Integrated Regional Water Management (IRWM) planning is a collaborative way to develop water supply reliability, improve water quality, and protect natural resources. The Statewide IRWM Program is supported by Proposition 50 (2002), Proposition 84 (2006), and Proposition 1 (2014), all of which provide bond funding via the California Department of Water Resources (DWR) for local projects that improve water management.

DWR has announced a round of funding that will take place in 2016 for planning activities that are specific to disadvantaged communities (DACs), economically distressed areas (EDAs), or underrepresented communities (see figure on following page). For this round of funding, $5,250,000 is available to the San Diego Funding Area. Allocation of these funds between the San Diego, Upper Santa Margarita, and South Orange County IRWM Regions is still under consideration.

This Project Guide explains the San Diego IRWM Program’s process for selecting projects for the DAC Planning Grants. Projects must be submitted by May 18, 2016 – see “How to Submit Projects” below.

San Diego IRWM Program

The San Diego IRWM Program began in 2005, and since then has achieved remarkable success! San Diego published its first IRWM Plan in 2007 and has been awarded, thus far, $96 million in state grant funding. Adoption of the 2013 San Diego IRWM Plan made the Region eligible for the future rounds of DWR funding. The 2013 San Diego IRWM Plan (available at www.sdirwmp.org) provides a mechanism for coordinating, refining, and integrating projects within a comprehensive, regional context and provides a foundation for future IRWM planning and implementation activities in the region.

Stakeholder involvement is an essential element of IRWM planning. To date, the IRWM program has made significant efforts to identify and engage key stakeholders. A Regional Advisory Committee (RAC) was established to assist in the development and implementation of the San Diego IRWM Plan prioritization of projects and integration of water activities within a region. The RAC also helps foster cooperation among agencies and non-government organizations. The RAC, which consists of 36 members with expertise in water supply, wastewater, recycled water, stormwater and urban runoff, natural resources, and environmental stewardship, continues to play a critical role in shaping key elements of the San Diego IRWM program.

Upcoming Workshops

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Time</th>
<th>Location</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>RAC Meeting – DAC Funding Announcement</td>
<td>Wednesday April 6, 2016</td>
<td>9:00 a.m. – 11:30 a.m.</td>
<td>San Diego County Water Authority 4677 Overland Avenue, San Diego, CA 92123</td>
<td>Attend the workshop learn more about the DAC Planning Grant solicitation and scoring criteria.</td>
</tr>
<tr>
<td>DAC Project Concept Workshop</td>
<td>Tuesday April 19, 2016</td>
<td>9:00 a.m. – 10:30 a.m.</td>
<td>San Diego County Water Authority 4677 Overland Avenue, San Diego, CA 92123</td>
<td>Attend the workshop to discuss your project and learn how to increase your project’s competitiveness!</td>
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</tbody>
</table>
Purpose of Guide/Contact Information

The purpose of this Project Guide is to provide local agencies, watershed groups, and community leaders with the information necessary to develop and submit integrated, multi-benefit water resource projects for the upcoming DAC Planning Grant funding cycle. If you have any questions about the upcoming Proposition 1 grant cycle or the San Diego IRWM project submittal process, please contact Mark Stadler (MStadler@sdcwa.org or 858-522-6735) or Rosalyn Prickett (rprickett@rmcwater.com or 858-875-7420).

Proposition 1 Grant Opportunity

DWR recently issued a draft Request for Proposals (RFP) for a new round of funding for DAC Planning Grants (available at http://www.water.ca.gov/irwm/grants/p1_dac_involvement.cfm). Note that IRWM grant applications are to be prepared by the San Diego IRWM Program as a regional suite of projects.

The DAC Planning Grant funding is the first round of IRWM funding being released through Proposition 1. On a whole, Proposition 1 authorized $510 million for State’s IRWM grant program, of which $38 million is allocated for the San Diego IRWM region under a funding agreement with our neighboring IRWM regions. The DAC Planning Grant funding, for which applications are currently being solicited, will make between $3-5 million available for integrated water resource projects in the San Diego region.

