

San Diego Tri-County Funding Area Coordinating Committee For Integrated Regional Water Management Planning

Comments on the Draft IRWM Grant Program Guidelines, Planning Grant PSP, Implementation Grant PSP, and Stormwater Flood Management PSP

1) Streamlined Implementation Grant Application

The Implementation Grant application requirements should be streamlined for non-competitive Funding Areas. While we agree with DWR's efforts to ensure funding of truly integrated water resources projects, there is no need for extensive scoring and ranking of proposals in non-competitive Funding Areas. Proposition 84 (PRC §75028(a)) states that DWR

“shall defer to approved local project selection and review projects only for consistency with the purposes of §75026.”

Section 75026 requires that eligible projects (1) be consistent with an adopted IRWM plan or its functional equivalent as defined in the IRWM Guidelines; (2) provide multiple benefits; and (3) contribute to DWR's program preferences.

As such, DWR should request only information necessary to confirm consistency of grant application project(s) with the local IRWM Plan and any Memorandum of Understanding (MOU) adopted by the region or Funding Area. Extensive development of supporting information and attachments beyond those necessary to comply with the Public Resources Code should be eliminated.

The Tri-County Funding Area Coordinating Committee (Tri-County FACC), which includes all three regions within the San Diego Funding Area, have an MOU adopted by all nine RWMG agencies that outlines our commitment to inter-regional coordination (demonstrated through ongoing Tri-County FACC meetings), development of cross-watershed projects (planning is currently underway), and equitable allocation of the Proposition 84 bond funding. Our grant applications will be aligned with our agreed-upon allocation, will not exceed the Round 1 maximum, and will not be competitive. This mutual agreement will enable DWR to honor our approved local project selection processes and review our grant applications in a more streamlined manner.

Offering a streamlined grant application process for non-competitive Funding Areas will encourage regional cooperation, coordination, and collaboration between IRWM regions throughout the State and will reduce DWR's workload.

We recommend that a streamlined grant application for non-competitive Funding Areas include work plans, budgets, schedules, discussion of performance measures, and outreach to disadvantaged communities (DACs) for each proposed project in order to demonstrate consistency with local IRWM Plans and priorities. However, in accordance with PRC §75028(a), once each region has prioritized and approved its project list, additional economic analysis and assessment of impacts and benefits should not be necessary. Development and review of these materials are time consuming and overly burdensome on both DWR and local RWMGs.

2) Funding Area Balance

To encourage regions to collaborate more effectively, we recommend DWR establish criteria for Funding Area Balance (page 22, Table 5, Funding Area Balance Points). We recommend the following:

5 points = Funding Area has documented and implemented a consensus agreement approved by the governing boards of all RWMG entities for planning, coordination, and funding

2 points = Funding Area can demonstrate cooperation, but no specific agreements for planning, coordination, or funding

1 point = Letters sent to surrounding IRWM regions in Funding Area, but no specific planning or coordination activities

0 points = No communication between multiple IRWM regions in a Funding Area

3) Grant Solicitation Schedule

The Tri-County FACC requests that DWR allow a minimum of 12 weeks after release of the final PSP for development of implementation grant applications. If the implementation grant cycle occurs prior to completing the IRWM Plan Updates, a 12-week schedule would allow the regions to engage local stakeholders in timely project identification, ranking, and selection processes to develop the best suite of projects possible. Without a near-term grant solicitation schedule in hand, the IRWM regions may need to begin the project prioritization and selection process prior to release of the final PSP or rush the project selection process if they wait until the final PSP is released. As a result, IRWM regions may have difficulty soliciting and selecting strong integrated projects that can wait for funding to become available.

4) Reimbursement of Costs

The draft IRWM Guidelines (page 28, V. Proposal Selection, K. Reimbursement of Costs) state that planning costs incurred between September 2008 and grant contract execution may count toward the planning grant funding match; the planning grant will only pay costs incurred *after* grant contract execution. The draft IRWM Guidelines further state that project costs incurred between grant award and grant contract execution may count toward the implementation grant funding match; the implementation grant will only pay costs incurred *after* grant contract execution. Reimbursement of costs only *after* grant contract execution will delay project implementation due to the instability of the IRWM funding source, particularly for smaller agencies and non-governmental organizations. In order to implement 'ready to proceed' integrated projects, local project sponsors need certainty that their ongoing activities will be grant reimbursable.

In Proposition 50, the "date certain" for cost eligibility allowed projects to move forward while waiting for contract execution. The Tri-County FACC requests that the Guidelines and Implementation Grant PSP be revised to include "grant reimbursement of eligible activities dating back to March 8, 2010 when the draft Implementation Grant PSP was released."

5) Economic Analysis

The requirement for detailed economic analysis (in Implementation Grant PSP Exhibit C: Economic Analysis Water Supply, Exhibit D: Water Quality and Other Expected Benefits, Exhibit E: Economic Analysis Flood Damage Reduction, and Exhibit F: Proposal Project Costs and Benefits Summaries) is excessive for regions not in direct competition due to documented Funding Area agreements. As stated above, we request consideration of a streamlined grant application process that does not include detailed economic analysis for regions and Funding Areas that are non-competitive and that have used a collaborative, valid, and transparent method of prioritizing their project lists.

To make the economic analysis more reasonable for competitive regions, please consider modifying these sections to allow simplified analysis that still accomplishes the intent of the Guidelines. DWR might consider releasing a universal template for cost/benefit metrics or allowing use of simple cost-benefit analysis. Detailed analysis of avoided costs and other intangible cost savings should only be required if necessary to demonstrate cost effectiveness.