



Project Guide for Proposition 1 - Round 2

May 2022

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 to the California Department of Water Resources (DWR) to fund competitive grants for local projects that improve water resources management.

DWR has announced draft guidelines for the Round 2 of IRWM grant funding under Proposition 1, which allocates approximately \$4 million to the Coachella Valley IRWM Region. This Project Guide explains the Coachella Valley IRWM Program’s process for selecting projects. Projects must be submitted by May 20, 2022 to be considered for this funding opportunity – see “How to Submit Projects” below for more information.

Key Requirements: Projects must address critical statewide needs, be consistent with Statewide Priorities, and be completed by December 31, 2027.

For more information, please refer to the Draft 2022 Proposal Solicitation Package and Guidelines (<https://water.ca.gov/Work-With-Us/Grants-And-Loans/IRWM-Grant-Programs/Proposition-1/Implementation-Grants>)

Coachella Valley IRWM Program

The Coachella Valley IRWM is led by the Coachella Valley Regional Water Management Group (CVRWMG), whose purpose is to foster collaboration among water resource managers, develop and implement the IRWM Plan, and to enable the Coachella Valley Region to apply for grants tied to DWR’s IRWM Program. Coachella Valley published its first IRWM Plan in 2010 and since then has achieved remarkable success! To date, the Region has been awarded approximately \$25 million in state grant funding to disburse through the Program. IRWM stakeholders, working in an inclusive, transparent process, updated the 2010 plan in 2014 and again in 2018 to incorporate changes in regional water management needs and adhere to new state requirements.

Upcoming Workshops
<p>Planning Partners Workshop #2 June 2022</p> <p><i>Attend the workshop to review and comment on draft project scores!</i></p>

The 2018 Coachella Valley IRWM and Stormwater Resource (SWR) Plan (available at <http://www.cvrwmg.org/irwm/irwm-plan/>) 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. The plan outlines both the scoring criteria and project selection process.

Stakeholder involvement is an essential element of IRWM planning. To date, the IRWM program has made significant efforts to identify and engage key stakeholders. The Coachella Valley IRWM Program is supported by the Planning Partners, who serve an advisory role to the CVRWMG for IRWM Program activities. The Planning Partners include representatives from various governments and organizations including local cities

Stakeholder involvement is an essential element of IRWM planning. To date, the IRWM program has made significant efforts to identify and engage key stakeholders. The Coachella Valley IRWM Program is supported by the Planning Partners, who serve an advisory role to the CVRWMG for IRWM Program activities. The Planning Partners include representatives from various governments and organizations including local cities

and communities, the County of Riverside, Tribal governments, regulatory agencies, and other local water management stakeholders.

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 IRWM grant funding cycle. If you have any questions about the upcoming Proposition 1, Round 2 grant cycle or the Coachella Valley IRWM project submittal process, please contact Ivory Reyburn (ireyburn@cvwd.org or 760-398-2661 ext 2200) or Katie Evans (kevans@woodardcurran.com or 858-875-7415).

Proposition 1 Grant Opportunity

DWR has issued a *Draft 2022 Proposal Solicitation Package (PSP)* for Round 2 of Proposition 1 IRWM grant funding (available at <https://water.ca.gov/Work-With-Us/Grants-And-Loans/IRWM-Grant-Programs/Proposition-1/Implementation-Grants>). Final PSP release is pending but is expected by the end of April 2022. The information in this Project Guide is subject to change based on the Final Guidelines and PSP. Note that IRWM grant applications are to be prepared by the Coachella Valley IRWM program as a regional suite of projects submitted to the DWR. Therefore, projects must be submitted to the Coachella Valley IRWM Program’s local project selection process.

Proposition 1 authorized \$510 million for the State’s IRWM grant program, of which \$22.5 million is allocated for the Colorado River Funding Area, which encompasses the Coachella Valley IRWM Region. Ten percent of the grant funding available for implementation projects is reserved for projects serving disadvantaged communities (DACs). Under a funding agreement with our neighboring IRWM regions in the Colorado River Funding Area, the Coachella Valley IRWM Region is allocated approximately \$4 million for integrated resource projects and grant administration for Round 2 of grant funding.

