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Department of Water Resources

Submitted via electronic mail to [Muzaffar.Eusuff@water.ca.gov](mailto:Muzaffar.Eusuff@water.ca.gov), [Laura.McLean@water.ca.gov](mailto:Laura.McLean@water.ca.gov)

**Re: Comments on Draft Guidelines and Draft Project Solicitation Package, Proposition 1 Sustainable Groundwater Grant Program**

Dear Mr. Eusuff,

On behalf of the above-listed organizations, we are pleased to provide comments on the draft funding documents provided for the first phase of the Proposition 1 Sustainable Groundwater Planning Program. Our organizations have been working for several years to improve the management of groundwater and are actively engaged at both the state and local level to promote implementation of the Sustainable Groundwater Management Act (SGMA).

Proposition One's Sustainable Groundwater Planning Program offers an important opportunity to incentivize prompt and effective SGMA implementation at the local level. Achieving sustainable groundwater management requires the collaboration of many different types of public entities and beneficial users. Our interest in commenting on these documents is to ensure that the guidelines and proposal solicitation package are strongly focused on SGMA. The guidelines should emphasize at every possible opportunity the necessity of local agencies, cities, and counties to be working together toward the creation of groundwater sustainability agencies (GSAs) and the development of strong and protective groundwater sustainability plans (GSPs).

**Proposition 1 Sustainable Groundwater Planning Grant Program Draft Guidelines**

Assistance targeted at Disadvantaged(DAC) and Severely Disadvantaged (SDAC) communities

The passage of the Human Right to Water in 2011 (Water Code 106.3) requires the Department to consider this state policy "when revising, adopting, or establishing policies, regulations, and **grant criteria** when those policies, regulations, and criteria are pertinent to the uses of water described in this section."

The draft guidelines correctly reflect the bond requirements to reserve 10% of funds for projects “serving severely disadvantaged communities” and the waiver of cost-sharing requirements for “projects that directly benefit a disadvantaged community or an economically distressed area”. However, the commitment to assist these communities requires additional detail if the funds are to be successfully applied to meeting the participation and other needs of DACs. For one, the guidelines must ensure that cities or counties do not just use DAC status in order to obtain priority funding for a project which will primarily benefit another population. This is not to say the project cannot benefit other communities, we want to promote wide-reaching projects, but the benefit to DAC(s) should be explicit and central if the application is to receive priority and/or a funding waiver.

### III.B. Eligible Project Types

Because Proposition 1 was adopted prior to the passage of SGMA, the statute of course was not directly cited. However, given the comprehensive application of SGMA to basins serving 96% of the state’s water needs, efforts to implement SGMA must be an eligibility requirement. We suggest adding a bullet to that effect to this section.

### III.C. Eligibility Criteria

We question whether funding eligibility should be limited to those entities that have an existing Groundwater Management Plan (GWMP), since compliance with SGMA has no relation to current plan status. This requirement harms high or medium priority basins which may not have created a GWMP, but are now working to comply with SGMA. High and medium priority basins no longer have the option of updating or creating new GWMPs and must begin work towards the development of a new GSP. We therefore recommend eliminating the bullet at the bottom of page 7 that contains this requirement. We also recommend, for the same reason, an amendment to the bullet at the top of page 8. We suggest the following: “They participate in the development of a GSA or GSP and are in compliance with all SGMA requirements and timelines.”

### V.A. Solicitation notice

SGMA is still a very new process and thus will likely lead to the grant program changing with each PSP. Additionally, we have been receiving feedback from early Prop 1 grant programs that the application process is quite burdensome. With this in mind, we recommend using a 2-part process in order to encourage innovative proposals and allow applicants to better understand the evolving nature of the program and how their ideas may or may not qualify for funding. Project proponents could provide a draft narrative for staff review and feedback, with final proposals due perhaps 3 months later. This will allow proponents to develop strong proposals which will maximize the benefit to a region.

