

March 29, 2018

Dave Stoldt, General Manager Monterey Peninsula Water Management District 5 Harris Court Monterey, CA 93940

Re: Monterey Peninsula, Carmel Bay and South Monterey Bay Integrated Regional Water

Management

### Dear Mr. Stoldt:

The Big Sur Land Trust has been an active member of the Memorandum of Understanding for the Regional Water Management Group (RWMG) for the Monterey Peninsula, Carmel Bay and South Monterey Bay Integrated Regional Water Management Plan (IRWMP) since its inception in 2007. BSLT has played a leadership role in initiating the development of a dozen conservation projects to include in the IRWMP process going back to 2005, with the intent of obtaining funding for Carmel River projects and most notably the Odello Floodplain Restoration Project (now referred to as the Carmel River FREE Project). As a member of the Water Management Group, BSLT has assisted in managing and updating the IRWMP, as well as supporting efforts to obtain funding for IRWM projects.

Monterey Peninsula Water Management District has historically served as the IRWM Program and Grant Manager. The IRWMP for the region was last updated by MPWMD in 2014, with funding from a \$995,000 IRWM planning grant that also funded a number of studies, such as the Seaside Basin Salt and Nutrient Management Plan, San Jose Creek Watershed Assessment, and Canyon Del Rey Master Drainage Plan Update. However, since 2014, the RWMG and related IRWM activities have been inactive due to lack of resources and additional funding opportunities.

With the passage of Proposition I, new Department of Water Resources (DWR) IRWM funding has become available. The six Central Coast IRWM funding regions have entered into a Memorandum of Agreement to share \$43M in Proposition I funding in a fair and equitable manner based on a base amount, and a proportional amount by population and total acreage of

the planning area. This agreement was reached in part because some regions have received a disproportionate amount of past IRWM funding. As a result, the Monterey Peninsula, Carmel Bay and South Monterey Bay IRWM funding area is slated to receive \$4.3M in Prop I IRWM funding, including 10% for Disadvantaged Community (DAC) Involvement and 10% for DAC Projects. It is our understanding that MPWMD is currently finalizing a grant agreement for the DAC funding.

Last fall, MPWMD staff called a meeting of the RWMG and requested that one of the other RWMG member organizations assume a leadership role for the group to pursue the Prop I funding opportunities. BSLT's Conservation Program Manager Sarah Hardgrave volunteered to review and identify the scope of activities that would be needed to reactivate the RWMG and position this funding region to be eligible for project implementation grant funds. Since that time, Sarah has assisted with scheduling and facilitating several meetings with the RWMG, the Carmel River Task Force and the Monterey Regional Stormwater Management Program (MRSWMP) to discuss the level of effort needed to reactivate the RWMG, prepare minor IRWMP updates, and conduct a project solicitation and prioritization process.

Based on a review of DWR's 2014 Plan review comments and DWR's 2016 updated requirements for the IRWMP standards, minor updates to the 2014 IRWMP need made this year in order to be eligible for the Prop I Project Implementation funding. In addition, based on discussion with the RWMG and other stakeholders, the 2014 IRWM Project list needs to be updated to reflect current projects that may be pursued in a Prop I IRWM implementation grant. A project solicitation and prioritization process will need to be conducted by this fall (October) if a grant application is to be made for DWR's Round I funding, with a grant application anticipated to be due by December 2018.

BSLT currently has the capacity to support this effort and is proposing that Sarah Hardgrave serve in an IRWM program management capacity this year. However, as a non-profit organization, we are unable to provide these program management services to the IRWM program without financial support. As a non-profit, our costs are considerably lower than consultant rates and therefore utilizing BSLT's services would provide a cost effective approach to positioning the region for significant funding opportunities. Further, Ms. Hardgrave's previous background with local water resources management, including her tenure as the MPWMD Technical Advisory Committee Chair from 2008 to 2013 and work with the MRSWMP group while at the City of Pacific Grove, give her knowledge and familiarity with the region that will also lend to an efficient approach to preparing the needed plan updates.

Based on the attached scope of work (task list and estimated time) to prepare the plan updates and facilitate the RWMG project solicitation process, we estimate BSLT's costs to provide these services at \$33,639.96. It is our understanding that this amount is well within the amount of budget MPWMD has available for the IRWM Program.