How to Submit Projects

The Coachella Valley IRWM region is now accepting projects that address the water resources planning needs of the Region. Stakeholders may submit water management projects using our online Project Database ([OPTI](#)). If you do not have an OPTI account, you may create one by filling out the required fields under “*Sign up for OPTI.*” After signing into the Project Database, please click on “Profile” to open your profile information. Fill out all required fields and click the “*Become a Community Member*” button at the bottom of the window. You will receive an email within 2-3 business days when your request has been authorized.

Our interactive database allows local project sponsors to log-in and add, revise, and submit their project information, as well as view all other submitted projects. Projects may be submitted at any time for inclusion within the Coachella Valley IRWM Plan. To maximize your experience submitting a project to the database, we recommend that you print out a blank database form (available upon request via email) and fill out your information in a Word document before copying and pasting this information into the database. This will help ensure that any project information you put together does not get lost.

If you would like to edit or re-submit an existing project and are having trouble logging in to the Project Database, please contact Arthella Vallarta (MVallarta@woodardcurran.com or 213-223-9463) with the Project ID and Project Title – she will transfer the project to your log-in account or help you with any technical difficulties you may be experiencing.

Eligible Projects

DWR has defined the types of projects that are eligible for IRWM funding. Projects considered for funding must contain one or more of the following elements:

1. Water reuse and recycling for non-potable reuse and direct and indirect potable reuse
2. Water-use efficiency and water conservation
3. Local and regional surface and underground water storage, including groundwater aquifer cleanup or recharge project
4. Regional water conveyance facilities that improve integration of separate water systems
5. Watershed protection, restoration, and management projects, including projects that reduce the risk of wildfire or improve water supply reliability
6. Stormwater resource management, including, but not limited to, the following:
 - a. Projects to reduce, manage, treat, or capture rainwater or stormwater
 - b. Projects that provide multiple benefits such as water quality, water supply, flood control, or open space
 - c. Decision support tools that evaluate the benefits and costs of multi-benefit stormwater projects
 - d. Projects to implement a stormwater resource plan developed in accordance with Part 2.3 of Division 6
7. Conjunctive use of surface and groundwater storage facilities
8. Water desalination projects
9. Decision support tools to model regional water management strategies to account for climate change and other changes in regional demand and supply projections
10. Improvement of water quality, including drinking water treatment and distribution, groundwater and aquifer remediation, matching water quality to water use, wastewater treatment, water pollution prevention, and management of urban and agricultural runoff

Regional projects or programs as defined by the IRWM Planning Act

The [IRWM Planning Act](#) defines qualified projects or programs as “regional projects or programs that improve source water quality, improve drinking water quality, provide flood protection, improve levee stability, provide water supply reliability, increase agricultural, domestic, or environmental water supply, improve the quality or quantity of groundwater, protect watersheds for the purposes of improving water quality or water quantity, or undertake environmental mitigation, restoration, or enhancement.

IRWM Project Scoring

For the second round of Proposition 1 grant funding, projects must have at least two quantifiable water resource benefits to be considered. Projects will be evaluated and scored in accordance with the Project Scoring Criteria included in the 2018 Coachella Valley IRWM and SWR Plan Update. A copy of the scoring criteria is attached here.

Chapter 6 of the 2018 IRWM and SWR Plan (available at <http://www.cvrwmg.org/irwm/irwm-plan/>) outlines Coachella Valley’s regional objectives. Chapter 9 of the 2018 IRWM and SWR Plan (see Table 9-1) 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.

The prioritization process is intended to be a transparent method that encourages the development and submittal of projects that are best suited to meeting the priorities of the Region. Project scoring was developed to rate projects on their ability to address the following priorities:

- optimizes water supply reliability
- protects or improves water quality
- manages flood risks
- optimizes conjunctive use of surface and groundwater supplies
- directly benefits disadvantaged communities
- maximizes stakeholder involvement and stewardship in water resource management

Projects with robust on-the-ground capital improvements tend to be those that fare well within DWR’s scoring system. The Coachella Valley IRWM region will take a project’s quantitative benefits into consideration as part of the selection process for Proposition 1 funds.

