

Integrated Regional Water Management Grant Program
Scoping Meetings – Stakeholder Input

Performance Based vs. Competitive Program

Definition –

Performance Based means a grant program that is focused on the content and quality of a grant application. DWR would work with applicants on a scope of work to develop or improve an IRWM plan. When the scope meets a pre-established standard an applicant could pursue a planning grant. Similarly, when an applicant's IRWM plan meets pre-established requirements, the applicant could pursue implementation funding. The program would not be deadline driven.

Competitive means a grant program similar to what has been run in previous rounds, where all applications are due on a specific date; application contents are evaluated against an established set of scoring criteria; applications are ranked; and funding decisions are based on application ranking and available funding.

Observations from Previous Efforts –

- Applicants generally could have benefited from more state involvement in the development of IRWM Plans.
- Applicants could have benefited from a more interactive/iterative grant program versus submitting everything in an application package and being critiqued only on the single submission.
- Not all applicants are at the same stage in plan development making it difficult for some to compete.
- Deadlines, rather than long-term goals have driven past planning efforts

DWR Concept for IRWM Grant Program –

DWR is considering modifying the program to be more performance based. DWR would have more contact with applicants to monitor and assist performance, and deadlines would not drive the process.

Input Questions –

From your regions perspective, what are the advantages/disadvantages of a Competitive Grant Program?

Advantage – Everyone works on meeting the same deadline for funding opportunity. Nobody is given an unfair advantage by being able to having more cash flow to mobilize faster and complete their plan or package the fastest. Competitive Grant Programs don't rewards speed, they reward process and high standards.

Disadvantage – Often those that are most in need of funding have difficulty even finding the resources with which to prepare a proposal and participate in an intensive planning process. Those that have difficulty with these resources include water agencies with small systems, disadvantaged & EJ communities, community based watershed groups, non-profit organizations, and rural (Sierra, Cascade, Tehachapi Ranges) regional groups.

Recommendation – To combat this, DWR should offer technical assistance to the rural Regional Groups, disadvantaged communities and EJ communities. DWR should require IRWMP regional entities to provide stipends for participation non-profit and DAC/EJ participation in planning and implementation stages. This requirement for projects will provide incentive for the IRWMP regional entities to conduct genuine outreach to and include stakeholders from watershed groups and DAC and EJ communities in their planning process

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and implementation packages. The technical assistance and stipends will support the rural and DAC interests to form successful IRWMPs that reduce local conflict.

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Performance Based or Competitive Program Input

From your regions perspective, what are the advantages/disadvantages of a Performance Based Grant Program?

Disadvantage – If all the funding is available to the first IRWMPs to reach the standard, then this approach will only spur increased speed and competition to be the first in a funding area to complete a plan and implementation package. So, despite the best intentions here, the money will not be applied equitably but probably go to those who have the most funding and can move the fastest at the outset.

Advantage – We still do need clearly defined standards that can offer a clear roadmap for funding, allowing regional entities greater certainty in planning. It is a challenge to make standards clear and uncompromising. A substandard plan cannot be funded simply because it is the only one in the region or because the regional entity says it's done. There should be a consultation process for DWR to work with the planners, provide consultation with the regional entity, prior to a competitive submission.

Which type of program would your region prefer and why?

We prefer a Competitive Program.

The program should have high standards and technical assistance for DACs and rural communities.

Under this program, everyone works on meeting the same deadline for funding opportunity. Nobody is given an unfair advantage by being able to having more cash flow to mobilize faster and complete their plan or package the fastest. Competitive Grant Programs don't rewards speed, they can reward process and high standards.

Are there other ideas or suggestions you have concerning performance based versus a competitive grant program?

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IRWM Plan Standards

Observations from Previous Efforts –

Minimum standards for IRWM plans included in the guidelines may not be sufficient to ensure high quality. Governance of an IRWM plan was not always easily addressed. Project development and selection was not always tied to measurable plan objectives. Stakeholder involvement was inadequate in some plans.

Other Observations –

Proposition 84 contains language that will necessitate changes in the guidelines and standards. Eleven funding areas will limit competition as a means to ensure quality if plans.

