reduction Project (existing updated project)
 - 5 Evaluate Regional Ecosystem Restoration Using Steelhead Trout (new project)
- Regarding the Drought Relief and Water Conservation Innovation Project, Brian noted that this was initially a menu-approach project that was proposed for Prop 84 funding, but scaling down the project for Prop 50 Supplemental would mean that the project would be reduced in flexibility for agencies and its effectiveness, therefore it is not included in the list of projects for Prop 50 Supplemental but is still considered for Prop 84.
- Brian noted that Jennifer Krebs will be providing more detailed information on the Regional Green Infrastructure Project.
- Harry Seraydarian highlighted although the “Evaluate Regional Ecosystem Restoration Using Steelhead Trout” project scored lower than the “Mercury and PCB Risk Reduction” project, the scores were very close and many agencies have already signed agreements for recovery plans, making it easier to implement the former project.

- Chris Choo suggested that existing partially-funded projects may fare better for Prop 50 Supplemental since they have already set up the process for funding the project application and receiving funds from DWR. Brian Mendenhall was concerned that this would limit projects to only 2 functional areas.

CC Decisions

- The CC agreed by consensus that not more than 6 projects should be included in the list of proposed projects for Prop 50 Supplemental in view of the amount of money available and the associated administrative costs for each project.
- The CC agreed on the following list of 6 projects:
 - 1 Regional Green Infrastructure Project (new project)
 - 2 South Bay Advanced Recycled Water Treatment Plant RO Facility (existing partially-funded project)
 - 3 Disadvantaged Communities Watershed Program (new project)
 - 4 Mercury and PCB Risk Reduction Project (existing updated project)
 - 5 Evaluate Regional Ecosystem Restoration Using Steelhead Trout (new project)
 - 6 NMWD Recycled Water Project – Phase 2 (existing partially-funded project)
- ~~The PSC will confirm the six candidate projects, project costs and project information with project proponents, and initiate the process of adding these projects to the IRWM Plan.~~
- The CC agreed that the five new projects that were scored would be added into the IRWM Plan. There are two new projects that are not on the list of the six selected projects for the Prop 50 Supplemental PSP Funding: N4 – Regional Water Recycling Outreach Project and N8 – Flood and Waterways Infrastructure Analysis and Communication Tool. However, the inclusion of these projects in the IRWM Plan will ensure that they are eligible for Prop 84 and 1E opportunities.
- The CC also agreed by consensus not to implement the subregional process for Prop 50 Supplemental given the short timeline and limited amount of funding available. However, Paul Helliker noted that subregional leads should be starting the process for Prop 84.

5. Announcements (Information, led by CC)

- Melanie Denninger noted that funding for RMC support is running low and additional funds are needed to augment the budget.
- Paul Helliker reported that BAWAC indicated that they would be willing to make new contributions when the scope of work is made available to BAWAC for review.
- Mitch Avalon reported that BAFCAA is currently conducting negotiations on new contributions and estimated it would take between 1-2 months to approve and disburse funds.
- Nadine Hitchcock reported that although the Coastal Conservancy may receive an allocation for new projects, it will not be available within the short-term.
- Paul Helliker noted that agencies should be prepared to state their funding commitments for Bay Area IRWMP support at the next CC meeting, scheduled for April 26, 2010.
- Harry Seraydarian announced that the 2010 North Bay Watershed Conference – Greening our Water Infrastructure will be held on April 9, 2010.
(<http://nbwatershed.org/pages/2010conf.php>)

Action Item(s)

- Paul Helliker to scope out tasks for next phase of work for the Bay Area IRWMP.
- Mark Boucher to scope out tasks for developing project database on Bay Area IRWMP website and provide input to Paul.

6. Agenda Items for the next CC meeting

- The next CC meeting is scheduled for April 26, 2010.
- Potential agenda items include:

- Update on comments to DWR on guidelines and PSPs.
- Update on Prop 50 Supplemental Funding PSP status.

