Chapter 9: Finance

Introduction

The Inyo-Mono IRWM Program has, from its inception, been challenged with funding constraints emanating from the very limited number of large, well-funded water-related entities in the region, the preponderance of disadvantaged communities, and the rural nature of the region itself.

Prior to receiving Round I Planning Grant funding, financial support for the Inyo-Mono IRWM effort primarily comprised of financial support from California Trout and a pre-planning grant awarded by the Sierra Nevada Conservancy. In addition, several small monetary contributions have been provided by RWMG participants. However, since that time, significant progress has been made to secure financial resources for the region, falling broadly under three categories: planning, building capacity for economically disadvantaged communities, and project implementation. The implementation of the Inyo-Mono IRWM Plan involves addressing all three of these categories.

Although securing significant short- to medium-term funding for the Inyo-Mono region has been achieved, the financing needed to support broader regional goals and objectives is both critical and significant. A key component of the Inyo-Mono IRWM Round 2 Planning Grant is to develop a comprehensive and long-term financial plan for the region. Achieving, and more importantly implementing, such a plan will build on existing funding and establish the long-term trajectory for meeting the financial needs of the Inyo-Mono IRWM Program and regional priorities. What follows in this chapter are descriptions of:

1. Funding sources that have supported, or currently are, supporting the Inyo-Mono IRWM Program (broader funding needs for the region)
2. Known and possible funding sources, programs, and grant opportunities
3. Various funding mechanisms, including water enterprise funds, rate structures, and private financing options, for projects that implement the IRWM Plan
4. Certainty and longevity of known or potential funding
5. How operation and maintenance costs for projects that implement the Inyo-Mono IRWM Plan will be covered guaranteed long-term

Current Funding Sources

The Inyo-Mono IRWM Program has successfully secured funding to begin addressing regional needs. These funds currently support planning, capacity building for disadvantaged communities (DACs), and project implementation needs.

Planning Round 1

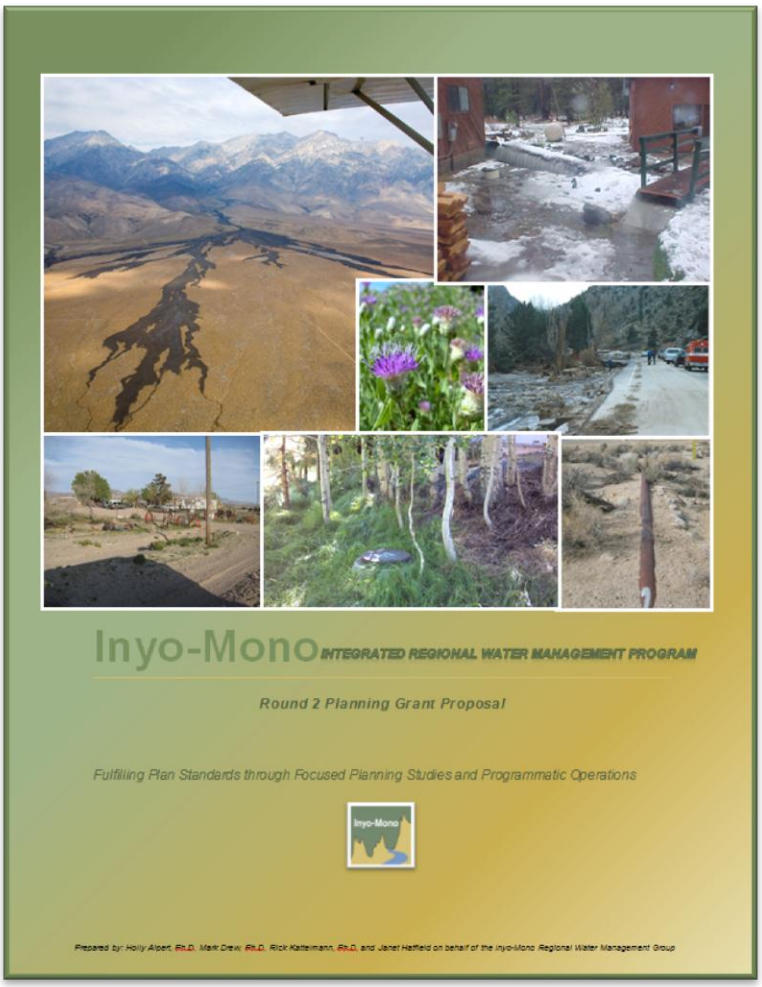
In 2010, the Inyo-Mono IRWM Program received its first CA Department of Water Resources (DWR) Planning Grant in the amount of $237,615, with California Trout serving as grantee. This funding was matched by local contributions (primarily in-kind), bringing the total of the Round 1 Planning Grant to $331,653. The primary tasks and associated expenses per task are presented in Table 9-1. The Round 1 Planning Grant concluded in the fall of 2012.

