



Santa Barbara County Flood Control & Water Conservation District and Water Agency

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July 9, 2013

California Department of Water Resources
Division of Integrated Regional Water Management
Financial Assistance Branch
Post Office Box 942836
Sacramento, CA 94236
Attn: Laura McLean

SUBJECT: REQUEST TO RESCORE AND FUND THE LOWER MISSION CREEK FLOOD CONTROL AND RESTORATION PROJECT PHASE 1B and 2A GRANT PROPOSAL

Dear Ms. McLean:

Thank you for the opportunity to comment on the DWR evaluation of the Lower Mission Creek Flood Control and Restoration Project application to the Integrated Regional Water Management (IRWM) Proposition 1E Round 2 Stormwater Flood Management Grant Program.

This letter provides clarifying comments in response to specific DWR evaluation notes. We hope that the information provided will be adequate to convince DWR that rescoring is appropriate and that funding should be granted to the Lower Mission Creek Flood Control and Restoration Project.

The District looks forward to discussing the applications evaluation in more detail during our Thursday, July 18, 10 AM GotoMeeting.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jon Frye".

Jon Frye
Engineering Manager
Santa Barbara County Flood Control
and Water Conservation District

Attachment/DWR Score	Complete DWR Comment	Section of DWR Comment	District Response
3 - Work Plan (12/15)	Criterion is fully addressed but is not supported by thorough documentation or sufficient rationale. While over 2,000 pages of supporting documentation is provided, including a Feasibility Study, EIR, Design Document Report, Design Plans (100% for Reach 1A, Phase 2; and 60% for Reach 1B), a brief discussion of the supporting documents and how they support the proposed project was not provided, nor were the relevant sections or page numbers of the documents referenced. The applicant does not adequately address how the proposed project, which is part of a larger multi-phased project effort on Lower Mission Creek, will deliver the claimed benefits and be fully functional without implementation of the subsequent projects.	DWR Comment: <i>[A] brief discussion of the supporting documents and how they support the proposed project was not provided, nor were the relevant sections or page numbers of the documents referenced.</i>	District Response: A brief discussion and outcomes of the supporting documentation is described under the “Completed Work” section (page 3-17).
		DWR Comment: <i>The applicant does not adequately address how the proposed project, which is part of a larger multi-phased project effort on Lower Mission Creek, will deliver the claimed benefits and be fully functional without implementation of the subsequent projects.</i>	District Response: The District is interested in learning what additional information could have been provided as it believes adequate detail was provided. The application details the actions to be taken and the resulting benefits – increasing creek conveyance to 3,400 from a 5-year storm event to a 20-year storm event. The stabilization and restoration of creek banks is explained in detail (page 3-4). Schematics and descriptive text detail how fish passage will be improved.
4 – Budget (4/5)	A score of 4 is awarded as the budget for the proposed project includes detailed cost information as described in Attachment 4, and the costs are considered reasonable but the supporting documentation for some of the budget categories are not fully supported. For example, the budget category, Land Purchase/Easement (\$3.8M), does not include any explanation of how this cost was estimated; and Task 4, Assessment and Evaluation (\$42K); Task 7, Permitting (\$42K); and Task 8, Construction Contracting (\$42K), are not supported by documentation or an explanation. Otherwise, the costs shown are supported by documentation and adequately explained.	DWR Comment: <i>[T]he budget category, Land Purchase/Easement (\$3.8M), does not include any explanation of how this cost was estimated; and Task 4, Assessment and Evaluation (\$42K); Task 7, Permitting (\$42K); and Task 8, Construction Contracting (\$42K), are not supported by documentation or an explanation.</i>	District Response: Comment noted.
6 - Monitoring, Assessment, and Performance Measures (3/5)	Criterion is less than fully addressed and documentation or rationales are incomplete or insufficient. Applicant provides the required Project Performance Measures Table (Table 6-1), and indicates four project objectives; however, flood damage reductions is not given a quantitative target. Although the narrative	DWR Comment: <i>[F]lood damage reduction is not given a quantitative target. Although the narrative mentions quantitative targets for increasing flow in Lower Mission Creek, it is not related to verifying flood damage reduction attributable to the project.</i>	District Response: Comment noted however, the District believes that the flood damage reduction is quantified as it states in this attachment that 11 parcels adjacent to the creek will be removed from the floodplain.

