

# PROPOSAL EVALUATION

## *Proposition 84 Integrated Regional Water Management (IRWM) Grant Program Implementation Grant, Round 2, 2013*

<b>Applicant</b>	Semitropic Water Storage District	<b>Amount Requested</b>	\$ 8,734,000
<b>Proposal Title</b>	Poso Creek IRWMP Grant, Prop 84, Round 2 Proposal	<b>Total Proposal Cost</b>	\$ 13,942,865

### PROJECT SUMMARY

The proposal includes the following six projects: (1) Madera Avenue Intertie; (2) Lost Hills New Well and Tank Replacement; (3) Allensworth Tank Replacement and SCADA Upgrade; (4) Groundwater Well Destruction Program; (5) On-Farm Mobile Lab for Water Use Efficiency in Support of Nutrient Management; and (6) South Shafter Sewer Planning and Design.

### PROPOSAL SCORE

Criteria	Score/ Max. Possible	Criteria	Score/ Max. Possible
Work Plan	<b>12/15</b>	Technical Justification	<b>4/10</b>
Budget	<b>4/5</b>		
Schedule	<b>4/5</b>	Benefits and Cost Analysis	<b>12/30</b>
Monitoring, Assessment, and Performance Measures	<b>3/5</b>	Program Preferences	<b>2/10</b>
<b>Total Score (max. possible = 80)</b>			<b>41</b>

### EVALUATION SUMMARY

#### WORK PLAN

The criterion is fully addressed but is not supported by thorough and well-presented documentation, and logical rational. Clear deliverables are not presented, as the applicant frequently confuses actions with deliverables. For example Project 1, Task 5 lists “Completion of project plans and specifications at the final level (100% level)” as the only deliverable. Some projects lack scope detail. For example, Project 2 does not include sufficient detail to understand how the project will be implemented and Project 4, the abandoned well destruction program, does not fully explain how work will be completed on private property.

## **BUDGET**

The budgets for all projects in the proposal include detailed cost information as described in Attachment 4, and the costs are considered reasonable but the supporting documentation is not provided for some budget categories. For example, projects 1 and 2 reference engineers' estimates without attaching the relevant estimates. The cost to complete environmental documentation for Project 2 is not sufficiently supported by the information provided.

## **SCHEDULE**

The criterion is fully addressed but is not supported by thorough documentation or sufficient rationale. The schedule is consistent with the work plan and budget. Interdependencies between various tasks are not clearly shown. For example, Project 1 does not show the dependence of Tasks 4, 5, 6, and 7 on completion of land purchase and easements. This adds some uncertainty to the schedule. In addition, Project 3's schedule does not appear to allow for enough time for permitting. Nonetheless, the applicant demonstrates a readiness to begin construction/implementation no later than October 2014.

## **MONITORING, ASSESSMENT, AND PERFORMANCE MEASURES**

The criterion is less than fully addressed and documentation or rationales are incomplete and insufficient. Projects do not provide numeric targets or measurement tools and methods for several key project objectives. For example, Project 1 does not address monitoring and assessment of groundwater levels or water quality. No numeric targets or monitoring tools and methods are outlined. Project 2 does not provide specific measurement tools and methods for water quality.

## **TECHNICAL JUSTIFICATION**

The proposal does not include sufficient documentation and project physical benefits are not adequately described to determine technical justification for the projects included in the proposal. The applicant does not thoroughly describe the physical benefits included in some of the projects, and only quantifies the benefits for 2 out of the 6 projects. Based upon the information provided in the application, it is difficult to determine whether the projects will deliver the physical benefits claimed. Project 2 claims that they will be able to locate a new well in an area that doesn't have arsenic problems (or will have lower arsenic levels), and groundwater production will increase. Additionally, Project 2 claims reduced energy use by avoiding treating groundwater for arsenic. No information was provided to support these claims in this attachment or elsewhere in the application.

## **BENEFITS AND COST ANALYSIS**

The level of benefits for the proposal are variable and contingent on activities outside the scope of the proposal. This proposal will likely provide medium level of benefits, but the quality of the analysis or clear and complete documentation is lacking.

The intertie project depends on the availability of surplus water in the California Aqueduct or Friant Kern Canal that can be moved to beneficial agricultural use or groundwater recharge. The primary source for surplus water is recirculation water that may result from San Joaquin River restoration. Reviewer notes that this program is still in development, so quantities are not definite. Further, water that may be available would also have significant value to other State Water Project or Central Valley Project contractors even in absence of this project. Therefore this project could impose a significant opportunity cost on others, which was not discussed or quantified.

Water system upgrades and abandoned well destruction may provide significant benefits to DACs. Non-monetized benefits include health and safety, groundwater protection, and system reliability. Mobile lab evaluations are claimed to provide groundwater quality benefits to DACs, so a cost-effectiveness analysis is provided. However, the location of evaluated fields is not currently known, so any benefits to DACs would be indirect and delayed at best. Non-monetized

benefits described for the sewer planning project include health and safety and protection of groundwater quality. These benefits would be potential, and contingent on the project being built.

**PROGRAM PREFERENCES**

Applicant claims that six program preferences and seven statewide priorities will be met with project implementation. However, applicant demonstrates high degree of certainty, and adequate documentation for two of the Preferences claimed: (1) Protect Surface Water and Groundwater Quality; and (2) Ensure Equitable Distribution of Benefits.