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California Department of Water Resources
Division of Integrated Regional Water Management
Financial Assistance Branch
Post Office Box 942836
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Attn: Project Manager - Keith Wallace
Keith.Wallace@water.ca.gov

October 10, 2013

Dear Keith,

Thank you very kindly for the opportunity to respond to the Inyo-Mono IRWMP Proposal Evaluation. It is understandably a difficult and complex task to justly evaluate all 38 of these worthy valuable projects in the short time available to you and your staff. In reading the evaluation, it is evident that the reviewers missed several key points that I would like to bring to your attention.

WORK PLAN

- “Project 1, Inyo County and Program Office Administration, is missing from the work plan.” Fiscal Agent and Program Office were never a project, either in the first round, or this second round.
- “Project 2 is described as stand-alone, but the application states unless a separate water main improvement project (not part of this proposal) is completed, the hydrant project will be much less effective (Att.3, pages 17 and 22)” Where on either pages 17 or 22 is this explicit statement? It is clear that the Big Pine Paiute Tribe stated they are finalizing the necessary funding for the water main improvement project.
- “Project 3 is the only project to include specific data management deliverables in its work plan.” Project 5 pages 74 & 75 have data management deliverables. Maybe they are not referred to as data management deliverables, but they are data management deliverables. Inyo County is willing to provide any data DWR could want. Big Pine Paiute Tribe is prepared to provide deliverables (pages 24 through 27) as is Inyo County Public Works (pages 56 through 59).

BUDGET

- “For example, projects 2 and 4 do not include labor rates to support the costs listed in the budget table.” This is clearly a false statement. See BUDGET pages 6 through 9 for project 2 labor costs. See pages 14 through 17 for project 4 labor costs.
- “The projects and tasks in the budget are consistent with the schedule but not the work plan.” This is an incorrect statement. Projects 2 and 5 tasks in the budget, work plan, and schedule are consistent. Project 4 tasks in the budget, work plan, and schedule are consistent, except for one task. Project 3 is about 50% consistent among the budget, work plan, and schedule.

TECHNICAL JUSTIFICATION

- “The technical justification cannot be determined due to a lack of documentation that demonstrates the technical adequacy of the projects and physical benefits are not well described.” Inyo County cannot, through a rigorous water audit, account for 1,789 acre feet of water purveyed in a 12 year period. This and other facts were well documented in the extensive references (22) provided in WORK PLAN where both an 11.75 year and a 3 year water audit are provided along with the allowable loss calculations. Examination of the two water audits suggests the problem of un-accounted for water is getting worse over time, as evidenced by the 3 year audit with an annual average of 187 acre-feet of unaccounted-for water compared to the 11.75 year audit showing 179 acre-feet of un-accounted for water annually. This stands to reason, considering the 33 year age of about 90% of the water meters. Further, the referenced excerpted AWWA G200 Operations and Maintenance Standard is clear that water meter replacement is a prudent practice of a well-managed water utility. Likewise, the portion of the referenced and excerpted A&N Technical Study supports replacement of water meters.
- “Only one project (project 2) appears to be technically justified to achieve the benefits claimed.” Project #4 is technically justified to achieve the benefits claimed as evidenced on page 8, figure 1 of DWR’s own document: “Water Audit and Leak Detection Guidebook- water conservation guidebook no. 5” published jointly by CAL DWR and American Water Works Association in 1986, revised June 1992. This figure shows inaccurate meters as contributing to the total water purveyed, but not contributing to metered sales. The excerpt of the A&N Technical study “BMP COSTS & SAVINGS STUDY” prepared for CUWCC technically supports achieving benefits of water meter replacement; as does both AWWA’s G200 Standard for Distribution System Operation and Management, and the excerpts of the “Inyo County Needs Assessment” conducted by California Rural Water Association funded by the DWR.
- “Technical justifications for the other projects cannot be determined and their physical benefits are not well described.” See the previously referenced Inyo County Public Works references in the WORK PLAN. The physical benefits of accurately metered water will either result in conserved water, or increased water revenues. We don’t know how much of either will result, but one or the other or both will happen. Increased revenues will help alleviate the non-existent CIP reserves referred to in the references excerpted from the CAL DPH technical reports, or, conserved water will help curb the over allotment pumping, reference #2, also provided within the Inyo County references. Project 3 need and benefits are clear. The Amargosa River is the only source of water in the area and this project will fill in the missing details necessary for water management in the area. Project 5 clearly states it is the third of 5 phases. Groundwater is the only source of water in the Indian Wells Valley. This project will help further develop water resources in the area and support the disadvantaged communities of the Trona area.
- “Most of the proposed projects’ table 9 data is either insufficient or does not support the narrative description of project benefits that proceed the table.” The information on pages 9 and 10 which precedes table 9 on page 10, and that information on page 11 which proceeds table 9 supports this project. This project will not result in lower meter reading costs? These lower costs are not a benefit? Reading meters is an O&M cost. This project will lower those costs, as demonstrated within Table 9(B) on page 11.

