

**SANTA YNEZ
COMMUNITY SERVICES DISTRICT
STAFF REPORT**

TO: BOARD OF DIRECTORS

PREPARED BY: Jeff Hodge, General Manager

FOR: REGULAR BOARD MEETING

DATE: April 18, 2018

ITEM: Integrated Water Management Plan (IRWM) Program: Consider approving Memorandum of Understanding (MOU) with Santa Barbara County.

SUMMARY: The IRWM Program allows for assistance for programs to help water infrastructure systems, provides regional water self-reliance and water supply reliability and provides incentives for collaboration to manage water resources and set regional priorities for water infrastructure. This program is a regional program to coordinate and promote working collaboratively with participating agencies to explore and obtain grant and traditional funding for the projects. Projects on the IRWM master list are given weighted preferential treatment by the funding agencies. Many of newly created funding sources require the project to be listed on the IRWM master project list. The possible projects are but not limited too; septic to sewer conversion for West Santa Ynez, scalping plants, reuse water plants, storm water capture and clean up and other reuse recharge projects. The cost to the District would be \$707.00

RECOMMENDATION: Approve a Memorandum of Understanding (MOU) to participate in the Statewide and Countywide Integrated Regional Water Management (IRWM) Program in Santa Barbara County.

ATTACHMENTS:

Agency participation list and cost
IRWM Description and Background
Memorandum of Understanding

IRWM MOU

NAME	FY1617%	CostFY1617	Proposed%	CompCost
Santa Ynez CSD	0.39%	\$ 707	0.40%	\$ 725
Montecito WD	0.61%	\$ 1,107	0.40%	\$ 725
SYRWCD	0.21%	\$ 381	0.40%	\$ 725
City of Buellton	0.41%	\$ 745	0.40%	\$ 725
City of Solvang	0.56%	\$ 1,016	0.65%	\$ 1,178
Vandenberg Village CSD	0.59%	\$ 1,070	0.65%	\$ 1,178
Santa Ynez RWCD ID#1	0.64%	\$ 1,161	0.65%	\$ 1,178
City of Guadalupe	0.68%	\$ 1,234	0.65%	\$ 1,178
City of Carpinteria	0.64%	\$ 1,161	0.65%	\$ 1,178
Carpinteria Valley WD	0.64%	\$ 1,161	0.65%	\$ 1,178
Carpinteria SD	0.64%	\$ 1,156	0.65%	\$ 1,178
Laguna SD	1.79%	\$ 3,247	2.20%	\$ 3,987
City of Goleta	2.17%	\$ 3,937	2.20%	\$ 3,987
Goleta West SD	2.17%	\$ 3,937	2.20%	\$ 3,987
City of Lompoc	4.00%	\$ 7,256	2.20%	\$ 3,987
Goleta Sanitary District	2.17%	\$ 3,937	2.20%	\$ 3,987
Goleta WD	2.17%	\$ 3,937	3.30%	\$ 5,980
City of Santa Barbara	9.64%	\$ 17,470	9.50%	\$ 17,216
City of Santa Maria	9.33%	\$ 16,907	9.50%	\$ 17,216
Entities with shares determined by a non-population formula below this line				
CCWA	2.63%	\$ 4,771	2.65%	\$ 4,802
COMB	2.63%	\$ 4,771	2.65%	\$ 4,802
SBCFCD	5.27%	\$ 9,542	5.25%	\$ 9,514
Heal the Ocean - in kind	0.00%	\$ -	0	\$ -
<small>Water Agency</small>	<small>50.00%</small>	<small>\$ 0.000</small>	<small>50%</small>	<small>\$ 0.000</small>

IRWM Description and Background

On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. The Proposition 1 IRWM Grant Program, administered by Department of Water Resources (DWR), provides funding for projects that:

- Help water infrastructure systems adapt to climate change,
- Provide regional water self-reliance and water supply reliability, and
- Provide incentives for collaboration to manage water resources and set regional priorities for water infrastructure.

Proposition 1 authorized the statewide appropriation of \$510 million in IRWM funding for Implementation, Planning, and Disadvantaged Community Involvement efforts. The six (6) Regions within the Central Coast Funding Area (CCFA) have been allocated a total of \$43 million over the expected appropriation rounds (FY 2017/2018 & FY 2019/2020). The CCFA consists of the following Regional Water Management Groups and IRWM Regions; Santa Barbara County, San Luis Obispo County, Greater Monterey County, Monterey Peninsula/Carmel Bay/South Monterey Bay Santa Cruz County, and Pajaro River Watershed.

The Santa Barbara IRWM Region expects to receive approximately \$6.3M in Proposition 1 Project Implementation Round funding in FY 18/19 or FY 19/20.

Background:

Beginning in September 2006, the County Water Agency has worked with a County-wide group of approximately 29 cities, special districts, water companies, joint powers authorities, and Non-Governmental Organizations (NGOs) to develop the first Integrated Regional Water Management Plan (completed in May 2007). The plan was updated in 2013 and another plan update is expected this year in response to DWR's 2016 IRWM Guidelines.