**Project Screening Subcommittee
April 15, 2010
Meeting Notes**

1. Meeting participation

By Phone:

Brian Campbell (WW/RW, East)
 Thomasin Grim (for Marin, North)
 Carol Mahoney (FC/SW & WS/WQ, East)
 Melanie Denninger (Watershed/Habitat)
 Teresa Eade (StopWaste.org)
 Joanne Siew (RMC)
 Molly Petrick (WS/WQ, West)
 Marie Valmores (CCWD, East)
 Carl Morrison (for Sonoma CWA, North)
 Brian Mendenhall (SCVWD)
 Tracy Hemmeter (SCVWD)

2. Review of Draft BACWA Board Action Request

- A draft Board Action Request to authorize the BACWA Board to submit a \$3.7 million grant proposal to DWR for up to six Bay Area Integrated Regional Water Management (IRWM) Plan projects was developed and circulated to the Project Screening subcommittee by Brian Campbell.
- Brian indicated that BACWA Board approval is needed by 4/22 to obtain authority to submit projects, and a list of projects with corresponding amounts is usually included in material for Board approval. Since the PS subcommittee did not settle on specific project amounts pending final review, he suggested that the subcommittee start off on a mutually agreeable approach, noting that the project grant amounts could change during final review.
- The preliminary proposed allocation is shown below and the Board Action request is attached:

Project ⁽³⁾	Lead Entity	Grant Amt.
Regional Green Infrastructure Project	SFEP / ABAG	\$800,000
South Bay Advanced Recycled (R.O.) Water Treatment Plant	SCVWD	\$1,100,000
Bay Area Disadvantaged Communities Watershed Program	SFEP / ABAG	\$650,000
Mercury and PCB Risk Reduction Project	BACWA / DPH	\$300,000
Regional Steelhead Trout Monitoring Program	CEMAR, Inc.	\$370,000
North Marin Recycled Water Project, Phase 2 North	NMWD	\$280,000
Grant Administration (Legal, Acctg, consultant, BACWA staff)	BACWA	\$200,000 ⁽²⁾
TOTAL		\$3,700,000⁽¹⁾

Notes:

- 1) Project components are subject to final review of readiness and amounts may be modified or number of projects reduced if project details change. The total grant amount will remain the same at \$3.7 million.
- 2) Legal and administrative costs for BACWA may be reduced based on the final projects proposed.

Project Screening Sub-Committee
Meeting Notes (cont'd)

- 3) The list of projects was approved by the CC on March 22 and was identified based on the assumption that projects added to the IRWMP will be eligible, but will need to be reconfirmed based on final guidelines.
- Brian provided the rationale for the above adjustments:
 - Regional Green Infrastructure: Reduce from \$1.0M to \$800k – same per project amount as Prop 84 description. High score #1.
 - South Bay Advanced Treatment Project: Reduce from \$1.7M to \$1.1M to fit within available funding. High Score #2.
 - Disadvantaged Communities Watershed Program: Reduce from \$1.195M to \$650k; defer historical ecology to Prop 84.
 - NMWD RWP Ph. 2: Reduce from \$1.3M to \$280k (still 100+% of Prop 50 grant amt) to fit within funding; lowest score.
 - No reduction for Steelhead Monitoring or Hg-PCB Risk Reduction as their amounts were already lower.
- In addition, Brian noted that cost associated with amendments to DWR grant agreements would be an out-of-pocket expense (possibly between 20K – 40K in summer) but the timing and final amount would be dependent on input from DWR.
- Comments from PS subcommittee members on the draft Board Action request:
 - Thomasin: remove date 'in May' on the second page, second paragraph since the timeline for the release of the final guidelines is still undetermined.
 - Carl: the language in the Summary section seems to suggest that this is the final list of projects. Brian indicated that this list was approved by the CC on March 22 as the projects that would be going forward for the Prop 50 Supplemental Funding program, and not the Prop 84/1E funds. However, Brian also noted the list for Prop 50 Supplemental funding is not finalized and could be revised to a reduced number of projects or different project costs.
 - Molly: if one of the projects on the list end up scoring lower and could impact on the other projects, it might be better to take it out of the Prop 50 Supplemental list and hold it for Prop 84.
 - Regional Green Infrastructure Project: there might be revisions to this project, yet to be finalized.
 - Regional Steelhead Trout Monitoring Program: Molly needs to check on whether SFPUC is ready to implement this at this time or whether to defer portions of the work until a future phase. Tracy also wants to check with her monitoring staff.
- Brian suggested that individual project proponents should continue discussions on refining and finalizing their projects before the final PSP is released.

3. Announcements and Follow-up Action

- Melanie Denninger indicated that the Coastal Conservancy will be regaining their ability to make grants depending on bond sales. They have been allocated \$100 million, when authorized, may take the pressure off some habitat projects. She noted that hopefully this is an indication that DWR has encumbered funds that it can spend.

Action	Deadline	Person Responsible
Provide guidance on the process of adding the new projects into the IRWM Plan	April 26, 2010 – CC meeting	RMC (Joanne/Dave)

Project Screening Sub-Committee
Meeting Notes (cont'd)

Incorporate comments from PS subcommittee on the BACWA Board Action Request	April 19, 2010	Brian Campbell
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