



**COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works		(2) MEETING DATE 3/21/2017		(3) CONTACT/PHONE Mladen Bandov, Water Resources Engineer (805) 781-5116	
(4) SUBJECT Submittal of a resolution designating the Director of Public Works, or designee, as the authorized representative to file an application and execute agreements for the Proposition 1 Integrated Regional Water Management Disadvantaged Community Involvement Grant Program. All Districts.					
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District) adopt the resolution authorizing the Director of Public Works, or designee, to prepare and submit a letter of support for the applicant selected by the Regional Water Management Groups within the Central Coast funding area to apply for a funding area-wide proposal for the Proposition 1 Integrated Regional Water Management (IRWM) Disadvantaged Community (DAC) Involvement Program, to prepare and submit a proposal for activities to be included within the proposal and to execute agreements.					
(6) FUNDING SOURCE(S) Flood Control and Water Conservation District (Fund 1300000000)		(7) CURRENT YEAR FINANCIAL IMPACT N/A		(8) ANNUAL FINANCIAL IMPACT N/A	
(9) BUDGETED? Yes					
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)					
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A					
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A				(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached		(15) BUSINESS IMPACT STATEMENT? No		(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date 9/20/2016, #16	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim					
(18) SUPERVISOR DISTRICT(S) All Districts					

Reference: 17MAR21-C-10



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Public Works
Mladen Bandov, Water Resources Engineer
Scott Duffield, Regional Unit Supervisor

VIA: Courtney Howard, Water Resources Division Manager
Mark Hutchinson, Deputy Director of Public Works

DATE: 3/21/2017

SUBJECT: Submittal of a resolution designating the Director of Public Works, or designee, as the authorized representative to file an application and execute agreements for the Proposition 1 Integrated Regional Water Management Disadvantaged Community Involvement Grant Program. All Districts.

RECOMMENDATION

It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District) adopt the resolution authorizing the Director of Public Works, or designee, to prepare and submit a letter of support for the applicant selected by the Regional Water Management Groups within the Central Coast funding area to apply for a funding area-wide proposal for the Proposition 1 Integrated Regional Water Management (IRWM) Disadvantaged Community (DAC) Involvement Program, to prepare and submit a proposal for activities to be included within the proposal and to execute agreements.

DISCUSSION

On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, which authorized the appropriation of \$510 million in IRWM funding. The California Department of Water Resources (DWR) administers the Proposition 1 IRWM Grant Program to provide funding for projects that help meet the long-term water needs of the State.

Of the total \$510 million authorized under Proposition 1, the Legislature appropriated \$43 million to IRWM efforts in the Central Coast Funding Area (CCFA), the hydrologic-based funding area comprised of six IRWM regions¹ including the San Luis Obispo County IRWM region (see attached Vicinity Map).

Each IRWM region is represented by a Regional Water Management Group² (RWMG), who is responsible for local water management planning efforts. On April 21, 2009, the Board approved a Memorandum of Understanding (MOU) on behalf of both the County and District, and together with other local agencies and organizations formed the RWMG for the San Luis Obispo County IRWM region.

Proposition 1 Memorandum of Agreement

On May 10, 2016, the Board, as lead agency for the San Luis Obispo County RWMG, approved and executed the Memorandum of Agreement (MOA) that sets forth the terms and allocations for planning and funding between the six IRWM regions for the duration of the Proposition 1 grant program. Allocations for implementation funds and DAC funds are set forth in the attached in Attachment “2”.

The San Luis Obispo County IRWM Region would pursue funding opportunities as summarized in the following table:

Proposition 1 IRWM Grant Program	Grant Amount
Implementation Funds	\$ 6,251,423
Planning Grant ^(A)	\$ 204,183
Implementation Grant ^(B)	\$ 6,047,060
DAC Funds	\$ 1,712,669
DAC Involvement Activities	\$ 938,570
DAC Implementation Projects ^(C)	\$ 774,099
Total Allocation	\$ 7,963,912

^(A) The planning grant application, as approved by the Board on September 20, 2016, was awarded on February 2, 2017.

^(B) The implementation grant solicitation is scheduled for early 2018.

^(C) DAC implementation projects would be submitted as part of the implementation grant solicitation.

¹ The six IRWM Regions in the CCFA are Santa Cruz, Pajaro River Watershed, Greater Monterey County, Monterey Peninsula, San Luis Obispo and Santa Barbara.

² Regional Water Management Group means a group in which three or more local agencies, at least two of which have a statutory authority over water supply or water management, as well as those persons who may be necessary for the development and implementation of an IRWM Plan that meets the requirements in Water Code §10540 and §10541.