Table 9-1. Round 1 Planning Grant tasks and associated budgets

Task	Description	DWR Grant	Total
1	Enhance and Maintain Inyo-Mono IRWMP Collaborative Process & Stakeholder Involvement	$75,000	$90,578
2	Update all relevant planning documents and processes in the Inyo-Mono Region	$7,500	$10,000
3	Re-evaluate governance and organizational structure for Inyo-Mono IRWMP	$9,000	$10,000
4	Incorporate Climate Change into the Inyo-Mono IRWM Plan and Develop Climate Change Adaptation Strategies	$10,000	$11,000
5	Conduct Region-Wide Outreach to Refine Phase I Issues, Goals, Objectives, and Strategies	$40,000	$46,000
6	Solicit & Evaluate Phase II Projects from Inyo-Mono Planning Region	$36,419	$80,879
7	Develop Draft Inyo-Mono IRWMP Phase II, including prioritized projects	$26,000	$40,000
8	Review and evaluate draft Inyo-Mono IRWMP Phase II with RWMG	$21,000	$26,000
9	Develop and Submit Final Inyo-Mono IRWMP, Phase II	$11,000	$13,000
10	Maintain and Enhance Inyo-Mono IRWMP Website, GIS, and Communication Tools	$1,696	$4,196
	Grant Total	**$237,615**	**$331,653**

Planning Round 2

In March, 2012, the Inyo-Mono IRWM Program submitted a Round 2 Planning Grant proposal requesting a total of $683,651, with an additional $361,349 being provided as match contributions. As with the Round 1 Planning Grant proposal, California Trout was the grantee. In July, 2012, DWR presented preliminary recommendations for Round 2 Planning Grant funding.



The Inyo-Mono region was recommended to receive $480,270, representing 70% of the total funding requested. The amount awarded will provide necessary funding for the RWMG to revise the Phase II Plan and update it to the 2012 Plan Standards, expand and implement planning projects, and realize general programmatic needs through 2014. More specific details regarding tasks and budgets for the Round 2 Planning Grant are presented in Table 9-2, below. Relative to Round 1 funding, Round 2 funding will allow more than just programmatic operations and Plan revisions to occur. For the Inyo-Mono Region, these funds will support more sophisticated climate change analyses, a significant expansion of GIS and data management, and the completion of a long-term sustainable financing plan. Additionally, at least three planning studies will be completed, supporting river restoration needs in the Walker Basin, streambank stabilization in the Independence area, and a storm water management plan for the Town of Mammoth Lakes.

Table 9-2. Round 2 Planning Grant tasks and associated budgets

INYO-MONO ROUND 2 PLANNING GRANT BUDGET

FUFILLING PLAN STANDARDS THROUGH FOCUSED PLANNING STUDIES AND PROGRAMMATIC OPERATIONS

Chapter	Planning Study	Task	Non-State Share (Funding Match)	Requested Grant Funding	Total	Match %
1. Sustain and build upon Inyo-Mono IRWM Program operations			$ 52,000	$ 102,136	$ 154,136	34%
2. Planning Studies						
CHAPTER 2: PLANNING STUDIES	2.A Oak Creek Stream Stabilization Technical Study	2.A.1. Coordination and stakeholder meetings	$ 20,000	$ 10,000	$ 30,000	
		2.A.2. Data collection and inventory	$ 150,000	$ 50,000	$ 200,000	
		2.A.3. Develop report with alternatives, and IRWM Plan update	$ -	$ 10,000	$ 10,000	
		2.A.4. Presentation of results and findings	$ 5,000	$ 5,000	$ 10,000	
		2.A. TOTAL	$ 175,000	$ 75,000	$ 250,000	70%
	2.B West Walker River Restoration Planning Study	2.B.1. Project administration	$ 8,000	$ 5,500	$ 13,500	
		2.B.2. Outreach/information gathering and analysis	$ 10,000	$ 32,000	$ 42,000	
		2.B.3. Drafting and dissemination of West Walker River Restoration plan	$ 5,000	$ 30,000	$ 35,000	
		2.B. TOTAL	$ 23,000	$ 67,500	$ 90,500	25%
	2.C Town of Mammoth Lakes Stormwater Management Master Plan	2.C.1. Project administration	$ 2,500	$ 7,500	$ 10,000	
		2.C.2. Develop Town of Mammoth Lakes Stormwater Management Plan	$ 26,875	$ 80,625	$ 107,500	
		2.C.3. Implement strategic aspects of the Stormwater Management Plan	$ 23,750	$ 71,250	$ 95,000	
		2.C.4. Planning study quality control and review	$ 1,250	$ 3,750	$ 5,000	
		2.C.5. California Environmental Quality Act	$ 3,000	$ 9,000	$ 12,000	
		2.C. TOTAL	$ 59,250	$ 170,250	$ 229,500	26%
	2.D Inyo/Mono Watersheds Invasive Plant Inventory	2.D.1. Project organization and administration	$ 15,192	$ -	$ 15,192	
		2.D.2. Data collection	$ -	$ 73,788	$ 73,788	
		2.D.3. Data assessment	$ 15,192	$ -	$ 15,192	
		2.D.4. Data dissemination and publication	$ 1,215	$ -	$ 1,215	
		2.D. TOTAL	$ 31,599	$ 73,788	$ 105,387	30%
3. Enhance integration of climate change information into the Inyo-Mono IRWM planning process			$ 6,000	$ 38,298	$ 44,298	14%
4. Information/data management, Geographic Information Systems (GIS), and the Inyo-Mono IRWMP website			$ 5,000	$ 14,400	$ 19,400	26%
5. Sustainable funding plan for the Inyo-Mono IRWM Program			$ 4,500	$ 22,718	$ 27,218	17%
6. Integration and updating the Inyo-Mono IRWM Plan to meet Plan standards			$ 5,000	$ 29,013	$ 34,013	15%
Other Costs			$ -	$ 17,300	$ 17,300	0%
		Sub-Grand Total	$ 361,349	$ 610,403	$ 971,752	37%
		O&A (12% of Grant Funding Request):		$ 73,248		
		GRAND TOTAL		$ 683,651	$ 1,045,000	35%