Please note that while we are proposing to support the IRWM, BSLT likely will propose projects for funding in the project solicitation process. BSLT requests that MPWMD separately

support the review and consolidation of project scores using the objective scoring approach utilized in the 2014 Plan Update and provide additional facilitation, if warranted, to ensure a fair process for the project prioritization. Also, this scope of work does not include any time to prepare a grant application once prioritized projects have been selected for the Prop I implementation funding.

Please let me know if you need any additional information to consider BSLT's services to support the IRWM program in 2018.

Sincerely,

Rachel Saunders

**Director of Conservation** 

## Attachments:

- I. BSLT Scope of Work
- 2. Central Coast Region IRWM Memorandum of Agreement for IRWM Planning and Funding in the Central Coast Funding Area
- 3. Proposition I 2016 IRWM Program Guidelines Appendix H, Changes to the 2012 IRWM Plan Standards
- 4. DWR Proposition | Grant Programs Update March |, 2018

## Monterey Peninsula, Carmel Bay and South Monterey Bay IRWMP Update

	Estimate of Time	Participation of	Participation of
TASKS	Needed	RWMP	Stakeholders
A. IRWMP Updates  1. 2016 Plan Standards - needed IRWMP updates			
Update RWMG and individual project proponents who have adopted the plan	20	X	
b. Description of governance structure and how Native American tribes will participate	20		Х
c. Water quality conditions – describe areas of nitrate, arsenic, perchlorate, or hexavalent chromium			
contamination, actions undertaken to address, additional actions needed	20	Х	
d. Climate change vulnerability assessment – equivalent to vulnerabilities assessment in the DWR Climate Change	24		
Handbook for Regional Water Planning  i. Potential effects of climate change on the region and whether adaptation is necessary for water management	24		
system	12		
ii. How effects of climate change are factored into regional management strategy	4		
iii. List of prioritized vulnerabilities & feasibility to address	8		
iv. Evaluation of ability of regional management strategy to eliminate or minimize vulnerabilities, especially	8		
those impacting water infrastructure systems  v. Reducing energy consumption in water use	4		
e. Consider strategies adopted by CARB in AB 32 Scoping Plan I	8		
f. Options for carbon sequestration and using renewable energy (for water use)	8		
g. Consider all California Water Plan criteria (29) in CWP 2013 update	8		
h. Consider effects if sea level rise on water supply and suitable adaptation			
i. Cities of PG & Monterey Sea Level Rise studies from LCP updates	8		
ii. Salinas/Carmel River Basins Study iii. Others?	4		
i. Adapting to changes in amount, intensity, timing, quality and variability of runoff and recharge	8		
j. Plan performance – each project complies with applicable rules, laws and permits	4		
k. Contain policies and procedures to promote adaptive management to climate change and adjust IRWM plans			
as effects manifest and new tools or information becomes available	4		
I. Discuss how the plan relates to other planning documents and programs – especially Storm Water Resource	12		
Plans and Groundwater Sustainability Plans m. Consider and incorporate water management issues and climate change adaptation and mitigation strategies	12		
from local plans into the IRWMP	12		
n. Demonstrate information sharing and collaboration with regional land use planning	8	X	Х
o. Contain a public process that provides outreach and opportunity for Native American Tribes to participate	20		Х
p. Process to involve and facilitate stakeholders regardless of ability to pay, include description of barriers to			
involvement (specifically to Tribes)	20		X
2. 2014 IRWMP Review by DWR – Guidelines evaluated as insufficient		V	
a. Effective decision making b. Water supplies and demands for 20 year planning horizon	8 16	×	
c. Specific information on DACs and tribal communities – need to expand outreach/involvement of Native			
American Tribes	8		
d. Status of project proponents plan adoption	4	X	
e. QA/QC measures for data	4		
f. Data sharing  3. Review plan goals, objectives and priorities - Confirm or determine if updates needed	24	X	X
Incorporation of new plans, studies, or new info from projects	21	^	Α
a. Carmel River Watershed Assessment & Carmel River Task Force active projects	12		
b. Water Supply Projects – PureWater, MPWSP, ASR, etc. (EIR, other studies)	16		
c. Storm Water Resource Plan	4		
d. Others SUBTOTAL	360		
B. Project Solicitation & Update	300		
Review 2014 online template & determine if still appropriate tool for new project submittals	20	X	
2. If online system to be used, identify steps needed to activate			
3. Determine process to call for, review and prioritize project list	40	X	
a. 2016 Plan update requirements:			
i. evaluate project's contribution to climate change adoption	16		
ii. contribution of project in reducing GHGs compared to alternatives	16		
iii. whether any specific benefits to Native American tribal communities	40	X	Х
4. Implement project solicitation process SUBTOTAL	136	^	^
C. Stakeholder/Public Process			
Meeting #1 - Existing RWMG review of IRWMP and project list update process	16	X	
2. Meeting #2 – Stakeholders meeting – overview of IRWM program and invitation to expand RWMG, submit			
projects	16	X	Х
Meeting #3 – Review of IRWMP updates, process to prioritize submitted projects  Meetings #4 & 5 – Review of project submitteds and prioritization.	16 16	X	Х
4. Meetings #4 & 5 – Review of project submittals and prioritization 5. Meeting #6 – RWMG approval of IRWM Plan Update, Project list, and SWRP	16	X	^
SUBTOTAL	80	-	
		•	1
TOTAL HOURS (\$52.34/hour)	576	\$ 30,147.84	
BSLT Administrative Overhaed	11.58%	\$ 3,491.12	
	TOTAL COSTS	\$ 33 638 96	

