# PROPOSAL EVALUATION

## *Proposition 84 Integrated Regional Water Management (IRWM) Grant Program*

## *Implementation Grant, Round 2, 2013*

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|---|---|---|---|
| **Applicant** | Castaic Lake Water Agency | **Amount Requested** | $ 7,006,481 |
| **Proposal Title** | Upper Santa Clara River Integrated Regional Water Management Plan Round 2 Proposition 84 Implementation Grant | **Total Proposal Cost** | $ 10,985,576 |

### PROJECT SUMMARY

The proposal consists of 6 projects: (1) Santa Clarita Valley Water Use Efficiency Strategic Plan Programs; (2) Santa Clarita Water Division Water Use Efficiency Programs; (3) Foothill Feeder Connection; (4) Pellet Water Softening Treatment Plant - Phase 1; (5) Automatic Water Softener Rebate and Public Outreach Program; and (6) Upper Santa Clara River Arundo/Tamarisk Removal Program Implementation.

### PROPOSAL SCORE

| Criteria | Score/ Max. Possible | Criteria | Score/ Max. Possible |
|---|---|---|---|
| Work Plan | 15/15 | Technical Justification | 6/10 |
| Budget | 3/5 | | |
| Schedule | 4/5 | Benefits and Cost Analysis | 21/30 |
| Monitoring, Assessment, and Performance Measures | 5/5 | Program Preferences | 8/10 |
| | | **Total Score (max. possible = 80)** | **62** |

### EVALUATION SUMMARY

#### WORK PLAN

The criterion is fully addressed and supported by thorough and well-presented documentation and logical rationale. The applicant fully addresses all required elements of this criterion, including: goals and objectives of the proposal and how they help achieve the goals and objectives of the adopted IRWM Plan; a tabulated overview of the project which includes an abstract and project status; appropriate maps; a discussion of the synergies or linkages among projects; adequately detailed task descriptions; appropriate deliverables; a listing of permits and their status including CEQA compliance; and data management and monitoring deliverables. Further, applicant submitted plans and specification consistent with the design tasks included in the work plan.

**BUDGET**

The budgets for more than half of the projects in the proposal have detailed cost information, but not all costs appear reasonable or supporting documentation is lacking for a number of the budget line items. Justification for cost estimates provided for some tasks are not clear. For example, Task 5 and Subtasks 10.2 and 13.1 for project 1, totaling $274,000, do not include supporting documentation. The applicant includes a budget for project 5 ($523,000); however no description of the tasks for this budget is provided, nor is an explanation of how costs are estimated included for project 5.

**SCHEDULE**

The criterion is fully addressed but is not supported by thorough documentation or sufficient rationale. For example: 1) some of the project schedules provided do not include the minimum tasks required by the PSP, such as development of financing (all projects), CEQA (both Water Use Efficiency projects, although an Notice of Exemption only is required), development of project monitoring plan; 2) some projects tasks that have already been completed indicate a start/finish date of 10/1/2013 (Project 3); 3) the final report start/finish dates for all projects do not appear to include any time between the project completion date and the report finish date; and 4) all project schedules should include more detail at the task level, rather than just the broad budget categories that are generally provided. Otherwise, the project schedules provided address the required PSP elements such as start and end dates and milestones, identification and acquisition of necessary permits, progress report/final report submittals, does include October 1, 2013 as the assumed grant award date. Overall, the project schedules are consistent with the tasks described in the work plan (at least at the budget category level) and seem reasonable. At least one proposed project will begin construction or implementation no later than October 2014.

**MONITORING, ASSESSMENT, AND PERFORMANCE MEASURES**

The criterion is fully addressed and supported by thorough and well-presented documentation and logical rationale. The applicant fully addresses all required elements of this criterion, including: identifying monitoring targets that are appropriate for the benefits claimed; using measurement tools and methods that effectively monitor the project performance and target progress; and demonstrating that the project will meet its intended goals, achieve measurable outcomes, and provide value to the State of California. Tables summarizing the performance measures that would be used to quantify and verify project performance are provided for each project and for the benefits claimed, in addition to a detailed narrative description of the same (for each project). All targets provided are specific and quantified.

**TECHNICAL JUSTIFICATION**

The proposal appears to be technically justified to achieve the claimed benefits but lacks documentation that demonstrates the technical adequacy of the projects and/or physical benefits are not well described. Project 1 claims a water conservation benefit of 380 acre/feet per year, enabling an equivalent reduction of imported water, but there is no indication that the water would not continue to be imported. On page 7-8 it is stated there will be a benefit of avoided import of 37 metric tons per year of chlorides into the watershed from the SWP. Again, it is implied that the water would not continue to be imported. Project 3 would expand the treatment capacity Rio Vista Water Treatment Plant (RVWTP) by replacing the current State Water Project (SWP) conveyance piping, allowing the RVWTP to treat water up to its full capacity, an increase from 60 million gallons per day (MGD) to 66 MGD. The applicant indicates that project 3 “will eliminate the need for the applicant to construct additional facilities for recycled water and implement additional water conservation measures.” Justification for this assumption is not provided in the application. In addition, project 3 is designed to convey 90 MGD to the RVWTP to accommodate future RVWTP expansion. Inadequate justification was provided to support the certainty of future expansion.

**BENEFITS AND COST ANALYSIS**

Collectively the proposal is likely to provide a high level of benefits in relationship to cost, but the quality of the analysis or clear and complete documentation is lacking. This application includes projects that target salinity of potable supplies, water conservation, conveyance capacity, and Arundo control. Project 3 appears be economical from the local perspective; however, the long-run implications of increased conveyance capacity may be a negative from the perspective of the rest of the State. This project might increase Delta exports in the short run by about 2,240 acre feet per year, but the increase could be more in the future. Costs of the project include water costs, but the additional opportunity costs of the additional SWP water supplies taken by this project in the future might be significant. Project 6 water savings per acre treated (20 feet) is more than assumed by similar studies. Critical cost calculations for the automatic water softener rebate program are not shown.

**PROGRAM PREFERENCES**

Applicant claims that 5 program preferences and 7 statewide priorities will be met with project implementation. However, the applicant demonstrates with a high degree of certainty and adequate documentation for nine of the preferences claimed: (1) Include regional projects or programs; (2) Effectively integrate water management programs and projects within hydrologic region identified in the CWP; RWQCB region or subdivision; or other region or sub-region specifically identified by DWR; (3) Contribute to attainment of one or more of the objectives of the CALFED Bay-Delta Program; (4) Drought Preparedness; (5) Use and Reuse Water More Efficiently; (6) Climate Change Response Actions; (7) Expand Environmental Stewardship; (8) Practice Integrated Flood Management; and (9) Protect Surface Water and Groundwater Quality.