



December 7, 2006

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State Water Resources Control Board
Division of Financial Planning
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Tracie L. Billington, P.E.
Department of Water Resources
Division of Planning and Local Assistance
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RE: Comments on IRWMP Draft Funding Recommendations

Dear Ms. Farahnak and Ms. Billington:

The Environmental Justice Coalition for Water (EJCW) is a statewide coalition of more than 60 community based and non-profit organizations. EJCW, along with our members, work to ensure that all environmental justice communities have access to water resources including safe, affordable drinking water, watersheds, and water necessary to support cultural practices such as ceremonial uses and subsistence fishing.

EJCW supports the idea of regional water management planning. Regional planning, in the context of the breadth of regional needs, provides a useful tool to manage California's water resources. We believe that there is great potential in this process. We offer the following concerns and recommendations in the hopes of revising the process to live up to its fullest potential.

As a prime source of infrastructure and other water-related funding, the Integrated Regional Water Management Planning process must be structured to provide the broadest access to funds, especially to those communities with the most need. Unfortunately, the current process, especially as reflected in the draft funding recommendations, puts DAC, EJ communities, and rural communities at an extreme disadvantage when it comes to accessing these funds through an implementation grant.

The current process for IRWMP applications has become a “pay to play” environment where the larger agencies control the process and the sheer mass of participants and the bureaucratic structure necessary to manage participation makes it virtually impossible for EJ community members to participate in any meaningful way. The only leveraging point that EJ community members have in the process is the net points associated with successfully addressing EJ community concerns. To make the process truly accessible the number of points needs to be significant enough to provide a true incentive to water agencies to make the substantial efforts necessary to identify and address EJ community concerns. In addition, the scoring must provide a point allocation that enables rural communities to be competitive.

Below you will find an outline of our concerns and specific recommendations to address those concerns.

1) Scoring should reflect a higher value and prioritization of addressing disadvantaged community concerns.

Current scoring of the second round implementation grant process suggests that meeting the needs of disadvantaged communities has no value. There are no points associated with actual benefits to DACs or EJ communities. Of a possible 140 points, somewhere between 4 and 10 net points can be attributable to inclusion of some mention of DACs. The actual total depends on how points are divided in larger categories like statewide priorities and whether you subtract 2 points from the matching fund category.

The scoring process should reflect a much higher value for work identifying and addressing DAC and EJ community concerns. EJCW suggests the following to address this concern:

- 1) Applications meeting the requirements for a funding match reduction or waiver should receive the full 5 points available for the “Funding Match” criteria.
- 2) Bonus points should be awarded to implementation grant proposals based on the proportion of the funds requested that will fund projects providing **targeted** benefits to EJ communities.

Fund ratio benefiting EJ communities	Bonus Points
<10%	0
11-20%	5
21-30%	10
31-40%	15
41-50%	20
51 plus %	25

- 3) EJ and DAC points should be identified separately in the “program preference” and “statewide priorities” criteria in the “Adequacy of the Proposal” scoring section and should total at least 5 points.
- 4) EJ and DAC points should be identified separately in the “impacts and regional benefits” and “stakeholder involvement” criteria in the “Adequacy of the IRWM Plan” scoring section and should total at least 5 points.

2) All regions, especially rural regions, must have the potential to receive full points in the implementation grant process.

The current scoring process disadvantages rural regions by imposing expectations about the types of projects that will receive the highest priority in an IRWMP. The plans funded seem to reflect a prioritization of larger water projects that include extensive technical studies and environmental review. Smaller, more dispersed regions’ needs are different from large urban regions and need to be accommodated in the scoring criteria. The “pay to play” environment that currently exists will only serve to increase the disparity between the wealthy and poorer regions.

The IRWMP process must acknowledge the fundamental differences in resources and needs reflected in rural regions. EJCW specifically recommends the following to address this concern:

- 1) A broader range of reviewers should be selected reflecting expertise in watershed and environmental habitat improvement projects and environmental justice concerns.
- 2) Divide the “other benefits” category into two 5-point categories: “environmental benefits” and “other benefits.”

3) The criteria must be revised to accommodate grant proposals for projects from EJ, DAC, and rural communities that do not have the resources to proceed with projects without funding from an outside source.

The current process allots points for all of the following

- “...permits and their status including CEQA compliance...”
- “ ...readiness to begin construction or implementation of all elements of the Proposal by December 1, 2007...”
- “...supporting studies and data descriptions are complete for all projects in the Proposal...”

Each of the above criteria puts EJ, DAC, and rural communities at a disadvantage. They are skewed toward larger water agencies that have the resources to invest in projects and complete them with their own funding. This allows them to have projects in process for which the permits have been solicited and CEQA has been complied with, construction is ready to begin on a timely schedule, and supporting studies have been completed. EJ, DAC, and rural communities without urban centers do not have the resources to invest in this kind of project preparation prior to the funding of their projects.

The implementation grant process must make allowances for the resource limitations of EJ, DAC and rural communities by reducing the value of “readiness to proceed” and ensuring that some funds are available for projects on a longer timeline to accommodate the solicitation of permits, conduct of studies, etc. EJCW recommends the following to address this gap:

- 1) Bonus points should be awarded to applicants who provided technical assistance and/or technical assistance funding to EJ and DAC communities in their region that produced project proposals included in the grant application.
- 2) Technical assistance funding for EJ, DAC and rural communities is a vital component in the project development phase. If grants were of sufficient size some of the preparatory work could be conducted prior to the deadline for the implementation grant application. These grants should be awarded directly to non-profit organizations or local government entities, separate from the planning grant process.
- 3) Appropriate and clear alternative criteria should be developed for future funding cycles to allow qualifying projects to avoid “readiness to proceed” penalties in scoring.

4) Application prioritization should balance Bay/Delta protection with critical needs for drinking water infrastructure that would protect public health.

Awarding points based on a project’s ability to address the CALFED ROD priorities puts large sections of the State at a disadvantage when applying for funds. These disadvantaged areas of the state, for example the San Joaquin Valley, have some of the most polluted drinking water sources, some of the most disadvantaged communities, and a large proportion of small water systems making these the communities with the most critical public health needs in the state. All areas of this state are of Statewide significance. IRWMPs should prioritize regional efforts that are looking to strengthen their interregional coordination and not be dependent on imported sources.

The IRWMP process must make a special and targeted effort to ensure that communities with the most need are not being overlooked and left behind because of the state’s preoccupation with reducing Delta water dependency. Although important, Delta dependent regions are no more significant than every other effort that is focused on increasing regional sustainability. EJCW provides the following recommendations to ensure that these communities are able to successfully compete for funding:

- 1) Implementation grants should be eligible to receive full points in the Statewide Priorities category if the application includes projects that provides an increase in regional coordination and sustainability, which ensures a consistent and sustainable water supply for EJ communities or DACs. Hence, for regions that are not part of the Bay/Delta problem

or solution areas alternative an equivalent points allocations should be available.

This first cycle of implementation grant funding reflects a scoring process that substantially limits the ability of EJ, DAC, and rural communities to successfully compete with larger water agencies. Continuing these practices will increase the disparity between regions and agencies with resources and those struggling to maintain basic services. Both DWR and SWRCB need to take a critical look at the scoring process and make significant changes to ensure that those communities with the greatest need have equitable access to the funding.

EJCW appreciates the opportunity to provide our comments and recommendations. We look forward to working with you to ensure that IRWMP grant dollars are allocated to the communities with the most need.

Sincerely,

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Environmental Justice Coalition for Water

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California Rural Legal Assistance Foundation

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