How to Submit Projects

The San Diego IRWM region is now accepting projects that contribute to our mission – “the protection, management, and development of reliable and sustainable water resources” and will also benefit DACs, EDAs, or underrepresented communities. Stakeholders may submit water management projects that benefit DACs or underrepresented communities using a concept form that is available online. The San Diego IRWM Program will host a Project Concept Workshop on April 19th to help project sponsors understand the DAC Planning Grant solicitation, and discuss project concepts.

San Diego IRWM DAC Project Concept Form

Download here: http://sdirwmp.org/grant-opportunities

Email Concept Form to sdirwmp@rmcwater.com by May 18, 2016

Contact Sally Johnson (sjohnson@rmcwater.com, (858) 875-7427) with questions

DAC Project Concept Workshop

Tuesday April 19, 2016
9:00 a.m. – 10:30 a.m.
San Diego County Water Authority
4677 Overland Avenue, San Diego, CA 92123

Eligible Projects

In the San Diego region, the priority for this funding is to fund project development activities that will lead to competitive, fundable projects that will leverage implementation grant funding. Completion of planning, design, engineering, and environmental activities that support future capital projects are the priority for this funding opportunity.

The project development activities must address DAC issues identified in the 2013 San Diego IRWM Plan for either urban or rural DACs, as outlined in the table below. Please note that this funding is can also be used to fund projects that address the water-related needs of “underrepresented communities”, such as tribes. For additional details about the San Diego region, please refer to the San Diego IRWM Plan, available online: http://www.sdirwmp.org/2013-irwm-plan-update
Urban DAC Issues/Needs
- Flooding
  - Inadequate facilities
  - Impervious surfaces
  - Vegetation overgrowth
  - Pollution (trash)
- Poor surface water quality
- Illegal dumping and trash
- High volume surface runoff
- Water pricing
- Lack of recreational spaces
- Education and outreach
- Financial and technical resources

Rural DAC Issues/Needs
- Access to safe and reliable drinking water
  - Water quality
  - Operational issues
- Groundwater contamination
- Backup/alternative water supplies
- Illegal dumping and trash
- Deteriorating collection and distribution systems
- Septic system issues
- Wildfire risks
- Education and outreach
- Financial and technical resources

IRWM Project Scoring

For the DAC Planning Grant funding, projects must benefit DACs, EDAs, or underrepresented communities to be considered. Eligible projects must also contribute to IRWM Plan Objectives A and B and one additional objective. Chapter 2 of the 2013 IRWM Plan (available at http://sdirwmp.org/2013-irwm-plan-update) outlines San Diego’s regional objectives. Chapter 9 of the 2013 IRWM Plan (see Table 9-1; available at http://sdirwmp.org/2013-irwm-plan-update) contains a description of the project scoring process that will be used to rank the submitted projects prior to grant application(s). The prioritization process results in a list of Tier 1 projects that help to achieve the IRWM Plan objectives. The grant application package(s) are then determined through further review and vetting of the Tier 1 project list, including an interview with top project sponsors prior to finalization of project package.

Eligibility Requirements

In order to be eligible, the following must apply:

- **Project Sponsor:** must be a local public agency, a non-profit organization with 501(c)(3) status, a public utility, a Federally-recognized Indian tribe, a State Indian tribe listed on the Native American Commission’s Tribal Consultation list, or a Mutual Water Company.

- **IRWM Plan:** all project sponsors must have adopted or be willing to adopt the 2013 San Diego IRWM Plan before grant funding can be awarded.

- **Project Benefits:** must benefit a DAC, EDA, or underrepresented community.

- **Project Type:** project must address a DAC issue identified in the 2013 San Diego IRWM Plan, and must constitute project development activities that will lead to competitive, fundable projects that will leverage implementation funding.

- **Funding Match:** there is no funding match requirement for the DAC Planning Grant funds.

