



A Nonprofit Housing and Community Development Organization

December 4, 2006

Tracie L. Billington, P.E.
Department of Water Resources
Division of Planning & Local Assistance
P.O. Box 942836
Sacramento CA 94236-0001

Re: Integrated Regional Water Management Implementation Grant Program
Evaluation Criteria

Dear Ms. Billington:

Formed in 1965, Self-Help Enterprises (SHE) has over 40 years of experience in providing housing and community development services in the San Joaquin Valley. SHE has assisted in the development of over one hundred water and wastewater projects in disadvantaged communities providing nearly 20,000 families with potable drinking water and environmentally safe wastewater systems.

Basic access to clean water is a priority concern for all Californians, including residents of the small, low-income, rural communities. It is our understanding that funding based on approved Integrated Regional Water Management Plans (IRWMP)s is becoming a greater proportion of the total available funding for water projects in the state as a result of Propositions 50 and 84. As such, it is critical that the impacts of this funding statewide are carefully evaluated to assure that the most important needs are addressed. It is also important that the water related needs of disadvantaged communities be met in such a program.

We are concerned that the interests of larger water agencies will continue to outweigh solutions to water issues in disadvantaged communities. It is important that the match requirements can be reduced or eliminated if a significant percentage of disadvantaged people live in a planning area. However, disadvantaged communities do not seem to currently gain any competitive advantage in the funding process. With this in mind, we recommend the following changes to the scoring system.

Planning Phase

The cash match may be waived for applications that represent an area where a substantial percentage of disadvantaged residents live. However, only a maximum 5 out of a total of 90 points (6 percent) are earned by having a substantial amount of disadvantaged residents represented in a planning area. Wealthier areas can afford the matching share

and the loss of 5 points is unlikely to make or break the funding of a project. We recommend that planning grant applications that represent areas that serve a high percentage of disadvantaged communities receive a substantially higher point ranking such as:

<u>Disadvantaged Community Residents</u>	<u>Bonus Points</u>
<10%	0
10-20%	5
20-30%	10
30-40%	15
40-50%	20
50 plus%	25

Implementation, Step 1 Phase

Here the program takes approved prior policy and project priorities and awards funds to actual projects that implement solutions to water issues/problems. At this stage, it appears that 10 out of a total potential of 120 points can be earned for applications that benefit disadvantaged communities. To earn half of those 10 points, all the applicant needs to do is quantify the percentage of disadvantaged people in the area and describe the hardship that providing a cash match will create. As a result, actual benefit to disadvantaged communities garners only 5 out of a total potential of 120 points (4 percent). This is again too low a ranking incentive to encourage the development of needed water projects that directly benefit disadvantaged communities. We recommend that implementation grant applications which target dollars to serve disadvantaged communities receive a substantially higher point ranking such as:

<u>Dollars Benefiting Disadvantaged Communities</u>	<u>Bonus Points</u>
<10%	0
10-20%	5
20-30%	10
30-40%	15
40-50%	20
50 plus%	25

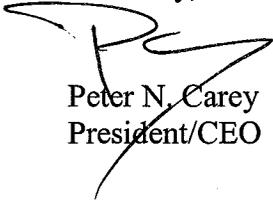
Implementation, Step 2 Phase

After concept proposal approval is given, the technical details of the proposed implementation projects are submitted. At this stage, under the current program there are no points available out of a total potential of 140 points for direct or indirect benefits to disadvantaged communities. There are up to 5 points available for the involvement of stakeholders in the planning process, though there is no requirement that stakeholder recommendations, such as benefiting disadvantaged communities be implemented. It is important to show at this stage the actual dollars that will benefit disadvantaged communities and reward such applicants with a substantially higher point ranking in the table shown above.

It is understood that important water policy programs, especially at a regional level, should benefit the general populace and not just disadvantaged communities. However, it would be a serious mistake to fail to address the needs of our most needy communities in such a major funding program as the IRWMP. History has shown it is not a level playing field and disadvantaged communities will be left out unless they are valued in the decisions which target resources.

Thank you for the opportunity to comment on this important program.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter N. Carey', written over a printed name and title.

Peter N. Carey
President/CEO