Planning Partners Meeting

The Coachella Valley IRWM Program will host a Planning Partners Meeting in June, to discuss the results of the numerical project scoring process and solicit public input on project priorities. Additional information will be emailed to our Planning Partners. If interested, please email CVRWMG@woodardcurran.com to be added to our stakeholder list.

<p><u>Planning Partners Meeting</u></p> <p>June 2022</p> <p><i>Please come prepared to review and comment on draft project scores!</i></p>

Eligibility Requirements

The following eligibility requirements are based on DWR’s Draft IRWM Guidelines and Proposal Solicitation Package (available at <https://water.ca.gov/Work-With-Us/Grants-And-Loans/IRWM-Grant-Programs/Proposition-1/Implementation-Grants>).

Eligible Grant Recipients – Eligible grant recipients are public agencies, public utilities, mutual water companies, non-profit organizations, and tribal governments that are IRWM stakeholders.

Consistency with Adopted IRWM Plan – Any Proposition 1 project must be consistent with the adopted 2018 IRWM and SWR Plan. To be consistent with the IRWM Plan, implementation projects must be added to the IRWM project list through our online Project Database. If selected for inclusion in the Coachella Valley IRWM Program’s grant application, project proponents must adopt the 2018 IRWM and SWR Plan by August 2022.

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 2020 UWMP and received DWR approval for the UWMP to be eligible for IRWM grant funding. If your UWMP was submitted to DWR but is still awaiting DWR approval, please note this in the online project database where indicated. A self-certification form regarding UWMP compliance will be requested only from project sponsors whose projects are selected for inclusion in the Region’s grant application.

SB 555 Compliance – *Urban water suppliers* must self-certify that they have submitted a water loss audit report to DWR in accordance with SB 555, and that DWR has verified such submittal. The self-certification form will be requested only from project sponsors whose projects are selected for inclusion in the Region’s grant application.

Water Metering Compliance – *Urban water suppliers* must self-certify compliance with water metering requirements in CWC §525 et seq. The self-certification form will be requested only from project sponsors whose projects are selected for inclusion in the Region’s grant application.

Surface Water Diverter Compliance – *Surface water diverters* must self-certify that they have submitted their annual surface water diversion reports to the State Water Resources Control Board in compliance with Part 5.1 (commencing with §5100) of Division 2 of the CWC and Chapter 2.7 (commencing with §907) in Title 23. The self-certification form will be requested only from project sponsors whose projects are selected for inclusion in the Region’s grant application.

Groundwater Management Plan (GWMP) Compliance – For projects that directly affect groundwater levels and quality, project sponsors must self-certify that they are compliant with the Sustainable Groundwater Management Act (SGMA), CWC §10720 et seq. Where applicable, projects must have support from the Groundwater Sustainability Agency (GSA) of the impacted groundwater basin. The self-certification form will be requested only from project sponsors whose projects are selected for inclusion in the Region’s grant application.

California Statewide Groundwater Elevation Monitoring (CASGEM) Compliance – DWR has prioritized groundwater basins throughout the state. The CASGEM Program description, along with the basin prioritization information (available at <https://water.ca.gov/Programs/Groundwater-Management/Groundwater-Elevation-Monitoring--CASGEM>). For the high and medium priority basins that do not have a CASGEM monitoring entity, potential grant recipients that match the list of potential monitoring entities identified in CWC §10927, along with the counties whose jurisdictions include unmonitored high and medium priority basins, will not be eligible to receive Proposition 1- Round 1 grant funding (CWC §10933.7(a)). Consistent with CWC §10933.7(b), if the entire service area of the grant applicant or the individual project proponent’s service area is demonstrated to be a DAC, the project will be considered eligible for grant funding notwithstanding CASGEM compliance.

Stormwater Projects included in Stormwater Resource Plan – *Stormwater projects* must self-certify that they are included in a Stormwater Resource Plan. Stormwater projects may be added to the Stormwater Resource Plan by checking the “Coachella Valley Storm Water Resource Plan (SWRP)” box and completing the green tabs labeled “SWRP Project Eligibility” and “SWRP Benefits” in the online project database (in addition to the IRWM project fields). The self-certification form will be requested only from project sponsors whose projects are selected for inclusion in the Region’s grant application.