Capacity Building for Disadvantaged Communities

Pilot Project Grant 1

The Inyo-Mono IRWM Program submitted a proposal to DWR to secure funding aimed at engaging and involving DACs in regional water planning efforts and building water resources-related capacity specifically for disadvantaged communities in the rural headwater communities of the eastern Sierra. In August, 2011, the Inyo-Mono IRWM Program was awarded $371,000

for this work. Tasks and associated budgets are provided in Table 9-3. This grant will be completed in September, 2013. As with the two Planning Grants, California Trout is serving as the grantee for this grant.

Table 9-3. DAC Grant1 Tasks and Budgets.

Task	Description	DWR funding
1	Identify under-represented stakeholders in the planning region and develop and implement an outreach strategy to engage them in at least 10 critical planning meetings.	$ 31,575
2	Conduct stakeholder meetings to gather feedback on (1) priority local water issues (2) goals and objectives (3) strategies for addressing water issues.	$ 52,996
3	Needs Assessments	$ 57,360
4	Capacity Building	$ 77,533
5	Final synthesis and report drafting	$ 15,800
6	Project findings dissemination	$ 69,861
*	Supplies/travel	$ 38,800
*	O & A (8%)	$ 27,514
	Grant total	**$ 371,439**

Pilot Project Grant 2

Based on an opportunity to address additional needs in Inyo-Mono DACs, the Inyo-Mono IRWM Program submitted a budget amendment request to address two distinct tasks, shown along with their associated budgets in Table 9-4. California Trout is the grantee for the Pilot Project Grant 2.

Table 9-4. DAC Grant 2 Tasks and Budget.

Task	Description	DWR funding
1	Developing alternative metrics to identify and designate economically disadvantaged communities.	*$ 65,000*
2	Development of a 25-30 minute video showcasing importance of water, DWR IRWM Program, Inyo-Mono IRWM Program and opportunities for DAC's engagement in water planning.	*$ 50,000*
*	*O & A (12%)*	*$ 14,000*