TOTAL COSTS \$

33,638.96

Table 3 – Summary of Funds Available to Each Planning Region (less DWR fees)

	S	anta Cruz	ijaro Valley Vatershed	ı	Greater Monterey	Monterey Peninsula	San Luis Obispo	Santa Barbara	Total CCFA
ALLOCATION OPTION # 1									
Allocation Option #1 - DAC Funds									
((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4									
% by acreage))	\$	1,109,810	\$ 1,340,107	\$	1,775,034	\$ 931,966	\$ 1,712,669	\$ 1,730,414	\$ 8,600,000
Allocation Option #1 - Impl'n Funds									
((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4									
% by acreage))	\$	4,050,805	\$ 4,891,390	\$	6,478,875	\$ 3,401,677	\$ 6,251,243	\$ 6,316,010	\$ 31,390,000
Total Allocation Option #1	\$	5,160,615	\$ 6,231,497	\$	8,253,910	\$ 4,333,643	\$ 7,963,912	\$ 8,046,424	

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# APPENDIX H CHANGES TO 2012 IRWM PLAN STANDARDS

IRWM Plan Standards	I IRWW 2016 Plan Standards, Hindates to 2017 IRWW Plan Standards 1	
	2012 Guidelines (GL) Requirement (if applicable): Describe and explain how the plan will help reduce dependence on the Delta supply regionally. Updated code citation for the requirement: Public Resources Code §29700-29716.	37
	2012 GL Requirement: Describe water quality conditions.	
Region Description	Same requirement with the following additional detail pertaining to AB 1249: "If the IRWM region has areas of nitrate, arsenic, perchlorate, or hexavalent chromium contamination, the Plan must include a description of location, extent, and impacts of the contamination; actions undertaken to address the contamination, and a description of any additional actions needed to address the contamination (Water Code §10541.(e)(14))."	37
	Additional requirement, not in 2012 GL: Describe likely Climate Change impacts on the region as determined from the vulnerability assessment <sup>1</sup> .	42
	Additional requirement, not in 2012 GL: Address adapting to changes in the amount, intensity, timing, quality and variability of runoff and recharge.	38, 42
	Additional requirement, not in 2012 GL: Consider the effects of sea level rise (SLR) on water supply conditions and identify suitable adaptation measures.	38, 42
Plan Objectives	Additional requirement, not in 2012 GL: Reducing energy consumption, especially the energy embedded in water use, and ultimately reducing GHG emissions.	38, 42
	Additional requirement, not in 2012 GL: In evaluating different ways to meet IRWM plan objectives, where practical, consider the strategies adopted by CARB in its AB 32 Scoping Plan.	38, 42
	Additional requirement, not in 2012 GL: Consider options for carbon sequestration and using renewable energy where such options are integrally tied to supporting IRWM Plan objectives.	38, 42
Resource Management	2012 GL Requirement: Consider all 29 California Water Plan (CWP) RMS criteria listed in Table 3 from the CWP Update 2009. Identify RMS incorporated in the IRWM Plan.	2-
Strategies (RMS)	Same requirement with the following updates: CWP Update 2013 referred to instead of 2009. Additional RMS's in the 2013 update are Sediment Management, Outreach and Engagement, and Water and Culture (for a total of 32 requirements).	38

