

Section G. Project Solicitation, Selection, and Prioritization

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Section G. Project¹ Solicitation, Selection and Prioritization

This section documents the project review process and contains the following three components taken from the November 12, 2012 DWR Guidelines (State Guidelines):

1. Procedures for submitting a project to be included in the IRWM Plan
2. Procedures for review of projects to implement the IRWM Plan
3. Procedure for communicating the list(s) of selected projects

Furthermore, the section will specifically answer the following four questions:

1. Who will be responsible for approving the project list?
2. Will each of the projects be reviewed individually for accuracy if they are sorted automatically in a database?
3. Through what mechanism will stakeholders provide input during the submittal, review, selection process to develop the project list?
4. How and when is the list updated and does it require re-adoption of the Plan?

The activities and steps taken in this section are a consolidation of the previous sections and makes use of their intended purposes. The description of a project and how the project elements are viewed from the perspective of the IRWM Plan differs from simply stating the project description. A deliberate breaking apart of the projects (into Project Elements) is outlined in this section to assess individual strengths and weaknesses of projects through with respect to Water Management Strategies, Resource Management Strategies, and satisfying the IRWM Goals and Objectives. The methodology to achieve the IRWM Plan's Project List is explained in the following sections summarized below. The region understands that opportunities and circumstances may require adaptive management of the specific steps included within each of these Tasks.

Project Solicitation, Selection, and Prioritization Methodology – provides a project example and how the IRWM Plan applies an updated approach by breaking the project down into its Project Elements for evaluation.

Task 1 - Concept and Project/Program Solicitation and Scoring – explains the phased process followed in reaching out to the region for initial project concepts, projects underway, and programs under development.

¹ Please note that the term "project," on its own, is used to infer concepts and projects/programs.

Task 2 - Final Evaluation, Notification, and Project Selection of IRWM Projects – incorporates an impartial technical evaluation with stakeholder notification to ensure an open process that stresses accuracy in the project description and a full understanding of the project impacts and benefits.

Appeals Process – explains the appeals process if project sponsors disagree with the findings and project ranking in the Phase 1 process.

Implementation Approach Categories – provides two methods of funding projects within the context of the IRWM Plan making sure all projects have an opportunity for future funding either through local or State/federal grants.

Task 3 - Biennial Project List Update – addresses the issue of keeping the project list current and relevant to the concerns of the region over time.

Future IRWM Implementation Grant Opportunities – explains the process of project selection if a State grant opportunity is provided after IRWM Plan adoption.

G.1 PROJECT CHARACTERIZATION METHODOLOGY

This section describes the updated approach to characterizing projects, and the solicitation and prioritization methodology adopted for purposes of collecting and ranking projects for the Integrated Regional Water Management (IRWM) Plan. The 2013 IRWM Plan differs from the existing 2007 IRWM Plan by moving the focus of its content to Project Elements rather than simply the projects themselves. Project Elements are “building blocks” of region-specific activities derived from a thorough evaluation of the State’s Resource Management Strategies (RMS) (**Section F – Resource Management Strategies**), and applied local Water Management Strategies (WMS), which consist of activities to promote the Goals and Objectives (**Section E – IRWM Goals and Objectives**) of the 2013 IRWM Plan.

G.1.1 Updated Approach to Project Characterization

An example of the “building blocks” concept can be applied to a water conservation project; for example, Reduce Water Demand through Irrigation Efficiency. **Figure G-1** illustrates this concept by showing the “building blocks” of the Irrigation Efficiency project definition starting with how the project elements tie back to the DWR Statewide Objective of Reducing Water Demand. DWR has provided Statewide Objectives and the RMS to further assist the regions in defining their region-specific objectives by providing clear (and preferred) strategies. In the case of reducing water demand, RMS includes agricultural or urban water-use efficiency. The