	Grant total	**$ 129,000**

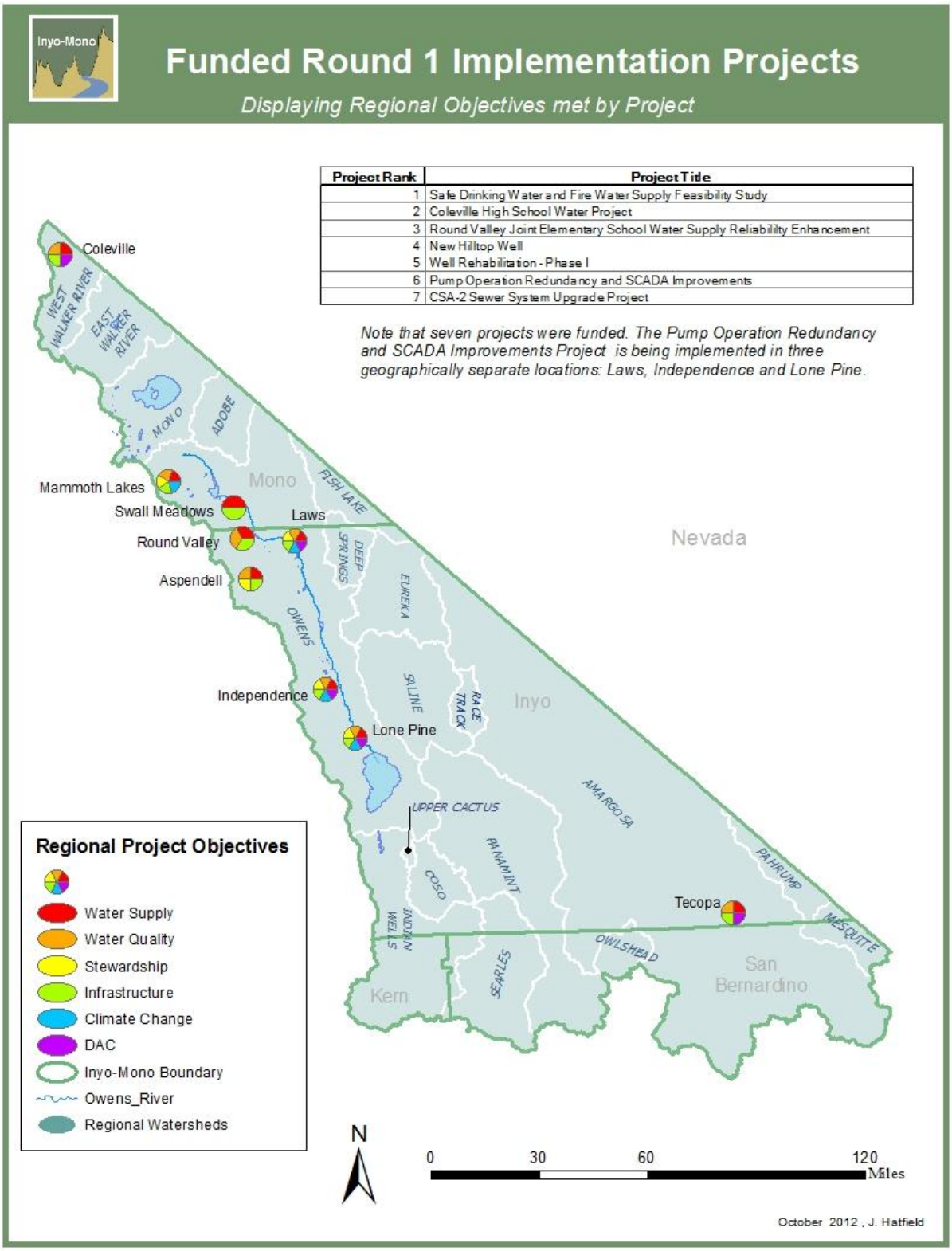
Project Implementation

In January, 2011, the Inyo-Mono IRWM Program submitted a proposal for Round 1 Prop. 84 Implementation funding in the amount of $4,299,858, with a match commitment of $1,400,409. Central Sierra Resources Conservation and Development was the grantee. In August, 2011, DWR presented the Inyo-Mono IRWM Program an award of $1,075,000, supporting seven distinct projects (see Table 9-5 and Figure 9-1 below).

Table 9-5. Funded Round 1 Implementation Projects

Project sponsor	Project title	Non-State Share (Funding Match)	Requested Grant Funding	Total
Armargosa Conservancy	Safe Drinking Water and Fire Water Supply Feasibility Study for Tecopa, California	$1,000	$65,172	$66,172
Inyo County	Pump Operation Redundancy and SCADA Improvement Project	$20,391	$62,708	$83,099
Round Valley Joint Elementary School District	Round Valley Joint Elementary School District Water Project	$30,300	$80,400	$110,700
Wheeler Crest Community Services District	New Hilltop Well	$62,100	$55,300	$117,400
Eastern Sierra Unified School District	Coleville High School Water Project	$88,667	$266,000	$354,667
Inyo County	CSA-2 Sewer System Improvements Project	$110,626	$310,895	$421,521
Mammoth Community Water District	Well Rehabilitation (Phase 1)	$37,000	$98,000	$135,000
Central Sierra RC&D	Central Sierra Grant Administration	$ -	$136,525	$136,525
Grant Total		**$350,084**	**$1,075,000**	**$1,425,084**