DWR Concept for IRWM Grant Program –

- DWR is considering emphasis on planning prior to funding implementation projects.
- DWR is considering holding IRWM Plans to pre-established standards.
- Standards would be added or modified (such as project prioritization and governance) in the guidelines.
- Applicants would not be eligible to pursue implementation grants until the IRWM Plan meets a pre-established standards.
- Planning grants would be predicated on a scope of work that produces an IRWM plan that will meet the pre-established standards.

Input Questions –

Based on your experience with the current standards which ones were difficult to address? Please discuss what made them difficult.

The most difficult standards to address were

- *Addressing DAC/EJ needs*
- *Soliciting stakeholder participation and broad and inclusive stakeholder participation*
- *Involving local land use agencies – non-profit, state, and federal*
- *Setting measurable goals and objectives*
- *Project Prioritization*
- *Meeting Statewide Priorities*
- *Readiness to Proceed*

Addressing DAC/EJ needs

*Both DAC/EJ and broad stakeholder involvement were extremely limited in many IRWMPs. In many cases, stakeholder outreach was conducted **unsuccessfully**, either because of poor outreach methods and implementation, lack of stipends for participation, simple unwillingness to provide a transparent process, and lack of governing roles for non-profits, federal and state land managers, and DAC/EJ to attract them to invest in forming the IRWMPs.*

Successfully soliciting stakeholder participation and broad and inclusive stakeholder

participation

While many IRWMPs might have “solicited stakeholder participation”, they often were not successful in getting attendance from ngo stakeholders, business and agricultural representatives, nor DAC/EJ. And some IRWMPs were not successful even in incorporating the interests and projects of these groups into their plans. The bar needs to be raised for this evaluation criteria.

Project Prioritization

The inability to prioritize projects is directly attributable to the lack of quantifiable goals. Prioritizing projects must also be done with a broad stakeholder group representing a balance of water interests in the region. Project prioritization should not be done by one set of interest groups.

Statewide Priorities

There is too much emphasis given to Statewide Priorities. This conflicts with the IRWMP effort to reduce local/regional conflict. The way Statewide Priorities are defined around the Delta biases away from IRWMPs in the upper watersheds. The upper watershed areas certainly do have a direct connection and impact on the Delta in that they provide the water for much of the state. However, the current definition of the Statewide Priorities should capture the importance of the supply, reliability, water quality and health of the upper watersheds for state water supply and health of the Delta.

Readiness to Proceed Should be Thrown Out as an Evaluation Criteria

The stringent readiness-to-proceed criteria in the Prop 50 RFP preclude any watershed programs that do not have substantial, often tax-based, local resources. Most source watersheds have significant USFS/BLM ownership, which triggers additional NEPA for those agencies. Sierra watersheds all are also constrained by a short field season for all field-related work (June–Nov). The new readiness-to-proceed criteria excludes project proponents – usually in the Sierra or in DAC/EJ communities – that do not have the up front resources to invest in CEQA and NEPA. In addition, the readiness-to-proceed criteria implies that all projects will require CEQA and NEPA so that [rid other] projects not requiring CEQA/NEPA, such as water monitoring, assessment, and modeling, cannot receive points for this ranking criteria.

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IRWM Plan Input

Which standards, if any, were not helpful in your IRWM Plan?

What elements would be helpful for DWR to include or explain in a governance standard?

1. Governance Structures for IRWMPs and Stakeholder Involvement

- *Require that IRWMP governance structures include broad stakeholder involvement including NGOs and Disadvantaged Communities.*
- *Require a detailed Stakeholder Outreach Plan and stipends to involve a broad range of stakeholders*
- *Require adoption of IRWMP by a broad range of stakeholders representing multiple interests.*

Prohibit “pay-to-play” requirements for an IRWMP governance structure.

IRWM Plan should be adopted by a broad stakeholder group including water agencies, non-governmental-organizations, federal and state agencies and land use managers, DAC/EJ communities, resource conservation districts, agricultural interests, and business interests.

2. Outreach to Stakeholder and DAC/EJ and Involvement

DWR should require a stakeholder outreach and engagement plan as part of every IRWM application, plan, and implementation grant.