IRWM Plan Standards	IRWM 2016 Plan Standards: Updates to 2012 IRWM Plan Standards	IRWM 2016 Guidelines Page Number
	2012 GL Requirement: Consideration of climate change effects on the IRWM region must be factored into RMS.	
	Same requirement with the following additional detail: Identify and implement, using vulnerability assessments and tools such as those provided in the Climate Change Handbook, RMS and adaptation strategies that address region-specific climate change impacts.  •Demonstrate how the effects of climate change on its region are factored into its RMS.  •Reducing energy consumption, especially the energy embedded in water use, and ultimately reducing GHG emissions.  •An evaluation of RMS and other adaptation strategies and ability of such strategies to eliminate or minimize those vulnerabilities, especially those impacting water infrastructure systems.	38, 42
Project Review	2012 GL Requirement: Project's contribution to climate change adaptation.  Same requirement with the following additional detail:  •Include potential effects of Climate Change on the region and consider if adaptations to the water management system are necessary.  •Consider the contribution of the project to adapting to identified system vulnerabilities to climate change effects on the region.  •Consider changes in the amount, intensity, timing, quality and variability of runoff and recharge.  •Consider the effects of sea level rise on water supply conditions and identify suitable adaptation measures.	37, 43
Process	2012 GL Requirement: Contribution of project in reducing GHGs compared to project alternatives.  Same requirement with the following additional detail:  •Consider the contribution of the project in reducing GHG emissions as compared to project alternatives  •Consider a project's ability to help the IRWM region reduce GHG emissions as new projects are implemented over the 20-year planning horizon.  •Reducing energy consumption, especially the energy embedded in water use, and ultimately reducing GHG emissions.	39, 42
Plan	Additional requirement, not in 2012 GL: Specific benefits to critical water issues for Native American Tribal communities.	52
Performance and Monitoring	Additional requirement, not in 2012 GL: Contain policies and procedures that promote adaptive management and, as more effects of Climate Change manifest, new tools are developed, and new information becomes available, adjust IRWM Plans accordingly.	39, 43

IRWM Plan Standards	IRWM 2016 Plan Standards: Updates to 2012 IRWM Plan Standards	IRWM 2016 Guidelines Page Number
Local Water Planning	2012 GL Requirement: Discuss how the plan relates to these other planning documents and programs.  Same requirement with the following additional detail:  "It should be noted that Water Code § 10562 (b)(7) (i.e. SB 985) requires the development of a stormwater resource plan and compliance with these provisions to receive grants for stormwater and dry weather runoff capture projects. Upon development of the stormwater resource plan, the RWMG shall incorporate it into IRWM Plan. The IRWM Plan should discuss the processes that it will use to incorporate such plans. This requirement does not apply to DACs with a population of 20,000 or less and that is not a co-permittee for a municipal separate stormwater system national pollutant discharge elimination system permit issued to a municipality with a population greater than 20,000." Minor wording differences - e.g. Groundwater Sustainability Plan example in the 2016 Guidelines instead of Groundwater Management Plan in the 2012 Guidelines.	62
	Additional requirement, not in 2012 GL: Consider and incorporate water management issues and climate change adaptation and mitigation strategies from local plans into the IRWM Plan.	41, 43
Local Land Use Planning	Additional requirement, not in 2012 GL: Demonstrate information sharing and collaboration with regional land use planning in order to manage multiple water demands throughout the state, adapt water management systems to climate change, and potentially offset climate change impacts to water supply in California.	30, 43
Stakeholder Involvement	2012 GL Requirement: Contain a public process that provides outreach and opportunity to participate in the IRWM Plan.  Same requirement with the following additional detail: "Native American Tribes – It should be noted that Tribes are sovereign nations, and as such coordination with Tribes is on a government-to-government basis."	40
	2012 GL Requirement: Evaluate IRWM region's vulnerabilities to climate change and potential adaptation responses based on vulnerabilities assessment in the DWR Climate Change Handbook for Regional Water Planning  Same requirement with the following additional detail: "At a minimum, the vulnerability evaluation must be equivalent to the vulnerability assessment contained in the Climate Change Handbook for Regional Water Planning, Section 4 and Appendix B."	42, 69 - 71
Climate Change	2012 GL Requirement: Provide a process that considers GHG emissions when choosing between project alternatives.  Same requirement with the following additional detail: "At a minimum, that process must determine a project's ability to help the IRWM region reduce GHG emissions as new projects are implemented over a 20-year planning horizon and consider energy efficiency and reduction of GHG emissions when choosing between project alternatives."	39, 66 - 68
	2012 GL Requirement: Include a list of prioritized vulnerabilities based on the vulnerability assessment and the IRWM's decision making process.  Same requirement with the following additional detail: "A list of prioritized vulnerabilities which includes a determination regarding the feasibility for the RWMG to address the priority vulnerabilities."	40, 42 - 43, 54