Figure 9-1: Funded Round 1 Implementation Projects

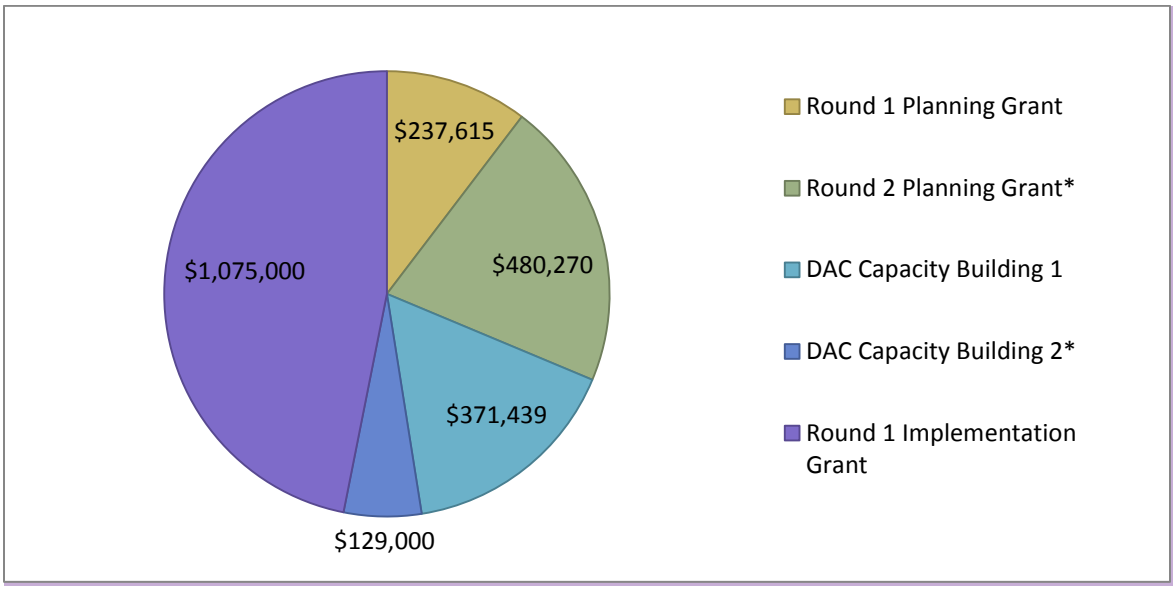


Funded Implementation projects shown within their respective watersheds

Summary of Funding to Date

Figure 9-2 summarizes Prop. 84 IRWM Program funding secured for the Inyo-Mono Program 2010-2012. Although modest for some regions, funding secured thus far represents a significant step forward in beginning to address regional needs. Important to note is that more than 50% of the funding secured thus far has, or will be, allocated to planning and capacity building needs as opposed to specific "implementation" projects. This is the case for two reasons: (1) planning funds are essential for the overall development and implementation of the Inyo-Mono IRWM Program, and (2) an overarching principle guiding the Inyo-Mono IRWM Program is the need and concerted effort to build regional capacity in order to more effectively respond to regional needs over the long-term. As regional capacity grows, it is anticipated that the ratio of planning to implementation funds will shift dramatically toward project implementation. In total, the Inyo-Mono IRWM Program has received almost $2.3 million in grant funding, the large majority of which has directly benefitted, and has remained in, the region. This money has created jobs, has supported the participation of DACs and tribes in the regional water management planning process, and has gone directly to regional entities to implement projects that improve water supply and water quality.

Figure 9-2. Prop. 84 IRWM Program funding secured for the Inyo-Mono region (2010-2013).



*As of the date of completion of this Plan, these grant awards are pending final notification from DWR.

Regional Funding Needs

Since the inception of the Inyo-Mono IRWM Program, there has been one round of Prop. 84 Implementation funding made available. The Inyo-Mono region submitted a proposal for Round 1 Implementation funding and received $1,075,000 (total funding request was for $4.3 million). These funds are supporting completion of seven projects in the region (see Chapter 12).

During the spring of 2012, the Inyo-Mono Program Office conducted a project needs assessment for the planning region. The objective of the assessment was to gain a broader understanding of the types of projects needing funding as well as the amount of funding that would be necessary to complete them (see Chapter 15 for additional information regarding the

assessment and findings). Many entities with known significant water-related issues did not provide information regarding project needs for one reason or another during this assessment, and therefore the findings are thought to be conservative. Regardless, the findings suggest that the total amount of funding needs for the region far exceeds $120 million, only slightly more than $1 million of which has been secured thus far (Please refer to Chapter 15 for a list of identified project needs). Moving forward, a concerted effort will need to be made to secure additional financial resources for the region.

Known and Possible Funding Sources, Programs, and Grant Opportunities

As part of the initial development of a sustainable finance plan, specific funding opportunities have been collated into a "living" database, providing Program Office staff and involved stakeholders an ability to refer to, and investigate, potential funding opportunities in response to project needs. The so-called funding database is included within a larger, comprehensive databased created for the Inyo-Mono region (See Chapter 4) as one means of establishing a regional, integrated source of data and information. In addition to the funding database, a number of other funding sources have been identified and are included below.