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	<p>mentions quantitative targets for increasing flow in Lower Mission Creek, it is not related to verifying flood damage reduction attributable to the project. In addition, the proposed monitoring for “Protect and Improve Surface Water Quality” goal is inadequate. No baseline of water quality data by which to compare pre-project and post-project is presented, nor are water quality parameters or reduction targets identified. The applicant provides a quantitative target for increased aquatic and streamside habitat.</p>	<p>DWR Comment: <i>[T]he proposed monitoring for “Protect and Improve Surface Water Quality” goal is inadequate. No baseline of water quality data by which to compare pre-project and post-project is presented, nor are water quality parameters or reduction targets identified.</i></p>	<p>District Response: Comment noted.</p>
<p>7 - Technical Justifications (6/10)</p>	<p>A score of 3 is awarded as the proposal appears technically justified to achieve the claimed benefits but lacks documentation that demonstrates the technical adequacy of the project. For example, while the flood damage reduction (FDR) benefits claimed are generally well described and are supported by the large amount of supplemental documentation provided, the supporting documentation pertains to a larger project (pg. 7-1), and therefore it is not clear that the flood control benefits claimed can be achieved by implementing only the proposed project (consisting of only 650 feet of creek restoration, compared to the overall project (pg. 7-1), which would improve 1.3 miles). Similarly, it is unclear whether the proposed project will achieve the environmental benefits claimed. The location of the habitat to be removed and created is not shown in the application (or referenced). Finally, the application states that the project will improve water quality by reducing erosion and enhancing filtration, pH, and water temperature. However, the application does not include any</p>	<p>DWR Comment: <i>[I]t is not clear that the flood control benefits claimed can be achieved by implementing only the proposed project (consisting of only 650 feet of creek restoration, compared to the overall project (pg. 7-1), which would improve 1.3 miles).</i></p> <p>DWR Comment: <i>[I]t is unclear whether the proposed project will achieve the environmental benefits claimed. The location of the habitat to be removed and created is not shown in the application (or referenced).</i></p>	<p>District Response: The proposed project is being constructed in reaches. Project benefits are jointly produced by all reaches and are not separable by reach. In this case benefits are not additive by reach and it does not make sense to evaluate each reach independent of the other reaches. The District does not have the financial capacity to construct all the reaches simultaneously. It must stage the work to match available funding. We consulted with DWR directly on how benefits should be calculated in this circumstance prior to preparing the proposal and followed DWR’s guidance explicitly (see email dated October 29, 2012 to Muzaffar Eusuff from David Mitchell that is included in this response). This issue is discussed in further detail in our response to DWR comments on Attachment 8.</p> <p>District Response: Elements of the project plan pertaining to riparian habitat restoration are described on pages 7-5 and 7-6 of the attachment. The physical amount of restoration is summarized in Table 7-1 on page 7-2. A more detailed listing of the quantity and timing of riparian habitat improvements is provided in the table on page 7-9. Readers are referred to the project construction plans for additional details, such as location of restoration (see pages 7-5, 7-6, and 7-9). While riparian habitat restoration outcomes are inherently uncertain, the proposed actions are based on the biological resources and impacts studies published in the USACE Final Lower Mission Creek EIS/EIR (September 2000).</p>

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	<p>data on baseline water quality conditions or any data on the magnitude of water quality improvement directly attributable to the proposed project.</p>	<p>DWR Comment: <i>However, the application does not include any data on baseline water quality conditions or any data on the magnitude of water quality improvement directly attributable to the proposed project.</i></p>	<p>District Response: Potential water quality benefits cannot be quantified at this time, and no attempt to do so is made in the proposal. Actions expected to result in water quality improvement are described on page 7-9. As stated there, water quality monitoring during and after construction will provide data on changes in water quality. While the project is anticipated to improve water quality, the potential magnitude of this improvement is unknown and no monetary value is attached to these potential benefits in Attachment 8. In situations where benefits cannot be quantified or monetized, PSP guidance is to qualitatively describe the benefit.</p>
<p>8 - Benefits and Cost Analysis (12/30)</p>	<p>Collectively the proposal is likely to provide a medium level of benefits in relationship to cost, but the quality of the analysis or clear and complete documentation is lacking.</p> <p>The net present value (NPV) of costs is \$11.42 million. FDR estimates are developed using a 2004 USACE study and FRAM. FDR benefits are based on a larger project with 16.73 percent allocated to this project based on share of total capital cost (\$13.9 of \$83.1 total, Page 8-5). On page 7-5, Tables 7-2 and 7-3 appear to be missing. Table 8-5, which is supposed to show</p>	<p>DWR Comment: <i>[T]he proposal is likely to provide a medium level of benefits in relationship to cost ...</i></p>	<p>District Response: The BCR for this proposal is 0.72 while the BCR for our Las Vegas and San Pedro Creeks Union Pacific Railroad Bridge Replacement Project is 1.50. In both cases, DWR states the projects show a medium level of benefits in relationship to cost, despite the fact that benefits relative to costs for the later project is more than twice that of the former project. Neither the PSP nor DWR's Economic Analysis Guidebook (2008) provide any guidelines or criteria for making this determination. It would be helpful to applicants if DWR were to clearly articulate what constitutes a low, medium, or high level of benefits relative to cost, and set forth guidelines for its reviewers to follow to ensure consistency across proposals when making these determinations.</p>

