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Councilmember

April 22, 2010

DWR
Division of Integrated Regional Water Management
PO BOX 942836
Sacramento, CA 94236-0001
Attention: Joe Yun

Re: Stormwater Flood Management Grant PSP

Dear Joe Yun,

Thank you for taking the time to meet with the City of us on the IRWM Grant Program Guidelines. We appreciate your time and efforts to develop the latest program guidelines, and the City of Menifee is glad to offer comments on how the grant funds can best achieve stormwater management benefits throughout California.

The Homeland/Romoland Watershed Drainage Project is located in a severe flood zone in the San Jacinto River Basin and current flooding causes more than 1 million tons of topsoil erosion, polluted debris, and stormwater runoff to flow directly into the San Jacinto River, which then flows into Canyon Lake and Lake Elsinore. This shovel-ready project offers lasting protection from chronic flooding and will prevent polluted runoff and protect the City of Menifee and other local communities from the flood risks. In doing so, it will help facilitate economic activity and foster job creation to support vibrant, sustainable communities for a large area of the Inland Empire region.

The project will produce over $1.5 billion in annual long term revenue for California. It will create over 27,000 total jobs for the Inland Empire, which will help to decrease the more than 15% unemployment rate in the region. There will be 600 immediate construction jobs, 8,700 permanent jobs, and over 18,000 total construction jobs over 10 years. The Business, Transportation, and Housing Agency has placed the Homland/Romoland MDP on the Regional Economic Recovery Work Plan Summary List—recognizing the statewide significance of the economic development and job creation that this project will generate for the Inland Empire.

The Homeland/Romoland strongly supports the Stormwater Flood Management Grant program and guidelines and the benefits the program offers California's important shovel-ready flood management projects. A key provision in the guidelines that warrants additional consideration is further specifying the

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categories of expenditures that qualify for matching funds and refining the time restrictions of expenditures necessary for completing the engineering, acquisition and environmental review process necessary to plan and implement large-scale, shovel-ready projects. Specifically, the current guidelines budget qualification that only allows prior costs spent after September 30th, 2008 to be included in the funding match. The current date restriction penalizes large-scale projects that require multiple years of planning, acquisition, and environmental review needed to be truly ready to be implemented with IRWM Grant Program funds.

We propose that instead of imposing a specified date, the Department of Water Resources should consider outlining a list of appropriate eligible expenditures, spent before the received award, which can be applied toward the funding match. This refinement to the guidelines would recognize the typical timeline needed in California to complete the process for large-scale flood management projects. Examples of eligible expenditures should include: planning, pre-engineering, project design, right-away permits and acquisition, CEQA and other environmental review and permitting costs.

For example, the Homeland/Romoland community has invested $27 million into the Homeland/Romoland WMDP to complete all of the necessary project planning, pre-engineering, project design, right-away permits and acquisition, CEQA and other environmental review and permitting process over the last decade. The comprehensive process allows the Homeland/Romoland WMDP to start building an important stormwater management system as soon as funds are received, providing multiple benefits, including groundwater recharge, water quality improvement, and reduction of in-stream erosion and sedimentation.

On behalf of the City of Menifee, we hope that you will consider removing the current date restriction for eligible matching project expenditures, and replace it with eligible funding categories. The City appreciates the opportunity to comment on the IRWM Grant Program Guidelines and look forward to working with the Department of Water Resources.

Sincerely,

George A. Wentz
City Manager