The California Financing Coordinating Committee

The California Financing Coordinating Committee (CFCC) was formed in 1998 and is made up of seven funding agencies: six state, and one federal. CFCC members facilitate and expedite the completion of various types of infrastructure projects by helping customers combine the resources of different agencies. Project information is shared among CFCC members so that additional resources can be identified. CFCC members conduct free Funding Fairs in several California communities each year to educate the public and potential customers about the different member agencies and the financial and technical resources available. Appendix C contains specific funding mechanisms and opportunities sponsored by members of the CFCC. Information about funding opportunities made available or publicized through the CFCC can be found at the following websites:

- California Financing Programs: http://cfcc.ca.gov/ca_financing.htm
- California Grant Programs: http://cfcc.ca.gov/ca_grant.htm
- Federal Financing Programs: http://cfcc.ca.gov/fed_financing.htm
- Federal Grant Programs: http://cfcc.ca.gov/fed_grant.htm

Other Online Funding Sources and Grant Opportunities

Federal grant opportunities and application information can be found at www.grants.gov.

The Foundation Center provides a resource for finding philanthropic funding for project needs: www.foundationcenter.org.

The Sierra Nevada Conservancy maintains a list of funding opportunities on its website: http://www.sierranevada.ca.gov/other-assistance/current-funding-opportunities.

Many other IRWM Programs have developed websites containing grant opportunity-related information. One such example is the North Coast IRWM Program funding opportunities webpage: www.northcoastirwmp.net/Content/103423/preview.html. A list of additional websites for selected IRWM regions can be found at: http://Inyo-Monowater.org/other-irwmp-regions/.

There are myriad funding resources available to support Native American tribal lands and resources:

Resources and References for Native Land and Trusts & Conservancies

- Indian Country Conservancy: http://www.indiancountryconservancy.org/
- Maidu Summit Consortium: http://www.maidusummit.org/
- Native American Land Conservancy: www.nalc4all.org/

Potential Funding Sources for Eco-Cultural Land Conservation

- Administration for Native Americans: www.acf.hhs.gov/programs/ana/programs/program_information.html
- California State Parks OHMVR Program: www.ohv.parks.ca.gov
- Council on Foundations: www.cof.org
- Environmental Grantmakers Association: www.ega.org
- First Nations Development Institute: www.firstnations.org
- Funding Exchange: www.fex.org
- Indian Land Tenure Fund: www.iltf.org
- International Funders for Indigenous Peoples: www.internationalfunders.org
- Lannan Foundation-Indigenous Communities Program: www.lannan.org/programs/indigenous-communities/
- National Park Service-Historic Preservation Grants: www.nps.ogv.hps/hpg/index.htm
- Seventh Generation Fund for Indian Development: www.7genfund.org
- The Christensen Fund: www.christensenfund.org
- U.S Fish and Wildlife Service -Tribal Grants : www.fsw.gov/grants/tribal.html

Alternative Funding Mechanisms for Projects that Implement the IRWM Plan

Below is a brief presentation of certain types of funding mechanisms other than grants that may be relevant to project needs in the region and to the implementation of the Phase II Inyo-Mono IRWM Plan.

Water Enterprise Fund

Water enterprise funds are generally used to account for operations that are financed and operated in a manner similar to private enterprises, with the intent being that the costs of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. The fund commonly includes:

1) Water Enterprise Utility Fund - accounts for activities relating to the operation of a community's water system, including water distribution and treatment.
2) Water Capital Projects - used to account for costs associated with large capital projects.
3) Water Impact Fees - accounts for connection charges paid by new users of a water system. Fees collected are to be used for future Water System Capital Improvements.

Financial Capacity: Rate Structure

Financial resources of a water system include, but are not limited to, revenue sufficiency, credit worthiness, and fiscal controls. It is necessary for a water system to have a budget and enough

revenue coming in to cover costs, repairs, and replacements. Financial capacity recommendations related to rate structures include the following:

1) Revenues from drinking water sales should cover all public/private water system costs, including operating costs, maintenance costs, debt service costs, operating reserves, debt reserves, emergency equipment replacement reserves, and revenue collection costs.
2) Capital improvement funding for facilities needed for upgrading the existing system should come from revenue from water sales or other sources of capital. Rates should be set accordingly.
3) New connection fees, development fees, and other funding sources should cover all public water supply capital improvement costs for facilities needed for expanding the system for new customers. Fees should be set accordingly.
4) All drinking water-generated revenues should be used for drinking water purposes. For public water systems owned by entities that provide other services in addition to drinking water, drinking water purposes should include equitable share of administrative costs for the entire entity.