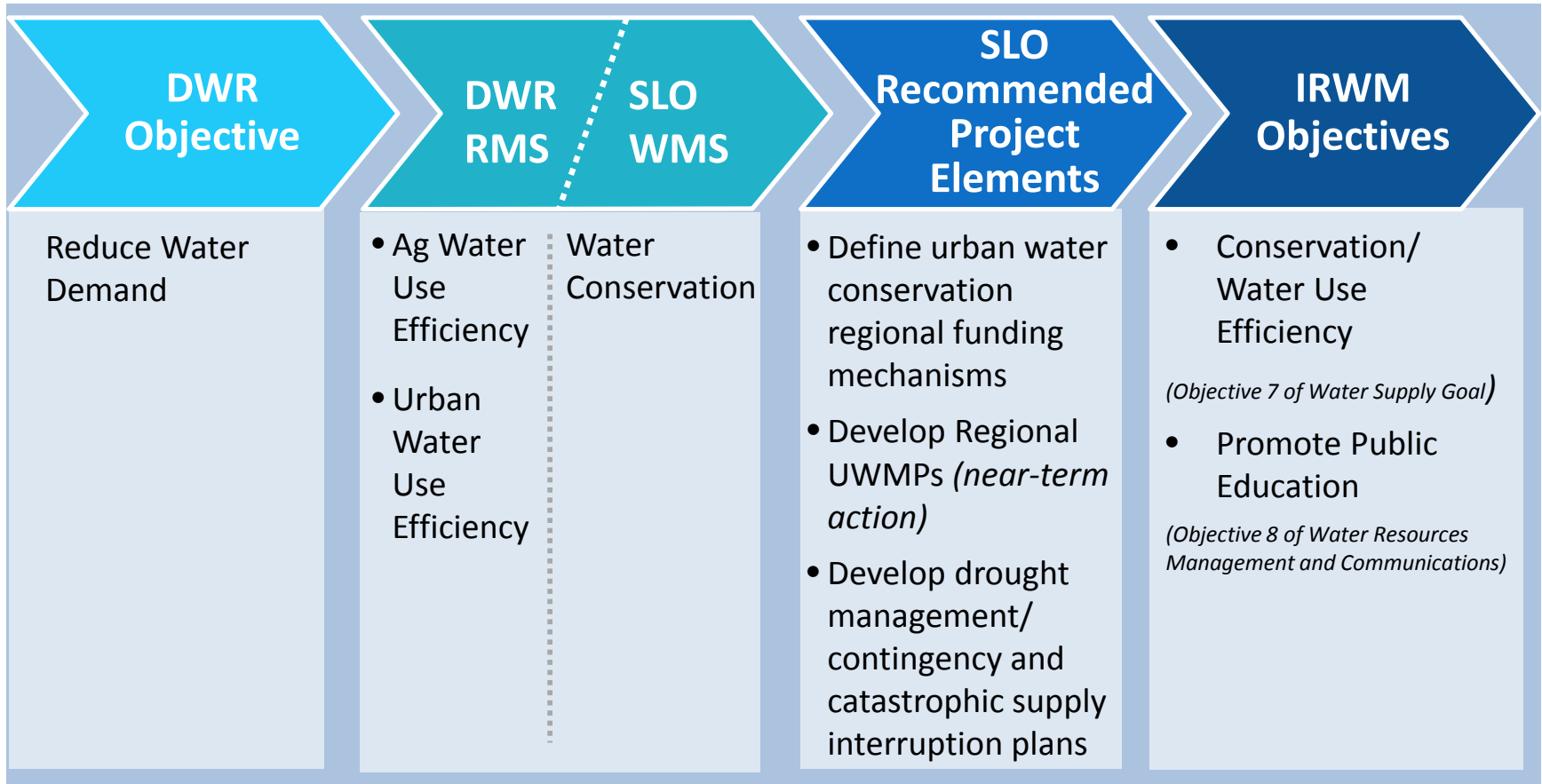


Figure G-1. Project Element (Irrigation Efficiency) Building Blocks

IRWM Plan has taken both the DWR Statewide Objectives and the RMS, and combined them into a single IRWM Plan WMS of Water Conservation (defined as applying across all water-use sectors). Project Elements then become the means to achieving the WMS of water conservation by:

1. Finding a funding mechanism for the project
2. Including the project in a regional IRWM Plan for region-wide implementation
3. Ensuring that any water conservation project is written into drought management and supply interruption plans

In the manner described, the Irrigation Efficiency project is now fully defined by the Project Elements and the project meets the minimum requirement of satisfying two or more of the local IRWM Objectives (i.e., Conservation/Water use Efficiency and Promote Public Education). This change in approach to how projects and programs are characterized and incorporated into the 2013 IRWM Plan ensures that the 2013 IRWM Plan does not become stale as projects are implemented or fall off the list over time from lack of progress or reduced priority.

