

To: Mr. John Woodling and Ms. Tracie Billington
California Department of Water Resources
Fr: Jimmy Smith, Chair and Jake Mackenzie, Vice-Chair
North Coast IRWMP Policy Review Panel
Da: May 25, 2007
Re: North Coast Region Input on Proposition 84 Draft Guidelines

The North Coast Region appreciates the opportunity to provide input to the Department of Water Resources regarding the development of IRWM program guidelines for Proposition 84 implementation. The North Coast Region has faced substantial challenges in addressing the ambitious goals of the California State Water Plan and other state and federal objectives - however, our North Coast Integrated Regional Water Management Planning process has demonstrated the commitment and capacity to meet these diverse objectives while upholding the values of our North Coast Region. These include an emphasis on local autonomy, intra-regional cooperation, maintaining and enhancing the beneficial uses of water, and the recovery of viable salmonid populations. As we move forward, we request that you continue to consider the challenges a disadvantaged region faces in meeting state and federal objectives. We appreciate the partnership that we've developed with DWR and your willingness to support our capacity and expand our success.

Following are our suggestions for inclusion/consideration as you prepare IRWM Program Guidelines for Proposition 84:

- a) The North Coast has worked hard to develop and maintain a unique and effective governance structure that is inclusive and transparent. We request that funding, technical support and project management continue to be administered through this governance structure.
- b) As a disadvantaged region, we have many unmet needs in the areas of outreach, technical capacity building, contracting support and general conveyance of information to small agencies, non-governmental organizations (NGOs) and tribal governments. The North Coast Region has done a remarkable job of outreach to our constituent communities - in large part due to funding provided by Sonoma County Water Agency and the IRWM Planning Grant. However, the development of our Phase I plan identified the need for substantial, long-term resources to continue and expand this outreach and capacity building to ensure maximum participation as well as the continued success of the NCIRWMP process. We suggest that DWR expand the scope and dollar amount of planning and/or implementation grants to allow for a flexible framework for supporting processes and technical capacity building in the North Coast. As you know, the North Coast IRWMP's structure and process is a key

foundation of our success, allowing us to reach out to small disadvantaged communities, synchronize their needs and input with State objectives and standards, and decentralize the State's project prioritization and contracting role. This is a substantial undertaking, especially in light of the complex policy and regulatory situation in California. For disadvantaged regions, we recommend that DWR increase the planning grant maximum to \$2 million, to allow for technical capacity building, outreach and support for the leadership/administrative process and for this type of funding to be built into the implementation grant program – treating it as a necessary project implementation phase that is no different from design, engineering or CEQA. An additional option might include the development of a block grant framework for technical and outreach support, whereby the North Coast's IRWMP Policy Review Panel could allocate "mini-grants" to disadvantaged communities in the region to address unmet technical or capacity needs (eg, CEQA compliance, engineering assistance, etc). These planning and technical support funds are needed to assist disadvantaged regions in the following areas: 1) identification of long-term solutions to sustainable funding/financing; 2) research and analysis to evaluate the key issues in the region and the development of science-based criteria for project selection; and 3) synchronization of state-mandated monitoring approaches with local project implementation and development of a regional monitoring program.

- c) We request a continued and/or expanded emphasis on ecosystem integrity, ie, source watershed protection, biological productivity, non-point source pollution, and preventative conservation strategies. We appreciated the inclusion of Statewide Priorities in the Proposition 50 process, and request that you reinstate this emphasis, or at least its component elements in Proposition 84. The North Coast is a world-renowned area of biological diversity, and is home to some of the last viable runs of salmonids in California. Stakeholders in our region have worked very hard to balance conservation efforts with economic vitality and need substantial financial and technical resources to support the protection and enhancement of our north coast ecosystems.
- d) We understand that landscape-scale IRWMs such as the North Coast IRWM will be key elements of the California Water Plan. We support your intention to integrate regional planning efforts into the CA Water Plan, and the synchronization of local, regional and statewide issues and objectives. As you know, we have an emphasis on local autonomy within a framework of local, regional and statewide collaboration. We request that we continue to have the latitude to interpret statewide objectives in ways that are meaningful and appropriate to the North Coast. We appreciate your recognition that each region is unique, and that "one size does not fit all". The North Coast's mechanisms for incorporating land use, energy, climate change and stormwater/flood management, economic/environmental viability into our planning process may differ

substantially from other IRWM planning regions. We request your continued support in integrating statewide goals in a manner reflective of our communities.

- e) Because of our substantial investment as a disadvantaged region, we would like to retain and build upon the work we have accomplished in our Phase I plan. We would therefore appreciate refinements of the Prop 50 IRWM process, rather than needing to respond to a completely new framework under Prop 84.
- f) We support the performance-based approach to planning, and believe that this positively resolves a number of challenging issues from the Proposition 50 process, and is conducive to allow for meaningful involvement by disadvantaged communities.
- g) As we indicated in our October 18, 2006 letter regarding the Proposition 50 process, we request consistency throughout the Prop 84 IRWM program process (ie, not changing the program requirements or funding amounts mid-process).
- h) We encourage flexibility in drafting grant contracts to ensure the contract terms are appropriate for implementation of regional grants. Areas of concern with standard state contract language include fund retention requirements, grant administrator liability and the level of accounting detail required to substantiate match contributions. The duration of the contract should also reflect the realities of completing infrastructure projects in small or disadvantaged communities. Projects requiring CEQA review, local permit approvals, funding from multiple sources, and extensive construction that must be timed for dry periods can realistically take longer to complete than contract terms driven by legislative appropriation periods allow.
- i) The North Coast Region has invested substantial time and resources into developing a project prioritization process that is transparent, equitable and scientifically/technically sound. We request DWR's "adoption" of our project selection process as the standard for the North Coast.

We greatly appreciate your support for innovative, creative solutions that are flexible and reflect the diversity and uniqueness of our North Coast Region. Thank you for your ongoing willingness to incorporate and reflect our input. If you have any follow-up questions or would like more information, please contact Karen Gaffney, West Coast Watershed at 707.433.7377 x 2, or kgaffney@westcoastwatershed.com. Thank you.