Bridge Loans: Revolving Loan Fund

The National Rural Water Association Revolving Loan Fund (RLF) was established under a grant from United States Department of Agriculture and Rural Utilities Services to provide financing to eligible utilities for pre-project costs associated with proposed water and wastewater projects. RLF funds can also be used with existing water/wastewater systems and the short-term costs incurred for replacement equipment, small-scale extension of services, or other small capital projects that are not a part of regular operations and maintenance. Systems applying must be public entities. This includes municipalities, counties, special purpose districts, Native American tribes and corporations not operated for profit, including cooperatives, with populations up to 10,000. For more information, interested parties can go to: http//www.nrwa.org/revolvingloan.htm.

Private Financing Options

Private financing can result in several forms such as private foundations, corporations, or individual donors. Although to date, the Inyo-Mono region has not secured specific grant funding from private sources, it is recognized as a potential source of future funding and will be addressed more comprehensively in the sustainable finance plan to be completed as part of the Round 2 Planning Grant. It is noted that in the case of certain projects that have been funded via DWR Planning and Implementation grants, private sources have contributed to project needs in the form of in-kind match as well as financial contributions. Examples of such contributions include time and financial resources contributing to the Wheeler Crest, Hill Top Well project valued at $55,000 and to a lesser degree, the West Walker Restoration Plan where in-kind contribution on the part of local stakeholders is being realized.

Certainty and Longevity of Known or Potential Funding

As described above, significant funding has been secured in support of the Inyo-Mono IRWM Program. This funding will provide resources to the Program through June, 2015. However, funding secured thus far is not sufficient to address all of our regional needs. Between now and the termination of existing funding, the Inyo-Mono IRWM Program will be pursuing a suite of funding opportunities, some currently identified, and some yet to be identified. Unfortunately, the

Inyo-Mono Round 2 Implementation proposal did not receive any funding. Moreover, based on the final guidelines for the Drought Round funding opportunity and given limited resources, the Inyo-Mono Program opted to not prepare and submit a proposal. It is the intention of the Inyo-Mono region to prepare and submit a proposal for Round 3 DWR Prop. 84 Implementation funding. While the certainty of an award is somewhat speculative, the Program Office staff has negotiated an agreement that ensures the various sub-regions within the Lohantan Funding Region will have access to a proportion of funds remaining in the Prop. 84 pool prior to the Drought funding round. The negotiated amount that each region will have access to is based on 50% of remaining funds being divided up evenly and 50% in proportion to each region's population. The breakdown of sub-regional pieces of the pie is found in Table X. It is noted that although an agreement has been reached among sub-regions, in order to successfully secure funding, proposals will still need to be developed in a manner that satisfies Prop. 84 IRWMP grant requirements.

ATTACHMENT

PROPOSAL TO ALLOCATE PROPOSITION 84 IRWM GRANT FUNDS IN THE LAHONTAN FUNDING AREA

IRWM REGION	Antelope Valley	Inyo-Mono	Mohave	Tahoe-Sierra	Fremont Valley*	Lahontan Basins
TOTAL FUNDS AVAILABLE	$24,705,000 ($27,000,000 less DWR administrative and bond financing costs)					
ALLOCATION TO EACH IRWM REGION	$7,302,704	$3,314,736	$7,922,242	$3,277,788	$0	$2,887,532
PREVIOUSLY AWARDED GRANTS						
Round 1 Planning	$472,919	$237,615	$0	$0	$0	$0
Round 2 Planning	$0	$480,270	$0	$557,480	$0	$427,614
Subtotal (Planning Grants)	$472,919	$717,885	$0	$557,480	$0	$427,614
Notes: Half of this amount is taken from Prop 84 funding from Lahontan Region. Total is $2,175,898 with $1,087,949 from Prop 84 funding for Lahontan region.						
Round 1 Implementation	$5,400,000	$1,075,000	$2,000,000	$1,437,000	$0	$0
Round 2 Implementation	$427,000	$0	$3,000,000	$0	$0	$0
Subtotal (Implementation Grants)	$5,400,000	$1,075,000	$5,000,000	$1,437,000	$0	$0
Notes: Antelope Valley was credited the $427,000 given to Boron CSD during Round 2						
GRAND TOTAL FUNDS AWARDED	$5,636,460	$1,433,943	$5,000,000	$1,715,740	$0	$213,807
FUNDS REMAINING	$1,666,244	$1,880,793	$2,922,242	$1,562,048	$0	$2,673,725

* Fremont Valley IRWM Region has indicated they will not be prepared to participate in Prop 84