IRWM Plan Standards	I IRWW 2016 Plan Standards: Hindates to 2017 IRWW Plan Standards	
	Additional requirement, not in 2012 GL: Address adapting to changes in the amount, intensity, timing, quality, and variability of runoff and recharge.	38 - 39, 42 - 43
	Additional requirement, not in 2012 GL: Areas of the State that receive water imported from the Sacramento-San Joaquin River Delta, the area within the Delta, and areas served by coastal aquifers must also consider the effects of sea level rise (SLR) on water supply conditions and identify suitable adaptation measures.	42

<sup>1.</sup> The vulnerability assessment contained in the Climate Change Handbook for Regional Water Planning, Section 4 and Appendix B in 2016 Guidelines.



Proposition 1 Grant Programs Update - March 1, 2018 CA Department of Water Resources Financial Assistance Branch Division of Integrated Regional Water Management



## DWR's New Web Site

We recently completed a digital makeover of our website. We have received many complements about the new streamlined look and accessibility of information, but we understand it may be frustrating to find information in a new way. Our team is here to help. Feel free to contact us if you cannot locate the information you seek. <a href="https://www.water.ca.gov">www.water.ca.gov</a>

## **Proposition 1 Sustainable Groundwater Planning Grants**

On February 6, we announced draft funding recommendations to 78 applicants, totaling \$85.8 million, including \$16.2 million for projects that directly benefit severely disadvantaged communities (<60% State mean household income), and \$69.6 million to Groundwater Sustainability Agencies (GSAs) for development of Groundwater Sustainability Plans (GSPs). The public comment period for the draft funding recommendations closed on February 28 and we expect release of the final awards in March, with execution of grant agreements this summer.

We encourage agencies with proposed groundwater projects to work with their local IRWM Regional Water Management Group to incorporate projects as appropriate into the IRWM Plan so that they might be considered for IRWM implementation funding.

https://www.water.ca.gov/Work-With-Us/Grants-And-Loans/Sustainable-Groundwater

## **Proposition 1 IRWM Disadvantaged Community Involvement Grants**

We have executed grant agreements or are currently in the process of doing so with 11 of the 12 hydrologic region-based funding areas identified in Proposition 1. We anticipate receipt of the final grant proposal for the San Joaquin Funding Area in the very near future and expect all work in the State to be fully underway by spring 2018. It is critical to complete this important work - in particular, the needs assessments - in order to identify projects benefiting DACs for IRWM implementation funding.

To help promote consistency and sharing of information between the 12 Funding Area grant recipients, our program and grant managers will be joining the DAC Involvement Working Group conference calls, hosted approximately monthly by the Environmental Justice Coalition for Water (EJCW). We participated in the January 2018 call and discussed the status of IRWM implementation funding and nexus to DAC involvement work. At the next meeting of the Working Group, we look forward to discussing

performance metrics, related to a provision of Prop 1 (CA Water Code 79716e): Each state agency that receives an appropriation of funding made available by this division shall be responsible for establishing metrics of success and reporting the status of projects and all uses of the funding on the state's bond accountability Internet Web site, as provided by statute.