Contracting and Implementation Requirements

The following requirements are anticipated based on DWR’s Draft 2022 IRWM Guidelines and Proposal Solicitation Package, as well as local experience during previous IRWM grant contract processing and contract compliance administration. Additional items may also be required.

Competitive Bidding and Procurement: Local Project Sponsor (LPS) contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State, via the Water Authority must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the LPS does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services’ *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.

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 days of the award notification. Grant execution conditions may include, but are not limited to:

- Most recent three years of audited financial statements.
- An Environmental Information Form to list project environmental documents

Grant Administration Support Costs - the Coachella Valley Water District Grant Administration Program (GAP) performs necessary grants administration support-services to administer the grant funding from the state, as such, the Water Authority may bill for grant administration costs for projects that extend beyond the original program term date or other unforeseen circumstances.

Grant Contract Processing – Execution of the grant contract may take between six 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 and the Coachella Valley Water District, acting on behalf of the Coachella Valley IRWM Program.

Funding Match – Funding match may include, but is not limited to, federal funds, local funds, and in-kind services or donated services from non-State sources. In-kind or donated services must be fully documented and based on grant contract guidelines.

The required minimum funding match for the second round of Proposition 1 Implementation Grant funding is 50% of total project costs. For projects that address a critical water supply or water quality need for a disadvantaged community, DWR may waive all or a portion of the funding match requirement.

Eligible Project Costs – The Proposition 1 grant funding is paid on a reimbursement basis for project costs already spent by the grant recipient. Advance payment for up to half of the awarded funding may be available for eligible projects benefiting disadvantaged communities. Additional documentation will be required prior to release of advance funding. Reimbursable costs may include costs associated with planning, engineering, design, land and easement, legal, mitigation, and administration. Operations and Maintenance (O&M) costs are not eligible for reimbursement. Travel is an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes. Only ground transportation and lodging are eligible for grant reimbursement; per diem costs will not be eligible for grant reimbursement. DWR approval is required prior to travel outside of the IRWM region

Eligibility dates for the second round of Proposition 1 (2022 Grant Solicitation):

- Funding Match - costs incurred after January 1, 2015 may be considered as funding match.
- Reimbursable Costs - costs incurred after Final Award date are eligible for reimbursement.

Costs incurred that are considered eligible project costs, adequately supported and have sufficient evidence of payment, as determined by DWR, will be reimbursed.

Environmental Documentation – All applicable activities funded under the IRWM program must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 *et seq.*), or with National Environmental Policy Act (NEPA) either before or as part of the proposed work plan. A DWR concurrence on the project’s environmental compliance documents must be obtained prior to starting construction or implementation work. A project sponsor should determine the lead agency for the project requiring CEQA or NEPA and submit appropriate documentation for State concurrence prior to start of construction or implementation work. Grant funds will not be disbursed until State concurrence is obtained.

PRC 75102 required lead agencies to notify tribal entities prior to adoption of Negative Declarations or Environmental Impact Reports (EIRs) if traditional tribal lands are within the area of proposed project.

The CEQA lead agency is required to consider project effects on tribal cultural resources and to conduct consultation with California Native American Tribes.

Insurance – Local Project Sponsors are required to obtain and maintain sufficient insurance and bonds as determined by the Water Authority throughout the duration of the project.

Labor Compliance Program – Any grant recipient financing a public works project must agree to comply with applicable California Labor Code requirements, including prevailing wage provisions.

At the Water Authority’s or the State’s request, the project sponsor must promptly provide written evidence of project compliance with labor compliance requirements.

Please visit <http://www.dir.ca.gov/Public-Works/PublicWorksEnforcement.html> for more information about the State’s labor compliance requirements and other information. Applicants may seek legal counsel regarding California Labor Code Compliance.

Local Project Sponsor Agreement – Most funding requirements from the contract between DWR and the Water Authority will be passed through to the project sponsors via the Local Project Sponsor (LPS) Agreement. Additional Water Authority requirements will also be included as deemed necessary, such as insurance and bonds coverage, additional grant administration support services costs, etc.

Post-Performance Reporting – A project’s Post Performance Report must be submitted annually for a total of 3 years after the conclusion of the project’s first operating year.