- *This plan should, at a minimum, outline the following steps in stakeholder/DAC/EJ engagement*
- *Identification of potential stakeholders, based upon initial notification of stakeholder organizations at the time an IRWM is proposed, using readily available mailing and contact lists.*

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- *Identification of level of interest and involvement of organizations, and plans for maintaining that involvement. Plans should clearly outline 3 levels of involvement, and explain how they plan to undertake each degree of involvement*
 1. *Informative – notices, workshops, mailings, web-based information*
 2. *Interactive – regular communications with specific requests for information and opinion*
 3. *Collaborative – Full engagement in planning, implementation and governance*
 - *Stipends for non-profit and DAC/EJ involvement in planning and implementation stages*
- The following high-level tests will demonstrate whether a broad stakeholder group have genuinely been integrated into collaborating on the planning and implementation stages of an IRWMP. IRWMPs should be required to:*
- *Demonstrate that implementation projects are authored, evaluated, and accepted by a broad stakeholder groups, assuring broad stakeholder investment and significantly reduced likelihood for plan and project opposition*
 - *Demonstrate collaborative groups of stakeholders across multiple sectors came together to author and implement projects. A collaborative project team infers that a project genuinely address multiple objectives and provides benefits to multiple stakeholder interests.*

What elements would NOT be helpful for DWR to include in a governance standard (what would make a governance standard too restrictive)?

In what areas was it important for your plan to exceed the minimum standards?

It is important for plans to exceed the current minimum standards for stakeholder involvement, collaboration across sectors and the region, and integration of objectives to form projects that addressed water supply for human use and the environment, water quality, and environment and habitat restoration.

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Disadvantaged Communities

Comment Summary from Previous Efforts –

Incentives to reduce cost share for DAC did not address hardships DACs face engaging the IRWM process.

DWR Concept for IRWM Grant Program –

Through Prop 84 DWR does have the means to provide some technical assistance and financial assistance to help DAC engage in their regional IRWM processes. DWR is considering implementing this assistance early in the process so DAC's can engage more fully in IRWM planning and/or application preparation processes. DWR is also considering allocating funding to projects that meet critical needs of DACs.

Input Questions –

What types of technical assistance would be helpful to augment your region's efforts to engage DACs in the IRWM process?

Technical assistance must begin with instructions to the agencies developing the plan. Many simply don't understand the challenges of these communities, and feel that issuing an invitation is the extent of their responsibility.

There are also different classes of disadvantaged communities

- 1. Disadvantages residents dispersed within a larger community, or making up a small area of a larger community*
- 2. Communities served by a water, flood, or wastewater agency that, in total, qualify as disadvantaged (80% of state MHI) or extremely disadvantage (60% MHI)*
- 3. The agencies that serve these communities, and lack both the rate flexibility and the technical, managerial and financial (TMF) capacity to plan, fund and implement make needed improvements*

The Department of Health Services has developed a good program (through the Drinking Water State Revolving Fund and Prop 50) to assist water systems that qualify as disadvantaged. Some of the tools they use include

- 1. Hiring an outside consultant to assist these systems in improving their TMF capacity and assist them in developing grant applications.*
- 2. In Proposition 84, up to 25% of a grant award can be supplied upfront to fund planning, engineering and design costs – since most small systems lack the cashflow necessary to take advantage of the State's typical reimbursable grants*

For dispersed disadvantaged communities, a representative NGO could be considered, who could advise on how to target benefits and address barriers to these communities. For

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instance, DACs have a lower response to rebate programs for low-flow toilets and washers because they don't have the ability to pay upfront for the appliances. So a standard conservation program tends to discriminate against these communities.

For concentrated DACs, more community-wide benefits can be reviewed, using a similar NGO representative model.

Are there specific functions that DWR personnel can provide in the IRWM process that would help engage DACs?

DWR should consider providing assistance to DACs in developing their project and funding proposals.

DWR, with the assistance of state agencies working in the region, could assist the IRWM planners with identifying DAC and EJ communities and assessing their needs.

In addition to technical assistance, is there also need for financial assistance and how do you envision those funds being used?

DWR should use the unallocated portion of the IRWM funding in Proposition 84 to create either a pre-grant or bridge loan fund that would allow eligible communities to access funding for planning, design, environmental compliance and engineering costs.