The Water Agency acts as the single eligible grant recipient responsible for administration of the IRWM Grants. In accordance with the Memorandum of Understanding (MOU) and sub-grant agreements between the Water Agency and Project Proponents, the Water Agency functions as a pass through agency between the State and Proponents. The Water Agency is responsible for organizing and forwarding the required project reporting information to the State and to review and submit claims to the State from each Project Proponent. Project Proponents are then reimbursed once funding is received from the State.

Pursuant to the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Water Code Section 79560 et seq.), on behalf of the 29 Cooperating Partners within the Santa Barbara Area IRWM Region who assisted in the preparation of the IRWM Plan, the Water Agency has applied for and been granted approximately \$32 million in funding for 24 water related projects within the County. These grants included approximately \$27 million for 15 regional water projects through Proposition 50, a \$550,000 Proposition 84 Planning Grant used for the 2013 update of the IRWM Plan, \$3,000,000 for 7 regional water projects through Proposition 84, Round 1, and \$2,000,000 through the Proposition 84 Drought Round.

Memorandum of Understanding (MOU)
To participate in the Statewide and Countywide
Integrated Regional Water Management (IRWM) Program
In Santa Barbara County

- 3.3 Share the costs of IRWM planning, analysis, coordination, and product development through both monetary contributions and staff time/in-kind services. NGOs, as specified herein, meeting certain time commitment requests, will be exempted from the monetary contributions afforded all other members of the Cooperating Partners.
- 3.4 Adopt a regional approach which coordinates water planning across jurisdictional boundaries in Santa Barbara County, sets priorities on a regional basis, and considers issues common to regionally shared watersheds.
- 3.5 Adopt an integrated approach to address the complex inter-relationships across strategies for: water supply, demand management, water quality, source water protection, drought management, flood control, and other water management issues as well as sensitivity to water provision and resources in the context of global climate change.
- 3.6 Consider the State's "program preferences" (as specified in the California Water Code and implementing legislation) as well as "Statewide priorities" (as specified in the IRWM Guidelines) during the IRWM planning process.
- 3.7 Incorporate an appropriate level of scientific watershed assessment information.
- 3.8 Modify the IRWM Plan to continue as an informational "roadmap" toward meeting objectives, but not as a regulatory or enforceable mandate.
- 3.9 Recognize the need for a long-term perspective, which includes monitoring of project and plan implementation.
- 3.10 Provide for adaptive management for future revisions to the IRWM Plan.
- 3.11 Provide for coordination with other IRWM planning efforts in the Central Coast Region.
- 3.12 Provide an inclusive process which seeks involvement from, and opportunities to collaborate with, a wide range of interests including the general public, agriculture, environmental groups, watershed groups, wetlands groups, academic institutions, adjacent region representatives, and non-governmental organizations (NGOs).

4. Scope of an IRWM Plan

The Cooperating Partners understand and accept a final IRWM Plan must consider a range of water management strategies to meet the IRWM Plan's objectives. These strategies must cover certain State-specified categories and may include other categories. Consistent with the State's expected IRWM guidelines, the IRWM Plan must consider strategies that:

- 4.1 Reduce Water Demand
- 4.2 Improve Operational Efficiency & Transfers
- 4.3 Increase Water Supply
- 4.4 Improve Flood Management
- 4.5 Improve Water Quality
- 4.6 Practice Resource Stewardship
- 4.7 Address Climate Change (Reduce and/or minimize any adverse impact to the climate)

As part of its development, the IRWM Plan should consider, but not be limited to, the

State Propositions involving IRWM and informing the Cooperating Partners regarding developments.

The Project Manager will participate in the interagency process involving DWR and/or Central Coast interests relating to the IRWM Program as appropriate. This participation may include review and comment on draft guidelines for PSPs, Guidelines program changes, attendance at DWR workshops and meetings and meetings with other Central Coast Region IRWM planning areas. The Project Manager will keep the Cooperating Partners apprised of relevant issues and developments.

5.2 Cooperating Partners

The Cooperating Partners shall consist of those local government agencies, special districts, and non-governmental organizations (NGOs) within the Santa Barbara County IRWM Region, listed in Appendix A. Appendix A may be revised from time to time to reflect current membership. Cooperating partners' meetings are open to the public. A forum for public comment will be provided at each Cooperating Partners meeting. Decisions by the Cooperating Partners will be based on consensus whenever possible, or, at a minimum, by a vote of a simple majority of all members participating in a meeting, with each entity that is signatory to this MOU having one vote. Cooperating Partners shall participate in regular meetings and take part in decisions pertaining to the IRWM planning process, project finances, consultant selection, revision of the IRWM Plan, and planning grant proposals.