G.1.2 Project Solicitation Process Outline

The 2013 IRWM Plan provides an easily updated and adaptively managed list of concepts and projects/programs. The Project Solicitation Process includes two phases of solicitation (Phase 1a and Phase 1b), followed by Final Evaluation and Selection and updating of the project list. This general process includes:

- Task 1. Regional Project Solicitation and Review Process
 - a. Phase 1a: Abstract forms (for concepts and projects/programs)
 - b. Phase 1b: Project Objectives Worksheet (for concepts and projects/programs only)
 - c. Phase 2: Project Descriptions (for top ranking projects/programs only)
- Task 2. Final Evaluation, Notification, and Selection of IRWM Projects
- Task 3. Biennial Project List Update (or more often as needed)

Abstract forms, Project Objectives Worksheets, and Phase 2 Long Forms are included in **Appendix G-2 – Abstract forms, Project Objectives Worksheets, and Phase 2 Long Forms**. An overall flowchart of the process is provided in **Figure G-2**. Certain information from the Project Solicitation submittals is used to populate summary discussions in IRWM Plan **Sections J, L, M, and O**. All project abstract forms are included in **Appendix G-3 – Project Abstract Forms**, to ensure that even concepts or low ranking projects/programs are

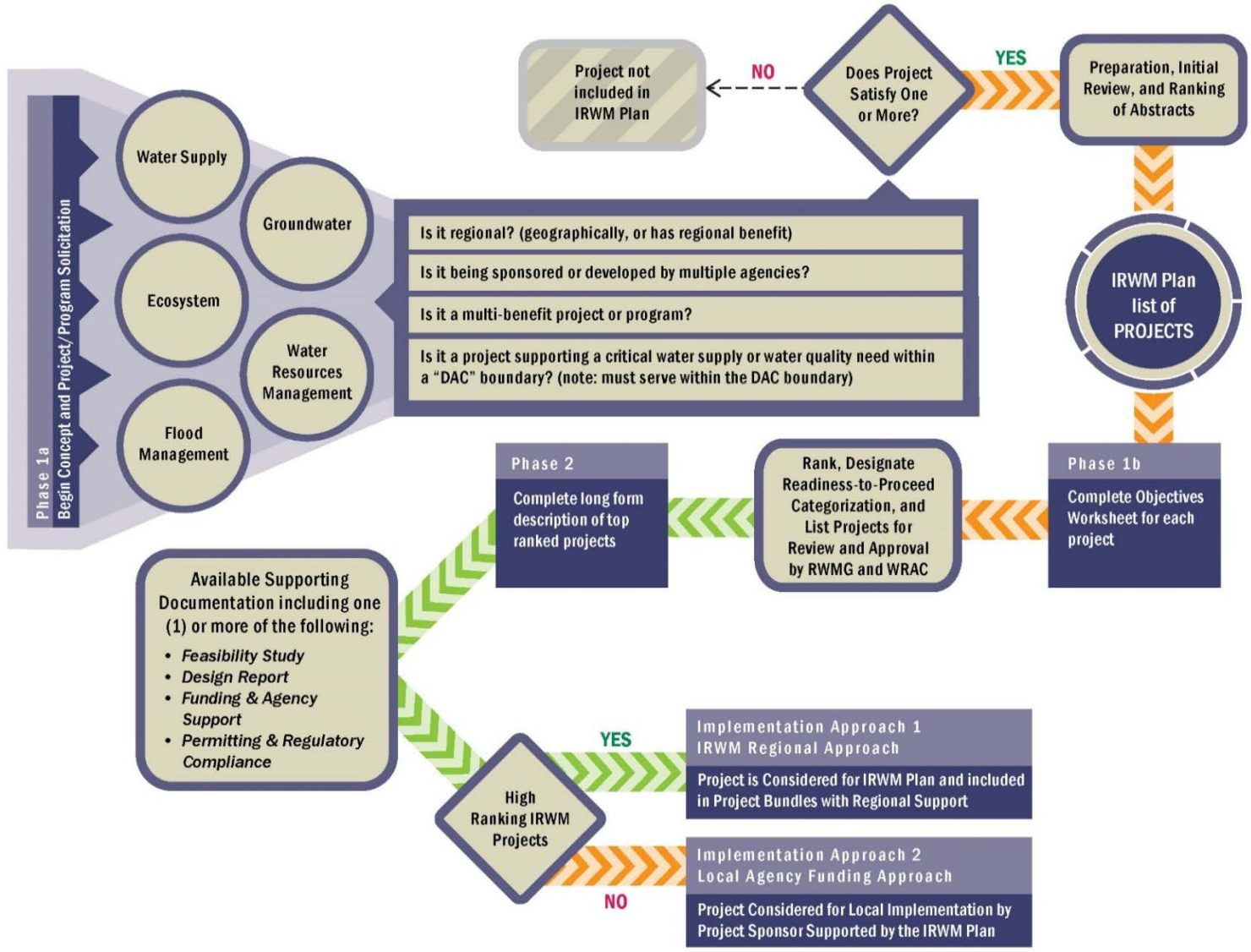


Figure G-2. Project Scoring and Ranking Process (Flowchart 1)

memorialized in the IRWM Plan for consideration by stakeholders at a later date or with a specific funding opportunity.