While direct stipends are needed to allow many DACs and NGOs to compete, I am reluctant to recommend a separate funding stream. The best plans to date have funded this participation themselves, and an IRWM planning effort should include a plan and funding mechanism for including all stakeholders. A key exception would be those areas, for instance in the Central Valley, where a large number of communities would qualify as disadvantaged or extremely disadvantaged.

Since only a small percentage of the Prop 84 Funding is available for planning grants. The unallocated funding should also be available for planning grants. In most of the Sierra Nevada and Cascade, many watersheds are only beginning to launch their IRWMPs and will need planning funds in order to be eligible for implementation funding. If inadequate

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planning funds are offered in Prop 84, the implementation funding will be unfairly biased to those who have already finished their planning.

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Disadvantaged Community Support Input

Is addressing water quality and supply issues that directly impact DACs a priority in your region?

Water quality issues affecting DACs are a priority around the Sierra Nevada and Cascade regions. Water quality issues that impact DAC's include: small wastewater treatment plant violations; mercury contamination; non-point source pollution, toxic mining contamination, illegal dump sites. In addition, OHV recreation, an explosion in development, and fire all deliver increase suspended sediment loads in Sierra rivers, reducing dissolved oxygen, degrading habitat, and negatively impacting fisheries.

Some of these issues pose public health risks and degrade recreational areas, which pose obstacles to the economic development and safety of these communities. Furthermore, some of the water quality problems impact food sources for DAC and rural communities.

Can the IRWM Process address direct water supply and quality problems in DACs? If so how? How was this addressed in your IRWM Plan

In the Sierra Nevada and Cascade regions, the IRWMPs can address water supply and quality problems in the DACs by working with project proponents to devise projects that address their major issues. In addition, IRWMPs can help DACs form projects for stream restoration, trail-building, bank stabilization, noxious weed removal, revegetation, fire/fuels reduction, dump cleanups, mercury cleaning and other like projects that can benefit their communities.

Are there other ideas or suggestions you have concerning engaging disadvantaged communities in the IRWM process? Are there items that DWR should emulate, retain or drop from other grant programs regarding DACs?

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CABY IRWMP

Stakeholder Involvement				
For your region, please describe briefly who are the stakeholders and rate their level of involvement.				
	STAKEHOLDER INTERESTS	HIGH	MED	LOW
	Water Districts	X		
	Sanitary Districts		X	
	Flood Control Districts			X
	City Government		X	
	County Government		X	
	Municipalities			
	Associations of Government Agencies	X		
	Tribes		X	
	Watershed Groups	X		
	Environmental Groups	X		
	Community Based Groups			X
	Environmental Justice Organizations			X
	Representatives Disadvantaged Communities		X	
	Private Landowners		X	
	General Public			X
	Universities			X
	Industry/Trade Organizations			X
	Other – List			X
<p>Please discuss if there are other stakeholders who should be involved in your regional efforts, but have not been.</p> <p>Please discuss efforts that your region has made to ensure that IRWM Planning efforts are inclusive of diverse stakeholder interests.</p> <p><i>Make all meetings of the decision-making body public</i> <i>People who think they are stakeholders, are stakeholders</i> <i>Include a wide array of conservation, water agency, business, county, agricultural, and Tribes representatives on the decision-making body. This decision-making body also reviews, accepts, and prioritizes projects for the plan.</i> <i>Offer to visit different groups to provide briefings of CABY's process - go to them, don't wait for them to come to you</i></p>				

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Provide “briefing” updates for representatives to take back to their groups and present on CABY

Incorporate input from stakeholder workshops into the plan

Provide stipends of \$50 for a half-day meeting and \$100 for a full-day meeting to participants in the broad decision-making body to ensure consistency and attendance.

OPTIONAL – Please provide brief information about the person(s) completing this form

Region:	CABY IRWMP
Name	Julie Leimbach Sierra Nevada Alliance
Address	PO Box 7989, South Lake Tahoe, CA 96158

If you are not already on the DWR IRWM Mailing/Distribution List. Please add the above listed person(s) to the IRWM distribution list. *Yes, please add me if I'm not already on the list.*