## V.F. Review process

SGMA implementation is a multi-disciplinary effort, so we recommend that the technical review committee be expanded beyond DWR staff to reflect this. For instance, the mission of the Strategic Growth Council is to promote sustainable communities. The Council funds and tracks local planning efforts and may have a better handle on non-water agency issues and priorities. The State Water Board is DWR's partner in SGMA implementation and together the two agencies have access to a wide-array of technical assistance. We also think that an NGO representative with technical expertise could provide a strong objective review of proposals.

## **Proposition 1 Sustainable Groundwater Planning Grant Program – Counties with Stressed Basins**

Overall we appreciate the focus on encouraging counties to be more involved in groundwater planning and management. Because of their land-use powers and their primacy in unmanaged areas, counties have an important role to play in achieving sustainable groundwater management. Aiding implementation of the Sustainable Groundwater Management Act (SGMA) and strengthening local groundwater protection are two essential components for effectively protecting the State's groundwater supplies and we are pleased to see them connected in this PSP. When possible, the state should help avoid conflict between local land use policies and (the often later created) GSPs. Prioritizing applications that address both of these planning needs holistically will best promote sustainable management long-term. This will lead to a more cohesive approach to sustainable groundwater management.

### I.B. Eligible Project Types

1. The priorities for DACs and SDACs cited in the guidelines are appreciated, but the PSP lacks the detail needed to ensure that dollars set aside for these communities actually benefit them. We suggest expanding eligible project types to include those that directly benefit DACs and SDACs, including: Projects that identify vulnerable DAC communities and their specific groundwater issues; data collection that will measure and monitor the groundwater issues faced by DACs and SDACs; developing solutions to address the needs of DACs and SDACs; and funding the participation of DACs and SDACs in the creation of GSAs and the development and implementation of GSPs.

Because some undesirable results may be linked to local DACs and SDACs, augmenting data about those impacts and identifying potential solutions can provide a leg up on GSP development and implementation. Full participation by all interested parties will also ensure the creation of better and more sustainable GSPs.

2. The phrase "update or develop groundwater plans" needs to be further defined by basin type. Low and very-low priority basins may update their current groundwater plans in order to

comply, but high and medium priority basins must create a new GSP in compliance with SGMA. While there is an opportunity for DWR to approve an alternative plan, the requirements for such a plan are such that it seems unlikely that it would be a product of the “stressed basin” defined in this document.

3. We appreciate extending eligibility to the development and completion of interagency agreements; we would recommend expanding that eligibility to any and all coordination agreements – inter and intra basin – that will help build trust and create a foundation for successful GSA formation.

4. In the notices of GSA formation received by DWR to date, there has been a marked lack of attention to the statutory requirement to identify and engage interested parties in the development of GSAs and GSPs. We recommend that this be included as an eligible project under this PSP.

#### IV. Application instructions – Workplan

If a project is requesting funds from the SDAC set-aside, or a DAC/EDA matching fund waiver, the workplan for that project must provide specific information about how the project will directly benefit these communities.

#### V. Application Review

1. Table 5 – Application Evaluation Criteria - While we definitely agree on the importance of including land subsidence as a means for assessing eligibility, we believe the requirement to demonstrate that subsidence is linked to groundwater withdrawal is excessive, and in many areas will be impossible to prove. The necessary plans and studies may not have been conducted, leaving some areas experiencing land subsidence unable to substantiate this claim on their grant application. We suggest that this language be amended to express the link between subsidence and groundwater withdrawal as a likelihood rather than a definitive link.

2. The review process provides no incentive for a project proponent to do more than map DAC or EDA communities to reduce or eliminate cost share requirements. We recommend adding a pass/fail section to the application review that identifies how the project will benefit EDAs, DACs or SDACs and what measurements will be used to quantify those benefits. Even if the project is within an area identified as being a DAC/SDAC/EDA region, it should not receive those benefits if it cannot show a tangible benefit to those communities.

Thank you for the opportunity to provide comments on the draft guidance plans. We look forward to continuing to work with DWR on these programs.

Sincerely,

Jennifer Clary, Water Program Manager, Clean Water Fund

Kristin Dobbin, Regional Water Management Coordinator, Community Water Center

Phoebe Seaton, Executive Director, Leadership Counsel for Justice and Accountability