5.3 Stakeholders

Stakeholders shall be defined as all interested parties that are not participating in the process as Cooperating Partners. Stakeholders may fall into the following categories as defined in IRWM legislation: (1) Wholesale and retail water purveyors, including a local agency, mutual water company, or a water corporation as defined in Section 241 of the Public Utilities Code; (2) wastewater agencies; (3) flood control agencies; (4) municipal and county governments and special districts; (5) electrical corporations, as defined in Section 218 of the Public Utilities Code; (6) Native American tribes that have lands within the region; (7) self-supplied water users, including agricultural, industrial, residential, park districts, school districts, colleges and universities, and others; (8) environmental stewardship organizations, including watershed groups, fishing groups, land conservancies, and environmental groups; (9) community organizations, including landowner organizations, taxpayer groups, and recreational interests; (10) industry organizations representing agriculture, developers, and other industries appropriate to the region; (11) State, federal, and regional agencies or universities, with specific responsibilities or knowledge within the region; (12) Disadvantaged Community members and representatives, including environmental justice organizations, neighborhood councils, and social justice organizations; (13) any other interested groups appropriate to the region.

6.2 Financial Management

- 6.2.1 The Agency has established an IRWM Administration account for handling the monetary contributions from those Cooperating Partners responsible for making a financial contribution (Financially Responsible Cooperating Partners). Each Financially Responsible Cooperating Partner shall contribute funds to this IRWM account. Subject to appropriation by the Board of Supervisors, the Agency will contribute 50% of the cost for hiring consultants for IRWM Plan preparation and grant application which may include, but is not limited to, project selection, project management, and administrative support. The Agency will also contribute 50% of the cost of its staff time for project management and administration for general IRWM Plan coordination and grant application. The Cooperating Partners shall reimburse the Agency for the remaining 50% of all of the costs as described above.
- 6.2.2 Financially Responsible Cooperating Partners shall pay their respective contributions to the Agency.
- 6.2.3. Each year the Agency will provide an accounting of the IRWM fund. If funds received are in excess of the cost of actual plan coordination and preparation services, then the Agency will carry forward the balance for use in the next year's IRWM activities. If the IRWM process is completed or terminated, then the Agency will refund monies to Cooperating Partners on a pro-rated basis according to each partner's contribution.
- 6.2.4. If the estimated costs of coordination and plan preparation exceed the funds available to the Agency under this MOU, then the Agency may ask all Cooperating Partners to provide supplemental funds. If individual Partners refuse to provide the supplemental funds, then the shortfall will be spread over the remaining partners on a voluntary basis. If such shortfalls are not made up, then all planning efforts and obligations shall automatically terminate. The planning effort may also be terminated with the concurrence of a majority of the Cooperating Partners.

7. Termination of Participation

Any signatory to the MOU may terminate its participation in this MOU after 30- days' written notification to all other signatories. Any entity terminating participation that later wishes to participate in this MOU shall first make payment of any funding due from such party at the time of its termination, and also pay its share of any expenses for which it otherwise would have been obligated absent such termination, as determined by the Cooperating Partners.

8. Addition of Parties

Entities may join the Proposition 1/IRWM Cooperating Partners by submitting a written request to the Cooperating Partners and receiving their approval following a majority vote of approval. Entities joining the Cooperating Partners will be subject to all of the

In witness whereof, the Cooperating Partners hereto have executed this MOU effective at the time a majority of the parties listed in Appendix A have approved and executed this MOU.

SANTA BARBARA COUNTY WATER AGENCY
SCOTT D. MCGOLPIN
PUBLIC WORKS DIRECTOR
BY: _____

DATE: _____

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

BY: _____
Deputy

APPROVED AS TO INSURANCE:
RAY ARMATORIO, ARM, AIC
RISK PROGRAM ADMINISTRATOR

BY: _____
Risk Management

APPROVE AS TO ACCOUNTING:
THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

BY: _____
Deputy

Appendix A: List of Cooperating Partners

The list below is of potential Cooperating Partners. A final list will be prepared based on the actual signatories to the MOU.

County Agencies:

- Flood Control and Water Conservation District - Santa Barbara County
- Water Agency – Santa Barbara County
- Laguna County Sanitation District – Santa Barbara County

Cities:

- City of Buellton
- City of Carpinteria
- City of Goleta
- City of Guadalupe
- City of Lompoc
- City Santa Barbara
- City of Santa Maria
- City of Solvang

Water Districts:

- Carpinteria Valley Water District
- Goleta Water District
- Montecito Water District
- Santa Ynez River Water Conservation District
- Santa Ynez River Water Conservation District, ID #1

Non Governmental Organizations:

- Heal the Ocean

Sanitary Districts:

- Carpinteria Sanitary District
- Goleta Sanitary District
- Goleta West Sanitary District

Community Services Districts:

- Cuyama Community Services District
- Santa Ynez Community Services District
- Vandenberg Village Community Services District

Joint Powers Agencies:

- Cachuma Operations and Maintenance Board (COMB)
- Central Coast Water Authority (CCWA)

