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Trevor Joseph  
Financial Assistance Branch  
Division of Integrated Regional Water Management  
California Department of Water Resources  
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Dear Mr. Joseph:

Thank you for the opportunity to comment on the Round 1 Proposition 84 Implementation Grant draft funding recommendations. I am the usual representative of the Eastern Sierra Land Trust, one of the Members of the Inyo-Mono Regional Water Management Group. Although our organization did not submit a proposal for funding and is unlikely to do so in the foreseeable future, I am concerned about potential funding for projects designed by other members of the Inyo-Mono RWMG.

The draft recommendation of zero funding for Inyo-Mono IRWMP projects was quite a shock to most, if not all, members of the Inyo-Mono group. I certainly recognize the need of the Department of Water Resources to maintain an objective approach and consequent numerical scoring system for proposals. However, I believe the current review system is strongly biased against rural areas of the state that simply cannot afford to invest substantial resources in polishing proposals to the same high level that the more populous and well-off areas of California can produce.

In future rounds of IRWMP grant funding, I hope the Department can design a review process that adequately measures the real benefits of a proposed project to a small rural community or region without penalizing the proposal for some descriptive shortcomings. By this remark, I do not intend that the Department should accept sloppy, ill-conceived proposals that fail to meet minimum criteria. Rather, the review process should recognize (and attempt to accommodate) proposals prepared by volunteers and "generalist" employees of tiny agencies are unlikely to adequately compete against proposals prepared by specialist consultants and full-time civil engineers employed by large water districts.

The entire IRWMP program seems to devote a lot of attention to so-called Disadvantaged Communities. However, the proposal review process appears to have considerable barriers, or at least establishes competitive disadvantages, to such communities. Given the financial capacity of large urban utilities and Central Valley irrigation districts to provide significant staff time and consulting resources for proposal preparation, Disadvantaged Communities cannot devote remotely similar effort into proposal development. One particular difficulty seems to be the economic analysis, which benefits from specialty expertise not often found in rural communities.

In addition to the defined Disadvantaged Communities, several Members of the Inyo-Mono RWMG that are most likely to submit proposals for funding are community service districts or mutual water companies serving very small populations (dozens to hundreds). These entities often have one part-time employee at best. Such agencies and companies are likely to have difficulties in the proposal development and review processes similar to those of Disadvantaged Communities, even though the income levels of their service areas may be much greater.

Another structural disadvantage in the review process that rural regions of low population may have in the economic analysis is benefits per capita. Because of economies of scale and sheer population numbers, a five-million dollar project with benefits to 500,000 people is going to look a lot better (and arguably is better for the state as a whole) than a 50,000 dollar project with benefits to 500 people. I have no idea how important such considerations are in the IRWMP funding process, but if they are a major influence in funding decisions, then low-density rural areas should not be competing for this funding pool. One seemingly more equitable solution would be a dedicated proportion of the IRWMP funding for rural disadvantaged communities.

There was also an apparent major misunderstanding between our RWMG and DWR staff that resulted in a significantly lower score for the Inyo-Mono proposal. Our project office had been informed that the lack of flood-damage-reduction proposals would not impact our overall score, and yet our proposal lost 15 points on that particular subject. Our group would not have knowingly ignored that topic if the consequences of doing so had been properly communicated.

I hope that the Inyo-Mono IRWMP proposal can be re-evaluated in light of these concerns and other more specific issues that will be described by others in our group. If any funding could be made available for a portion of our proposed projects, that would address some high-priority needs in our region as well as help maintain the existing political support by local elected officials for the IRWM program as a whole. In the longer term, I hope that some of the structural issues of the proposal and review processes that impact the competitiveness of proposals from rural and disadvantaged communities can be addressed.

Sincerely yours,

Richard Kattelman