Retention – For each project, DWR will withhold 10% of the funds requested for grant reimbursement until the project is completed and the grant recipient has met DWR’s funding requirements.

Sample Contract Templates –At the time of this writing, Proposition 1, Round 2 grant agreement templates were not yet available online. These templates are anticipated to become available shortly after release of the Final 2022 PSP and Guidelines. Potential project sponsors are encouraged to review agreement templates once available.

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.

Table 9-1: Scoring Criteria for IRWM Grant Opportunities

Component	Criterion	Scoring Procedure ¹	Points Assigned	Weighting	Sub-total
1. Principles of IRWM Planning	A. Addresses Multiple IRWM Plan Objectives	Score based on # of objectives addressed	4+ objectives = 20 pts 3 objectives = 15 pts 2 objectives = 10 pts 1 objective = 5 pts	11%	70
	B. Integrates Multiple Resource Management Strategies	Score based on # of strategies employed	8+ strategies = 20 pts 6-7 strategies = 15 pts 4-5 strategies = 10 pts 2-3 strategies = 5 pts	11%	
	C. Addresses a Statewide Priority	Score is based on Yes/No response	Yes = 10 pts No = 0 pts	6%	
	D. Linked to Other Projects	Score is based on Yes/No response	Yes = 10 pts No = 0 pts	6%	
	E. Involves More than One Partner	Score is based on Yes/No response	Yes = 10 pts No = 0 pts	6%	
2. Priorities of the Coachella Valley	A. Optimizes Water Supply Reliability	Score is based on Yes/No response	Yes = 20 pts No = 0 pts	9%	120
	B. Protects or Improves Water Quality	Score is based on Yes/No response	Yes = 20 pts No = 0 pts	9%	
	C. Manages Flood Risks	Score is based on Yes/No response	Yes = 20 pts No = 0 pts	9%	
	D. Optimizes Conjunctive Use of Surface and Groundwater Supplies	Score is based on Yes/No response	Yes = 20 pts No = 0 pts	9%	
	E. Directly Benefits Disadvantaged Communities	Score is based on Yes/No response	Yes = 20 pts No = 0 pts	9%	
	F. Maximizes stakeholder involvement and stewardship in water resource management*	Score is based on Yes/No response	Yes = 20 pts No = 0 pts	9%	
3. Project Feasibility	A. Identified in Existing Plan	Score is based on Yes/No response	Yes = 10 pts No = 0 pts	6%	10
Total					200

1. New prioritization criterion based on input received by stakeholders on Objective J (refer to *Chapter 6, Objectives* for more information)

Coachella Valley IRWM Plan Objectives

from the 2018 Coachella IRWM and Stormwater Resource Plan

Refer to Chapter 6 of the 2018 Coachella Valley IRWM and SWR Plan for further details about each objective, including the targets and metrics for each objective. Download the document:

<http://www.cvrwmg.org/irwm/irwm-plan/>

- **Objective A: Provide reliable water supply for residential and commercial, agricultural community, and tourism needs.**
- **Objective B: Manage groundwater levels to reduce overdraft, manage perched water, and minimize subsidence.**
- **Objective C: Secure reliable imported water supply, including restoring/improving reliability of State Water Project supply and securing other imported water supplies.**
- **Objective D: Maximize local supply opportunities, including water conservation, water recycling and source substitution and capture infiltration of runoff.**
- **Objective E: Protect groundwater quality and improve, where feasible.**
- **Objective F: Preserve and improve surface water quality by maintaining integrity of agricultural drainage systems, protecting the quality of natural runoff used for potable supply, and reducing pollution in stormwater runoff.**
- **Objective G: Preserve the water-related local environment and restore, where feasible.**
- **Objective H: Manage flood risks, including current acute needs and needs for future development.**
- **Objective I: Optimize conjunctive use of available water resources.**
- **Objective J: Maximize stakeholder involvement and stewardship in water resource management.**
- **Objective K: Address water-related needs of local Native American culture.**
- **Objective L: Address water and sanitation needs of disadvantaged communities, including those in remote areas.**
- **Objective M: Maintain affordability of Water.**