DAC Involvement Activity Grant Program

In July 2016, DWR released the IRWM Grant Program Request for Proposals (RFP) for the Proposition 1 DAC Involvement Program. The program was established to ensure involvement of DACs³, economically distressed areas⁴ (EDAs), or underrepresented communities [collectively referred to as DACs] in IRWM planning efforts with the purpose to support the following objectives:

1. Work collaboratively to involve DACs, community-based organizations, and stakeholders in planning efforts to ensure balanced access and opportunity for participation in the IRWM planning process.
2. Increase the understanding, and where necessary, identify the water management needs of DACs on a funding area basis.
3. Develop strategies and long-term solutions that appropriately address the identified DAC water management needs.

DWR requires that a single non-competitive proposal be submitted by an applicant selected by the funding area representatives and stakeholders. The attached resolution authorizes the Director of Public Works to submit a letter to the State in support of the selection of the funding area applicant as required by the grant guidelines, and to submit a proposal to the applicant for grant funding.

Activity Selection Process

On May 4, 2016, a local solicitation for abstracts was opened for involvement activities that directly benefit DACs in San Luis Obispo County and are eligible for DAC funds per grant guidelines. Abstracts were received from Oceano Community Services District (CSD), San Simeon CSD, San Miguel CSD, City of Grover Beach, and City of San Luis Obispo. Additionally, District staff recommended that a needs assessment activity be included in the proposal as required by the grant guidelines.

On December 7, 2016, after deliberation via an ad hoc subcommittee, the RWMG approved recommending a list of activities and requested funding of \$938,570 for DAC involvement activities be submitted to the State in response to the State's RFP. The proposed activities, project sponsors, and requested funding are summarized in the table below:

³ Disadvantaged Community – a community with an annual median household income that is less than 80 percent of the Statewide annual median household income (Water Code §79505.5).

⁴ Economically Distressed Area – a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department: (1) financial hardship, (2) unemployment rate at least 2 percent higher than the statewide average, or (3) low population density. (Water Code §79702. (k)).

DAC Involvement Activity ^(A)	Project Sponsor	Requested Funding^{(B)(C)}
San Luis Obispo County IRWM Region Disadvantaged Community Needs Assessment	District	\$ 58,353
Water Resource Reliability Program Phase 2 Pre-Construction Activities	Oceano CSD	\$ 177,750
Turnout Pump Station Design and Water Master Plan Update	City of Grover Beach	\$ 177,750
Water Resource Recovery Facility Project Value Engineering at 60% Design	City of San Luis Obispo	\$ 78,125
Reservoir Expansion Project Development Activities and Water Master Plan Update	San Simeon CSD	\$ 177,750
Wastewater Plant Upgrade Study and Recharge Basin Study	San Miguel CSD	\$ 177,750
San Luis Obispo County IRWM Region Grant Administration	District	\$ 20,700
Funding Area Grant Administration	CCFA Applicant	\$ 70,392
TOTAL DAC INVOLVEMENT PROPOSAL		\$ 938,570

^(A) Staff and project sponsors are refining the scope of work details.

^(B) Subject to modification as Staff refines grant administration costs, detailed scopes of work and estimates of related costs.

^(C) There is no minimum Local Cost Share required for DAC Involvement activities.

OTHER AGENCY INVOLVEMENT/IMPACT

RWMG members participate in IRWM work efforts via presentations to the Water Resources Advisory Committee (WRAC). The RWMG seeks the WRAC's input and support at key decision points including grant applications. DWR and the Regional Water Quality Control Board are notified of all IRWM efforts. The State agency responsible for reviewing the Region's IRWM Plan and grant applications is DWR.

County Counsel has reviewed the resolution as to legal form and effect.

FINANCIAL CONSIDERATIONS

This action addresses \$938,570 of the \$7,963,912 above cited grant funding per the MOA participation in the San Luis Obispo County IRWM Region.

District staffing efforts towards the IRWM program, including the grant application process, are already budgeted in the Flood Control and Water Conservation District (Fund 1300000000).

If awarded grant funding, staff will return to your Board for any necessary budget adjustments to appropriate the grant funds.

RESULTS

Submittal of the proposal for the Proposition 1 IRWM DAC Involvement RFP would result in increasing the understanding of the water-related needs of our region's disadvantaged and underrepresented communities, increasing support for their participation in the IRWM planning process, and developing appropriate solutions to address the critical water management needs throughout the County.

Approval of the recommended action will allow the submittal of a grant application and execution of a grant agreement for DAC Involvement grant funding to provide, if awarded, actions and activities to increase the understanding of the water management needs and to develop appropriate solutions that address those critical needs for disadvantaged and underrepresented communities, thereby contributing to a healthy, livable, and prosperous community.

ATTACHMENTS

1. Vicinity Map
2. Summary of Funds Available to Each Planning Region (less DWR fees)
3. Resolution Authorizing the Director of Public Works, or designee, to Prepare and Submit a Letter of Support for the Applicant Selected by the Regional Water Management Groups within the Central Coast Funding Area to Apply for a Funding Area-Wide Proposal

File: 900.49.01

Reference: 17MAR21-C-10

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