The detailed process described below is for the five-year interval IRWM Plan updates. Interim updates are described at the end of the section.

G.2 TASK 1 - CONCEPT AND PROJECT/PROGRAM SOLICITATION AND SCORING

The first step in updating the IRWM Plan Project List (which can occur at any time, but at least once every two years) is conducting an IRWM region-wide project solicitation. This entails sending out a notification of intent to update the IRWM Project List and subsequently collecting information on local concepts and projects/programs relevant to IRWM. When this solicitation is specific to a funding opportunity, the process may be narrowed to collect projects/ programs relevant to that opportunity. There are two primary phases to collecting information: project abstract (Phase 1a) and objectives worksheets (Phase 1b); and full project description forms (Phase 2).

The following text describes the phased solicitation process, the review and ranking methodology, the final evaluation and selection process, and the project list update process specific to the five-year IRWM Plan update.

G.2.1 Phase 1a: Abstract Forms (for concepts and projects/programs)

First, the RWMG opens a project solicitation for stakeholders throughout the IRWM region and accepts submittal of Phase 1a Abstract Forms. The Phase 1a Abstract Form, Attachment 1 of **Appendix G-2 – Abstract forms, Project Objectives Worksheets, and Phase 2 Long Forms**, is intended to solicit sponsors for all relevant concepts and projects/programs currently being considered throughout the SLO County IRWM region. Phase 1a Abstract Forms collect basic information on concepts and projects/programs, and open up the opportunity for all project types regardless of their current status towards implementation. The forms provide a pass or fail screening to capture only those concepts and projects/programs in the 2013 IRWM Plan that satisfy the following two sets of conditions:

Condition #1. Is it IRWM Related? Does it satisfy one or more of the questions below?

1. **Is it regional? (geographically, or has regional benefit)** – does the abstract show a wider project purpose and benefit that crosses land use and local political boundaries?
2. **Is it being sponsored or developed by multiple agencies?** – does the abstract provide evidence of the project having multiple-agency support or funding?

3. **Is it a multi-benefit project or program?** – does the abstract describe the project’s complementary benefits with other projects, programs, or activities taking place (or planned), and/or does the project result in meeting multiple goals of the IRWM program?
4. **Is it a project supporting a critical water supply or water quality need within a Disadvantaged Community (DAC) boundary? (note: must serve within the DAC boundary)** – does the abstract describe the nexus between the project benefits, State-identified DAC, and how the project helps to address critical water supply/quality needs of the DAC?²

Condition #2. Does it Include Related Goals and Objectives? Does the project meet one or more IRWM Goals (i.e., Water Supply, Ecosystem/ Watershed, Groundwater, Flood Management and Water Management) and can it be used to satisfy multiple Objectives?

An automated spreadsheet is used to make the above determination and provide a distilled summary of the projects and where they satisfy the above conditions. The Project Management Team (PMT), comprised of District Staff and RWMG Working Group representatives, also performs a preliminary review to determine if the project is categorized correctly and to become familiar with the projects and their stated benefits. The Abstract Form information is also used to initiate contact with project sponsors to complete Phase 1b of the solicitation process.

G.2.2 Phase 1b Objectives Worksheet Used in Review of Concepts

As discussed in above section, concepts are initially reviewed based upon the submittal of a Phase 1a Abstract Form. Note: “Concepts” include high level ideas for improving local water resources, and/or projects/programs that are in the initial phases of planning and therefore have minimal documentation and study material associated with them. The PMT performs an initial pass/fail scoring of the concepts using an automated formal review scoring sheet, Attachment 4 of **Appendix G-2 – Abstract forms, Project Objectives Worksheets, and Phase 2 Long Forms**. The scoring sheet also assesses the concept’s alignment with the IRWM Plan’s Goals to provide a means of organizing the concepts for further review in Phase 1b.

Phase 1b Project Objectives Worksheets are used for scoring and ranking the concepts (optional for concepts, only if sponsor wants concept ranked). The scoring methodology at this level is based on how well the concept aligns with the IRWM Goals and Objectives. The automated review uses the sponsor’s description of how the concept meets the Objectives in order to determine level of benefit to each IRWM Goal by the Objectives identified as being

² The Proposition 84 State Grant Guidelines provide reference to a single map for the determination of what communities are defined as DAC: <<http://www.water.ca.gov/irwm/grants/resourceslinks.cfm>>.

relevant to the Project. After the Phase 1b scoring (described under **Section G.2.4**), Concept List review and ranking is complete at this point, as Concepts by their very nature do not have sufficient information available to score their full relevance to the Plan Update and its readiness to proceed. The ranked Concept List is included in **Appendix G-4 – Ranked Project List**.