## What's Next for Proposition 1 IRWM Implementation Grant Funding

We are gearing up for the launch of the Prop 1 IRWM Implementation Grant Program. We have been working with regional stakeholders since May 2017 through the IRWM Roundtable of Regions (ROR) to propose and discuss various concepts for a new approach. We anticipate discussing more concepts with the ROR before finalizing the approach. Thanks to everyone who has weighed in so far, and we welcome more input before the Proposal Solicitation Package (PSP) is released this summer.

DWR intends to work with potential grant applicants on a Funding Area basis following the release of the Final PSP; we anticipate holding workshops in each Funding Area prior to submittal of the grant applications by December 2018. Other state funding agencies will be invited to participate as appropriate.

Proposition 1 IRWM Implementation Grants <sup>1</sup> Proposal Solicitation Process and Schedule				
Milestone or Activity	Tentative Schedule <sup>2</sup>			
Coordination with Regional Stakeholders RE: Development of Implementation Grant Program Concepts	May 2017 - April 2018			
DWR Releases Draft Proposal Solicitation Package (PSP) for 45-day Public Comment Period	May 2018			
3 Public Meetings (Northern, Central, and Southern Calif locations TBD)	May-June 2018			
Draft PSP Public Comment Period Closes	June 2018			
DWR Releases Final PSP	Summer 2018			
Round 1 Grant Applications Due to DWR (Workshops with Funding Areas expected Summer-December 2018)	By December 2018			
Round 1 Grant Awards	2019			
Round 2 Grant Solicitation Process Begins	2020			
Notes: <sup>1</sup> Includes funding for projects benefitting disadvantaged communities. <sup>2</sup> Schedule subject to change.				

https://www.water.ca.gov/Work-With-Us/Grants-And-Loans/IRWM-Grant-Programs

## What Regions Should Do to Prepare for the Next Round of Grants

In order for a project to be eligible for IRWM implementation grant funding, it must be either listed in the IRWM plan that is compliant with at least 2012 IRWM Plan Standards or describes how any non-listed projects have been vetted through the RWMG. consistent with the 2016 IRWM Plan Standards as confirmed by DWR's Plan Review Process. The plans must be updated and adopted to comply with 2016 standards before the final award is made. It is important to get your IRWM Plan updated to the 2016 Plan Standards and submitted to DWR as soon as possible to avoid potential delays.

The 2016 IRWM Plan Standards have changed to varying degrees from the 2012 IRWM Plan Standards. Refer to Appendix H in the Guidelines for a summary of the changes to the 2012 IRWM Plan Standards.

https://www.water.ca.gov/LegacyFiles/irwm/grants/docs/p1Guidelines/2016Prop1IRWMGuidelines\_FINAL\_07192016.pdf

## New Staff Assignments at DWR

Keith Wallace has moved on to new opportunities with DWR's Sustainable Groundwater Management Program, and two members of our team - Rachel Ballanti and Jason Brabec - are the new contacts for this next phase in our IRWM implementation program. We are fortunate to have Rachel, with her experience working for the DWR Executive Division and California Water Commission, and Jason, who brings his experience as an Engineer with DWR's Division of Flood Management managing complex water resources projects. Both Rachel and Jason have been in our Branch, capably managing our Water-Energy, Prop 1E, and Prop 1 Sustainable Groundwater Planning grant programs for the last year or more. We look forward to the opportunity to introduce them to you in person in the coming months.

## CA Water Plan Update 2018 - How Regional Interests Are Reflected in the New Edition of the State's Water Plan

Be on the lookout for the public review draft of the 2018 update to the California Water Plan. Several of the recommendations in the document entitled *Stakeholders Perspectives: Recommendations for Strengthening and Sustaining IRWM in California (2017)* are being carried forward in the Water Plan Update. Also, the Water Plan describes early efforts underway to develop a Regional Water Atlas. This web-based tool will provide a clearinghouse to convey your regional success stories and lessons learned to other practitioners in the State as well as key policy makers.

https://www.water.ca.gov/Programs/California-Water-Plan