BENEFITS AND COST ANALYSIS

- “Project 4 is justified based on the alternative cost of analog meters; the reason for the need for metering (an agreement with Los Angeles) should be further explained.” Thank you for recognizing that this project is justified! Many hankies were wet over this B/C analysis. Whether water comes into the system through master meters, or goes out of the system via individual service meters, the need for accurate metering is a given for efficient operations of the water utility. Of all agencies within California, DWR should know this fact far more than any other entity. The DWR Water Audits document referenced earlier in this letter attests to the need for accurate inflow and outflow metering in order to perform a useful water audit. Likewise, the previously referenced 11.75 year and three year water audits support the need for new water meters. Look at the reference provided of LADWP pumping over the annual water allotment which identifies the annual overallotment pumping each year, and the resultant charges for such water from LADWP. This project will either cause people to use less water as their true water use is demonstrated to them, or, they won’t care and will pay the higher water bill as a result of the new meters. In either case, either the amount of overallotment pumping will be reduced, or we will have increased revenues to pay the LADWP water bill. Further, all documentation of the “Long Term Water Agreement 1991” and the “Environmental Impact Report” which accompanied the Agreement pertaining to the transfer of the water systems from LADWP to the county or other public entity have been provided as references to further document the background, but were not read as evidenced by the parenthetical comment “...(an agreement with Los Angeles)should be further explained.” An accurate determination of the metered water consumption is necessary preparatory to a just and equitable rate structure which will help pay the LADWP overallotment water bill, and also fund a CIP account, which is critically necessary recognized by both the CRWA and CAL DPH as shown in the included references. The need for that accurate determination was shown in BENEFITS and COST ANALYSIS, page 12, Table 12, No. 1 and 10.

PROGRAM PREFERENCES

- “Applicant claims that five program preferences and seven statewide priorities will be met with project implementation. However, applicant demonstrates high degree of certainty, and adequate documentation for four of the preferences claimed: ...” Of all the statewide priorities this proposal claims to make, “Improve Tribal Water and Natural Resources” cannot be denied. The “Big Pine Fire Protection Improvement” project proponent is the Big Pine Paiute Tribe, amply demonstrated throughout the WORK PLAN and other supplied documents. Another Tribe to benefit from the Inyo-Mono proposal through the Amargosa Basin Water, Ecosystem Sustainability, and Disadvantaged Communities project is the Timbisha Shoshone Tribe whose ancestral homeland and current residence is within the Death Valley National Park which is in the region served by this project. The Timbisha Tribe is dependent upon the Amargosa river for their survival. The Amargosa Basin project also expands the environmental stewardship of the region because of the new data it will provide and thereby affect the future management of both the above and below ground portions of the Amargosa river. With the new data, especially the water chemistry data this project will help protect the surface and ground water quality by allowing informed decisions to be made relative to the water resources in the region. You can’t protect what you don’t know you have and there is potentially more demand on the river system than can be provided over the long term. Knowing whether this is the case or not is vital to the interests of all concerned. This project adds to the existing knowledge of the water quality of the region. Statewide priorities the Inyo County Disadvantaged Communities Meters project project helps address are: this project will reduce net greenhouse gas emissions because less automotive use will be required to perform meter reading, thereby reducing the amount of fossil fuels burned. See the included reference “Inyo

County Department of Public Works: Mileage Difference Analog and AMR meter reading, 1 page” and the previously referenced Table 12, No. 8. The Meters project will meet Drought Preparedness, Use and Reuse Water More Efficiently, and Climate Change Response Actions because at the heart of Use and Reuse Water More Efficiently is accurate water metering, which necessarily leads to water conservation, which at this point we can’t quantify, however, the conserved water is a central tenant of Drought Preparedness. Because of the reduction in fuel burned reading meters, the meters project is a Climate Change Response Action.

Do I understand the “Anticipated Remaining Balances” table of the “PUBLIC MEETING – DRAFT FUNDING RECOMMENDATIONS” document to mean that, barring the unexpected, the round 3 funding amount for the Lahontan region to equal nearly \$12 million?

Keith, please re-read the Inyo-Mono proposal and all the accompanying reference materials. Especially in the case of the Big Pine Paiute Tribe and the Inyo County Public Works projects, it is clear that the reviewers did not read the proposal documents when statements they made are blatantly false when compared to the pages indicated. A cursory reading of the Work Plan would have provided the labor rates in both cases. Other reviewer comments indicate that the 22 references Public Works provided were not read. After re-reading, especially those statements that are clearly false, please re-score appropriately the Inyo-Mono Proposal. It is understood that even if our proposal is re-scored, we may not score high enough to be awarded funding.

You have a hard job before you. No matter what you do, somebody is not going to be happy. Thank you for the work you do on behalf of water purveyors and the drinking water public we serve. Thank you for your valuable time.

Sincerely,

Keith Pearce
Associate Civil Engineer-Water
(Wet signature to follow in the mail)