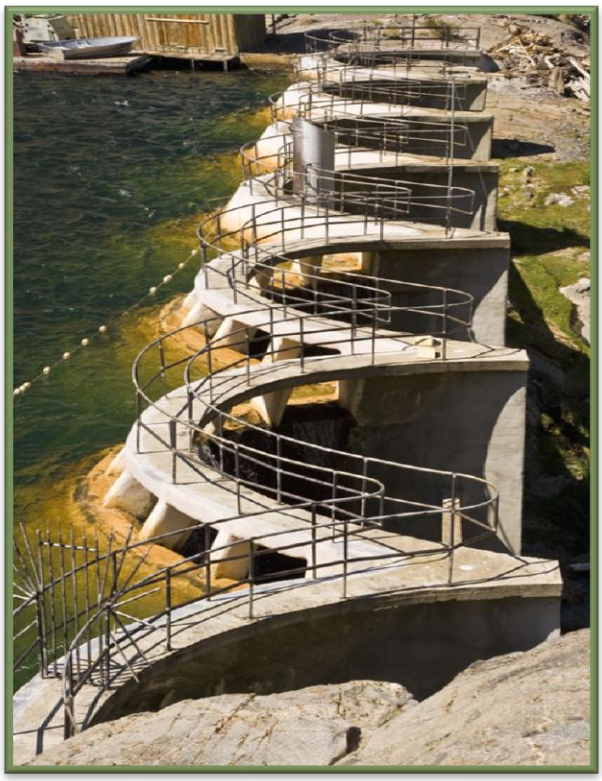
The approach taken by regions within the Lahontan Funding region is progressive and is considered to embody the intent of regional collaboration albeit in this case at the inter-regional scale. The agreement is also a potential approach that can be used moving forward to help reduce uncertainty regarding future IRWM grant funding.

Other funding sources such as the Proposition 1E stormwater and flood management funding may be pursued depending on project needs and the ability of project proponents to respond to funding match requirements. What is certain about these funding opportunities is the amount and approximate timeframe in which the funds will be made available. Less certain is the amount that the Inyo-Mono region may ultimately need or may ultimately secure. The reality is that, even with existing certainty of some funding sources, match requirements and the technical capacity to develop, implement, and administer certain grants is a challenge for the Inyo-Mono region.

Beyond the issue of technical capacity to pursue existing funding sources, the state of California's economy and that of the nation as a whole creates uncertainty with respect to future funding opportunities. The termination of Propositions 84 and 1E pose a significant challenge to IRWM regions. On the November, 2014 ballot is Proposition 1 that if passed will provide close to $1 billion to support the IRWM Program in addition to funding that will support water resource management and planning needs although not through the DWR IRWM Program itself. Ultimately, all involved, including DWR are challenged with finding ways to help continue funding IRWM planning in California. Nonetheless, it has always been and will continue to be a regional priority to build capacity to secure and administer local, state, and federal funding in support of the Inyo-Mono IRWM Program and associated projects. Continued fundraising, capacity building, and the development of a long-term sustainable finance plan will help to create more funding certainties in the years ahead.

Operation and Maintenance Costs and Certainty of Funding

As part of the project review process for specific grant solicitations, project proponents are required to provide information specific to how long-term management of a given project will be ensured (Chapter 14). Included in this request are the expected means to address operation and maintenance expenses. Given the diversity of project proponents and the scope of their respective projects, there is not one single source, strategy, or plan to address operation and maintenance costs for all projects that implement the Inyo-Mono IRWM Plan. Instead, coordination of the various projects will involve financial monitoring and evaluation of progress being made (see Chapter 13). Monitoring and evaluation of projects will include identifying the status of necessary operation and maintenance expenses throughout the duration of the projects themselves and, when necessary, developing the means to ensure adequate resources are made available.



The Inyo-Mono RWMG recognizes, however, that securing adequate funding for operation and maintenance costs is challenging. Granting agencies often would rather fund capital improvement projects than operation and maintenance. Therefore, as a part of the long-term sustainable finance plan being developed by the Program Office staff, operation and maintenance will be a topic of particular focus.

The Inyo-Mono planning region has made significant strides towards addressing financial resource needs to develop and implement the Inyo-Mono IRWM planning program as well as to support on-the-ground implementation projects. At the same time, it is recognized that there is an enormous disparity between the financial resources that have already been secured relative to the needs of the region, and also between the financial needs of the region and the resources

potentially available to the Inyo-Mono IRWM Program through Prop. 84, which are limited and only available via a competitive process. As noted above, the Inyo-Mono RWMG, with support from Round 2 Planning Grant funds, will develop and implement a long-term sustainable finance plan for 2013 and beyond. This plan is expected to result in the development of a diverse portfolio of funding strategies and opportunities responding to the scale and types of financial needs of the region.