Concepts in their earliest stages may not be able to adequately complete a Phase 1b worksheet, but are left on the list unranked in order to maintain potential future concepts to pursue.

G.2.3 Phase 1b Objective Worksheet Used in the Review of Projects/ Programs

Projects/programs are initially reviewed and ranked based upon the Phase 1a Abstract Form submitted. The PMT performs an initial automated ranking to score projects/programs that pass the Phase 1a screening test. The scoring sheet assesses the project/program's alignment with the IRWM Plan's Goals to organize the initial project information for completion of Phase 1b. Phase 1b Project Objectives Worksheets are used for the overall scoring and ranking of the projects. The Phase 1b scoring methodology (see **Section G.2.4**) at this level is based on how many Objectives a project/program meets and how well it aligns with the IRWM Goals.

G.2.4 Phase 1b Goal and Objectives Scoring Methodology

To the extent possible, the scoring and ranking is an automated process. The automated scoring process takes place in the Excel spreadsheet environment using a VBA macro to read responses and score non-subjective categories where the response is clearly defined (e.g., yes or no). In some cases, the length and content of the response is scored and then adjusted based on an actual read by the PMT reviewers.

Scoring of the concepts and programs/projects for purposes of ranking is accomplished by how many of the Project Objectives Worksheet questions are fully populated by the sponsor and the related subject matter of the response. In an effort to keep the scoring simple and equitable across all five IRWM goals, each goal is given a total score of 20 points. Each Objective in the Goal is given the fraction of points assigned to each objective to equal the score of 20 points. For example, the Water Supply Goal has ten (10) Objectives, so each Objective has a point value of 20 divided by 10 or 2 points per Objective.

Concepts or projects/programs that respond to a specific Goal's Objective are also immediately given a Goal point of 5 as a means of tracking how the project offers cross-goal

benefits. The sum of Goal Points (maximum of 25 points for 5 Goals) is added to the sum of Objective Points to achieve the total Goal and Objectives score for the project (see Attachment 5 of **Appendix G-2 – Abstract forms, Project Objectives Worksheets, and Phase 2 Long Forms**, Phase 1b Project Objectives Scoring Sheet).

The final step before selecting the Phase 2 Project List is readiness-to-proceed (RTP) based on five subjective questions. The questions used to conduct this manual scoring portion of the solicitation are related to the project activities listed in **Table G-1** with each having a possible maximum score of 5 points. Each project or program is compared to the questions based on the responses to the Phase 1b Objectives Worksheet. The RTP points are used to help guide the PMT during review; however, the results are simply reported as “high”, “medium”, and “low” categorizations.

G.2.5 Phase 2 Project Descriptions

Upon receiving and scoring the Project Objectives Worksheet, the resulting Phase 1 Project List is created to form the list of sponsors who are invited to participate in Phase 2 of the Project Solicitation Process.

G.2.5.1 Phase 2 Long Forms Used in the Review of Projects/Programs

Projects/programs identified in Phase 1b are reviewed and ranked, considering the Phase 1b scoring as well as the RTP categorization, as described in **Section G.2.4**. The resulting top-ranked projects/programs are requested to submit Phase 2 Project Descriptions, or “Long Forms,” included as Attachment 3 of **Appendix G-2 – Abstract forms, Project Objectives Worksheets, and Phase 2 Long Forms**. The Long Form is a detailed description of the project/program, its benefits, the economic analyses performed, how the project aligns with State RMSs and requirements, local IRWM Plan Objectives, etc. For that reason, only the top-ranked projects, which are more likely to be implemented within the 5 year period between updates due to their high RTP status, are asked to develop this information to be included in the IRWM Plan Update.