Public agencies that apply for funds must be in compliance with various requirements to be eligible:

- **Urban Water Management Plan (UWMP) Compliance:** Urban water suppliers subject to the Urban Water Management Planning Act (CWC §10610 et seq.) must have completed and submitted a 2010 UWMP and received DWR approval for the UWMP to be eligible for IRWM grant funding.

- **AB 1420 Compliance:** Water management grants to urban water suppliers are conditioned on implementation of the Best Management Practices (BMPs) in the California Urban Water Conservation Council MOU (available at http://www.cuwcc.org/mou-main-page.aspx) and submittal of necessary documentation to DWR’s Water Use and Efficiency Branch.
• **Groundwater Management Plan (GWMP) Compliance:** For groundwater management and recharge projects, the grant recipient or partners must demonstrate that they have prepared and implemented a GWMP or other basin-wide management plan that meets the requirements of CWC §10753.7 or that they conform to the requirements of an adjudication of water rights in the subject groundwater basin.

• **California Statewide Groundwater Elevation Monitoring (CASGEM) Compliance:** DWR has prioritized groundwater basins throughout the state via the CASGEM Program (available at [http://www.water.ca.gov/groundwater/casgem/](http://www.water.ca.gov/groundwater/casgem/)). Project sponsors must be compliant with the monitoring requirements under the CASGEM Program.

### Contracting and Grant-Related Requirements

The following requirements are anticipated based on DWR’s 2016 IRWM Guidelines, as well as local experience during previous IRWM grant contract processing and contract compliance administration.

**Contract Execution Conditions** – Grant contract execution conditions must be met before DWR will execute a grant funding contract. These conditions are in addition to requirements that must be met on an ongoing basis to maintain grant funding eligibility or must be met prior to disbursement of grant funds. The requirements are due typically within 30-60 days of the award notification and include, but are not limited to, the project sponsor’s most recent three years of audited financial statements.

**Grant Contract Process** – Execution of the grant contract may take between 6-8 months and one year to complete. While grant recipients may incur costs eligible for grant reimbursement as soon as the grant award confirmation letter is received, they will be responsible for covering all project costs until a grant contract is executed between DWR, Water Authority, and the project sponsor.

**Ineligible Project Costs** – IRWM grant funding is typically paid on a reimbursement basis for project costs already spent by the project sponsor. Reimbursable costs may not include: application preparation costs for funding opportunities, meals not directly related to travel, and payment of stipends. The reimbursement process may not occur if the project is eligible for advanced funding – to be eligible for advanced funding the project sponsor must be a DAC or non-profit organization, and the total grant award must be less than $1M in IRWM funds.

**Insurance** – Grant recipients are required to obtain and maintain sufficient insurance as determined by the Water Authority, as grantee, throughout the duration of the project.

**Local Project Sponsor Agreement** – Funding requirements from the contract between DWR and Water Authority will be passed through to the project sponsors via the Local Project Sponsor (LPS) Agreement.

**Post-Performance Reporting** – A project’s Post Performance Report must be submitted annually for a total of 10 years after the conclusion of the project’s first operating year.

**Retention** – For each project, DWR will withhold a minimum of 5% of the funds requested for grant reimbursement until the project is completed and the grant recipient has met DWR’s funding requirements. 5% retention will be withheld through 2018 and 10% will be withheld afterward.

**Sample Contract Templates** – To see a sample of grant agreement templates for active Proposition 84 grant programs containing general provisions and other requirements, please check DWR’s IRWM website ([http://www.water.ca.gov/irwm/grants/resources_contracttemp.cfm](http://www.water.ca.gov/irwm/grants/resources_contracttemp.cfm)). Please review existing templates for an understanding of responsibilities for grant recipient and project proponents.

**State and Local Auditing Requirements** – During and after project completion, an audit may be performed either by the State or by Water Authority staff. Sample contract templates show a list of minimum materials that will need to be maintained for auditing purposes.