

**STATE WATER RESOURCES CONTROL BOARD
BOARD WORKSHOP SESSION – DIVISION OF FINANCIAL ASSISTANCE
MARCH 4, 2014**

ITEM 10

SUBJECT

PUBLIC WORKSHOP TO PRESENT AN OVERVIEW OF PROJECTS FUNDED THROUGH THE STATE WATER BOARD PROPOSITION 50 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) IMPLEMENTATION GRANTS

DISCUSSION

Proposition 50 (Prop. 50), the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, amended the California Water Code (CWC) to add, among other articles, Section 79560 *et seq.*, authorizing \$500 million in funding for IRWM projects. The State Water Board's IRWM Grant Program was developed in response to Prop. 50 as a way to encourage integrated regional strategies for management of water resources, and to provide funding for projects that protect communities from drought, protect and improve water quality, and improve local water security.

The Prop. 50 IRWM Grant Program was jointly administered by the Department of Water Resources (DWR) and the State Water Board, and was intended to promote a new model for water management. The Legislature appropriated the IRWM funding for implementation grants, IRWM and Integrated Coastal Watershed Management planning grants, the State Water Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program, and DWR Local Groundwater Assistance Grants. Approximately \$372 million was appropriated for IRWM implementation grants; the State Water Board directly administered approximately \$181 million of those grant funds.

The IRWM implementation funds were disbursed over two rounds, each with their own Guidelines and competitive review process. The State Water Board and DWR jointly developed IRWM Grant Program Guidelines to establish program preferences, highlight funding priorities, describe grant program requirements, and to establish the project selection process and scoring/evaluation criteria. The State Water Board and DWR conducted extensive public outreach to support the development of the Guidelines, including input from legislative workshops, the California Watershed Council's Economics and Funding workgroup, presentations to the California Bay Delta Authority, and public scoping meetings. Round 1 Guidelines were adopted by the State Water Board on November 4, 2004 ([Resolution No. 2004-0079](#)). Round 2 Guidelines were adopted on June 5, 2007 ([Resolution No. 2007-0031](#)).

The State Water Board and DWR established a formalized review process to evaluate grant proposals. Each application was first reviewed for completeness and eligibility, and was then independently reviewed by a team of technical reviewers. The technical reviewers scored each application, and the scores were used to rank each proposal. Draft funding recommendations were developed and released for public review and comment. The comments received were considered prior to submittal to the State Water Board and the DWR Director for final approval of the recommended funding lists.

The Round 1 IRWM Implementation Grant List was approved by the State Water Board in 2007 ([Resolution No. 2007-0001](#) and [Resolution No. 2007-0011](#)), funding a total of eight grants totaling \$150 million. The Round 2 IRWM Implementation Grant List was approved in 2008 ([Resolution No. 2008-0039](#)), funding two additional grants for approximately \$31 million. A brief description of the ten implementation grants is included below:

1. **East Contra Costa County IRWM**: received \$12.5 million in grant funds and leveraged approximately \$63.4 million in local matching funds to fund nine projects.
2. **North Coast IRWM**: received approximately \$25 million in grant funds and leveraged approximately \$24.6 million in local matching funds to fund 21 projects.
3. **Northern Santa Cruz County IRWM**: received \$12.5 million in grant funds and leveraged approximately \$17.8 million in local matching funds to fund 16 projects.
4. **Salinas Valley IRWM**: received \$12.5 million in grant funds and leveraged approximately \$32.5 million in local matching funds to fund three projects.
5. **Sana Ana Watershed IRWM**: received approximately \$24 million in grant funds and leveraged approximately \$31.9 million in local matching funds to fund six projects.
6. **Santa Barbara Countywide IRWM**: received \$25 million in grant funds and leveraged approximately \$37 million in local matching funds to fund 14 projects.
7. **South Orange County**: received \$25 million in grant funds and to date has leveraged approximately \$19 million in local matching funds to fund nine projects.
8. **Tahoe Sierra IRWM**: received \$12.5 million in grant funds and leveraged approximately \$5.9 million in local matching funds to fund 11 projects.
9. **Upper Kings Basin Water Forum Project IRWM**: received approximately \$6 million in grant funds and leveraged approximately \$12 million in local matching funds to fund four projects.
10. **Watershed Coalition of Ventura County IRWM**: received \$25 million in grant funds and to date has leveraged approximately \$44.7 million in local matching funds to fund 11 projects.

The IRWM grants were the first of their kind for the Division of Financial Assistance (Division). Grants were awarded to a single Grantee (either counties, Resources Conservation Districts, etc.), who then coordinated with sub-grantees to complete individual component projects. Division staff devised new ways to track invoices, expenditures, requirements, and reporting. Division staff further created new methods for Grantees to compile and submit required information while meeting the requirements of the Bond Law and the expectations of the State Controller's Office and Department of Finance for auditing purposes.

East Contra Costa County IRWM and the Salinas Valley IRWM submitted their final invoice in April 2012, and were the first IRWM grants for either the State Water Board or DWR to close out an IRWM implementation grant. The Santa Barbara, North Santa Cruz County, Tahoe Sierra, and Upper Kings IRWM grants closed in 2013. The remainder of the implementation grants will submit their final invoices in April of 2014, after which the State Water Board's IRWM Grant Program will end.

The Workshop will inform the Board members and other stakeholders of past funding agreements, will highlight successful projects funded by the Prop. 50 IRWM grants, and will discuss lessons learned over the lifetimes of the IRWM Implementation grants. Workshop components will include presentations by IRWM Project Directors, a poster/video session, and a panel session where IRWM Project Directors will answer questions from the Board and public.

POLICY ISSUE

None – Workshop Item only.

FISCAL IMPACT

None – Workshop Item only.

REGIONAL BOARD IMPACT

None – Workshop Item only.

STAFF RECOMMENDATION

None – Workshop Item only.