Table G-1. Readiness to Proceed Scoring

Readiness to Proceed Factor Considered	Question Considered	Basic Scoring	Overall Characterization by Score
Timeliness	Do project partners have the ability to act quickly to implement the project or program without the need for new agreements or additional funding?	5 – Immediate, < 1 year 3 – Near Term, 1-3 years to develop 1 – Mid Term, 3-6 years to develop 0 – Long Term, > 6 years to develop	<p>High (18-25)</p> <p>Medium (10-17)</p> <p>Low (0-9)</p>
Technical Feasibility	Does the project have technical documentation to evaluate the technical feasibility of the project?	5 – Provides detailed documentation, including reconnaissance, and feasibility studies and completed engineering designs 3 – Shows to be partially documented, and has reconnaissance, and/or feasibility studies, but incomplete or partial designs 0 – The project is not well documented, does not have reconnaissance, and/or feasibility studies and has not been designed.	
Environmental Compliance	Does the project have environmental documentation and clearance?	5 – Existing studies and completed environmental documents. 3 – Some studies or plans to complete studies; A clear plan to complete environmental documentation. 0 – The project is not well-documented, does not have reconnaissance and/or feasibility studies and has not been designed.	
Permitting	Does the project have permits or a plan to obtain permits?	5 – Permits are obtained or are in the process 3 – Permit requirements are known and there is a plan and schedule in place. 0 – Permit requirements are not known and there is no plan or schedule.	
Funding	Are the project funding sources well defined?	5 – Financial plan and commitments are well defined; clear resource commitments to maintenance and operations 3 – Financial plan under development; required rate payer and/or funding agency approval; no defined resource commitments to maintenance and operations. 0 – No financial plan and commitments established; no resources defined for maintenance and operations.	

The PMT works with the top-ranked projects to support their completion of the long form. Given the expected level of effort and budget for PMT support in the Phase 2 project submittals, the number of projects included in the Phase 2 Project List is approximately 20 percent of the total projects submitted or approximately 10 to 15 projects, whichever is smaller. The portfolio of selected projects must meet the highest standards in addressing the IRWM Plan's Goals and Objectives, and the State RMS. Direction from the RWMG will help to guide the number of projects/programs ultimately collected at Phase 2.

Other project sponsors not among the top-ranked list are encouraged to submit Project Descriptions, but are not required and the Long Forms may not be reviewed as part of the Updated IRWM Plan. All Project Description Long Forms are to be kept on file; however, and reviewed when the RWMG decides to develop a future grant proposal.

G.2.5.2 Overall Scoring for Both Concepts and Projects/Programs

One last step in scoring the concept and project/program is the response to the following three questions:

1. Does the Concept and project/program have multi-agency support or sponsorship? (If yes, score of 5)
2. Is the Concept Regional or Inter-Regional (i.e., includes adjacent IRWM Areas)? (If yes, score of 5)
3. Does the Concept support a DAC? (If yes, score of 5)

Because the answers to these questions are important in the November 2012 DWR IRWM Guidelines, all three questions are weighted heavily to place projects in the affirmative higher on the list supplementing the Goals and Objectives scoring described above. At this stage, the concepts and projects are ranked for purposes of a combined Project List, including all concepts and projects/programs, and submitted to the Region's Stakeholders for public comment. The Project List will be reviewed and adopted by the RWMG prior to progressing to Phase 2.

G.3 TASK 2 - FINAL EVALUATION, NOTIFICATION, AND SELECTION OF IRWM PROJECTS

The final evaluation process and notification of selected projects is completed in several ways.

Level 1 – The first level of notification is for technical accuracy in the project understanding as summarized by the PMT in their evaluation of IRWM Plan suitability.

Level 2 – The second level of notification provides a comment period and stakeholder

review of the Final Project List, providing justification for their selection and permitting comments and further input to the extent they provide further project clarification.

Level 3 – The third level of notification is public documentation and RWMG approval³ of the Final Project List. These levels are explained further below.

G.3.1 Level 1 – Technical Accuracy

After completing the steps above and successfully reaching out to the region’s stakeholders, gathering their ideas, and collecting information for on-going and future projects or programs, the process results in the Full Project List provided as **Appendix G-4 – Ranked Project List**. This list is to be updated over time, as needed. The projects are listed by order of their ranking for each Sub-Region or Multi-Region category. As explained above, the Full Project List is scored and ranked almost entirely through automated algorithms with the exception of the determination of readiness-to-proceed. Those projects satisfying the multiple criteria for suitability as an IRWM project for purposes of plan implementation are asked to submit the Phase 2 Long Form. Project sponsors for other projects are not denied if they want to submit a Long Form as it is kept on file for future calls for projects.

G.3.1.1 Use of Phase 2 Long Form as Technical Resource

The Long Form, included in **Appendix G-2 – Abstract forms, Project Objectives Worksheets, and Phase 2 Long Forms**, is designed to have the project sponsor think about the requirements necessary to elevate a project to the level of an IRWM Plan Implementation Project (PIP). A PIP requires a much higher level of specificity in the project understanding, benefits, impacts, climate change, finances, and relevance to the overall strategy of the plan implementation. Many questions are difficult to respond to unless some form of planning or feasibility study is available to address the questions directly.