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		<p>DWR Comment: <i>The analysis does not show how many structures in the floodplain would actually benefit from the Reach 1A Phase 2 and Reach 1B work. The project would construct 650 feet out of 6,864 feet, or 9.5 percent of the total project length. If this scaling factor were used instead of the 16.73 percent, the B/C would be less than 0.72.</i></p>	<p>District Response: The proposed project is being constructed in reaches. Project benefits are jointly produced by all reaches and are not separable by reach. In this case, benefits are not additive and evaluating each reach independently of the other reaches would provide an incorrect estimate of flood damage reduction benefits. We consulted with DWR directly on how benefits should be calculated in this circumstance. DWR guidance was specifically to scale project benefits in proportion to capital cost, not reach length [phone and email correspondence with Zaffar Eusuff (October 2012), DWR Division of Integrated Regional Water Management, Financial Assistance Branch]. A copy of the email correspondence is attached to these comments. We are very concerned that the reviewer's comment is both contradicted by specific guidance provided to us by DWR and prejudicial against the proposal, which may have negatively impacted the scoring for Attachment 8.</p>

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9 - Program Preferences (6/10)	Applicant claims that 4 program preferences and 4 statewide priorities will be met with project implementation. However, the applicant demonstrates this with a high degree of certainty, and adequately documents the magnitude and breadth to which each will be achieved for 6 of the preferences claimed. The proposal will achieve the following: 1) Include regional projects or programs; 2) Effectively integrate water management programs and projects within hydrologic region; 3) Effectively integrate water management with land use planning; 4) Climate change response actions; 5) Expand Environmental Stewardship; and 6) Practice Integrated Flood Management.	DWR Comment: <i>Applicant claims that 4 program preferences and 4 statewide priorities will be met with project implementation. However, the applicant demonstrates this with a high degree of certainty, and adequately documents the magnitude and breadth to which each will be achieved for 6 of the preferences claimed. The proposal will achieve the following: 1) Include regional projects or programs; 2) Effectively integrate water management programs and projects within hydrologic region; 3) Effectively integrate water management with land use planning; 4) Climate change response actions; 5) Expand Environmental Stewardship; and 6) Practice Integrated Flood Management.</i>	<p>While the District does not disagree with the scoring, the District would like clarification regarding the origin of the DWR comment. Is it possible that the comment was inadvertently copied from another application, as it is inaccurate and does not match the actual content of this attachment? Could this mix-up have happened to the review of other attachments?</p> <p>In the opening sentence of comments, DWR states that the proposal claims to meet 4 out of eight preferences – that is incorrect as the proposal claims to meet 6 Program Preferences. It appears, but is not certain, that this misstatement is corrected as the next sentence states that 6 of the preferences are achieved.</p> <p>The DWR comments then list the 6 preferences the proposal claims. However, the DWR list is incorrect (see the edited DWR text below)</p> <p>1) Include regional projects or programs; 2) Effectively integrate water management programs and projects within hydrologic region; 3) Resolves significant water-related conflicts within the region; 34) Effectively integrate water management with land use planning; 45) Climate change response actions; Eligible for SWFM funding; 5) Expand Environmental Stewardship; and 6) Practice Integrated Flood Management Addresses statewide priorities. The crossed-out phrases are Statewide Priorities, not Program Preferences. Since the review does not state that any of our claimed preferences were inappropriately claimed, we assume that the number “4” in the opening sentence was in error.</p>

Attachments (via email)

1. DWR Email 1 of 2 - October 2012
2. DWR Email 2 of 2 - November 2012
3. USACE Final Lower Mission Creek EIS/EIR (September 2000)
4. Table 8-5
5. DWR's F-RAM model – Lower Mission Creek