The list of 23 projects with a Long Form is provided in **Table G-2**. Each Project is assigned a unique identifier to allow for sorting and calling out (i.e., project titles often change over time). The sort order of the projects is based solely on an alphabetic sort of the Project ID and not on any ranking criteria. This creates a structure where projects of similar location and type are grouped together. The Project ID identifies the Sub-Region and the Project Goal Category as follows:

³ Approval in this case is a consensus from the RWMG members to proceed with the selected projects in the development of IRWM Plan.



Project Sub-Region Abbreviations:

- MLTP – Multiple Sub-Regions
- NCST – North Coast
- SCNT – South County
- NCNT – North County

Project Goal Categories⁴

- WSP – Water Supply
- ECO – Ecosystem and Watershed
- GWM – Groundwater Monitoring and Management
- FLD – Flood Management
- WMT – Water Resources Management and Communications

To make the best use of the Long Forms, a Project Form Review (PFR) paper is developed by the PMT to compile all of the solicited project information in a single document and to focus in on the specific subject areas required of the IRWM Plan. This process and in-depth documentation is intended for the five-year interval IRWM Plan updates, but not for interim Project List updates. The following provides a brief description of what is expected under each of the subject areas or questions being asked of the projects in the PFR paper. To the extent possible, and with the information provided, the goal is to respond to each of the DWR November 2012 Guideline requirements. Essentially, the information provided herein is needed in the IRWM Plan for each of the selected projects.

Contribute to Plan Objectives

Response is a brief description of how IRWM Objectives with a score of three (3) meet the Objective. Given the cross over and integration of IRWM Objectives, projects will meet various Goals and Objectives with varying levels of precision as explained above. The highest scoring Objectives are what make the project strategically viable to the Plan’s success. A Secondary Objectives discussion is also included for each project to highlight some of the less prominent integration opportunities that are not likely to be the reason for the project’s selection for IRWM Plan implementation.

⁴ Goal Categories are typically based on the highest scoring goal in the Objectives Filter process (i.e., only one category is applied). The number following the Goal Category is sequential and is used as a unique identifier and for sorting purposes only.

Table G-2. Long Form Project List

No.	Project Code	Project Title	Sub-Region	Project Category	Project Cost	Prioritization Category	Total Point Score
1	MLTP_ECO1	Livestock & Land Program	Multi-Regional	Ecosystem	\$250K-\$500K	High	From Round 2
2	MLTP_FLD1	Water Conservation Corps	Multi-Regional	Flood Management	\$1M-\$5M	Low	108.43
3	MLTP_WMT1	County-Wide Watershed Awareness Campaign	Multi-Regional	Water Management	<\$250K	Medium	83.93
4	MLTP_WMT2	LID Pilot Program	Multi-Regional	Water Management	<\$250K	High	102.55
5	NCNT_ECO1	North County Fertilizer Regions_ Precision Agriculture	North County	Ecosystem	<\$250K	High	105.81
6	NCNT_ECO2	Attiyeh Ranch Conservation Easement	North County	Ecosystem	>\$5M	High	From Round 2
7	NCNT_FLD1	Upper Salinas watershed plans	North County	Flood Management	4M	Medium	100.76
8	NCNT_GWM1	Atascadero Groundwater Basin Augmentation Expansion Project	North County	Groundwater	>\$5M	High	116.79
9	NCNT_WMT1	Community Based Social Marketing	North County	Water Management	<\$250K	High	69.38
10	NCNT_WMT2	North County Precision Irrigation Research Program_ Precision Agriculture	North County	Water Management	<\$250K	High	96.50
11	NCNT_WMT3	Tracking and Conserving Vineyard Irrigation Water in the Paso Robles Groundwater Basin	North County	Water Management	\$250K-\$500K	High	55.50
12	NCNT_WSP1	City of Paso Robles Lake Nacimiento Water Treatment Plant Construction	North County	Water Supply	>\$5M	High	From Round 2
13	NCNT_WSP2	San Miguel Critical Water System Improvements	North County	Water Supply	\$500K-\$1M	High	From Round 2
14	NCST_ECO1	Water Conservation Partnerships in Chorro Valley	North Coast	Water Supply	\$1M-\$5M	Low	74.48
15	NCST_GWM1	8th Street Upper Aquifer Well and Nitrate Removal Facility	North Coast	Groundwater	\$500K-\$1M	Medium	78.07
16	NCST_FLD1	Los Padres CCC Center - Stormwater LID Treatment Project	North Coast	Water Management	\$500K-\$1M	Medium	91.40
17	SCNT_FLD1	Mid-Higuera Bypass	South County	Flood Management	\$1M-\$5M	Medium	34.29
18	SCNT_FLD2	Oceano Drainage Improvement Project - Hwy 1 & 13th Street	South County	Flood Management	\$1M-\$5M	High	63.31
19	SCNT_WMT1	Lopez Water Treatment Plant Membrane Rack Addition	South County	Water Management	\$500K-\$1M	High	42.50
20	SCNT_WSP1	Lopez Lake Spillway Raise Project	South County	Water Supply	>\$5M	Low	100.98
21	SCNT_WSP2	Recycle Water Distribution System Expansion	South County	Water Supply	\$250K-\$500K	High	22.00
22	SCNT_WSP3	NCMA_NMMA Salt and Nutrient Management Plan (SNMP)	South County	Water Supply	\$250K-\$500K	Medium	103.83
23	SCNT_WSP4	Pismo Beach Recycled Water Project	South County	Water Management	>\$5M	High	79.69

Relate to WMS, RMS and Objectives

The blank table below is adapted from **Figure G-1**. The purpose of completing this table for each project is to provide the linkage between how DWR State Objectives translate into Resource Management Strategies (RMS) that equate in their implementation to the SLO Water Management Strategies (WMS). Recommended SLO Project Elements are the action building

blocks of the IRWM to implement the WMS and result in achieving the Goals and Objectives listed and described in **Section E – IRWM Goals and Objectives**.

DWR State Objectives	DWR RMS	SLO WMS	SLO Recommended Project Elements	IRWM Objectives
Example Table Headings				

Technical Feasibility and Justification

Technical Feasibility and Justification uses the Long Form responses, to the extent possible, which give factual data and references to the project’s purpose and stated (or claimed) physical benefits. In cases where projects are more of a program nature, the stated processes and specific actions are listed along with intended benefits and cost.

Benefit DACs

Responds to whether the project provides direct DAC benefits through the implementation of the stated Project Elements. Secondary benefits to a DAC may be included in this discussion if it is not directly apparent in the Contribute to Plan Objectives or Technical Feasibility and Justification heading.

Environment Justice

Environmental Justice addresses issues of impact to low income areas that occur either as a result of project construction or project implementation. Benefits of project implementation to low income areas may be included if directly targeted to this purpose.

Cost and Financing

Provides estimated costs of the project and need for financing through grant programs. Costs are typically broken out into capital and labor costs, and O&M costs. Labor costs can often be met through in-kind services by the sponsoring agency to meet any necessary local cost-share for grant funding.

Feasibility through Economic Analysis

The economic analysis of most projects needs should adhere to State methods of deriving benefits and monetizing the benefits, if possible. The response is based on the State’s method of analysis to be used and what factors are proposed for assessing the total cost and benefit of project implementation. Benefits typically include some form of monetary value assignment. There are four primary methods of deriving an economic benefits analysis for a project as follows (taken from DWR November 2012 Guidelines):

Section D1 – Cost Effectiveness Analysis. *For relatively small non-DAC projects (total project cost is less than \$300,000) or projects that benefit a DAC (up to a total project cost of \$1 million), applicants have the option of completing a Cost Effectiveness Analysis. This option evaluates whether the physical benefits provided by the project are provided at the least possible cost, or not.*

Applicants may not split a single project into multiple smaller components or phases in order to be eligible for the cost effectiveness analysis option.

Section D2 – Non-Monetized Benefit Analysis. *For projects where benefits cannot be monetized, a Non-Monetized Benefit Analysis should be completed. This analysis requires a description (where possible) of applicable social, environmental stewardship, and sustainability benefits that may result from the implementation of a project.*

Section D3 – Monetized Benefits Analysis. *For projects which do not fall in Section D1 option and benefits can be quantified in dollar terms (excluding flood damage reduction (FDR) benefits), a Monetized Benefits Evaluation should be completed.*

Section D4 – Flood Damage Reduction Benefit Analysis. *For projects with FDR benefits, determination of the expected annual damages with and without the project should be completed.*

Lastly, if the RWMG recommends their own method, the following is applied:

Section D5 – Proposal Costs and Benefits Summary. *Annual costs must be provided for each individual project; and a benefit-cost summary must be presented for the entire proposal, regardless of benefit analysis method or options used.*

Project Readiness to Proceed

Readiness of a project to move forward to implementation in a short amount of time is a critical criterion to the IRWM Plan's success. If funding sources do present themselves as part of IRWM Plan implementation, the projects included in the IRWM Plan should be ready to proceed, if selected for implementation. The timeframe for beginning and ending the project is typically provided as a response to this criterion.

Strategic Implementation of the Plan and Project Merit

This includes a discussion of how the project adds value to the IRWM Plan by being multi-objective, multi-regional, and/or addresses issues that are not included in other projects and have a high likelihood of implementation success. Project sponsors' level of effort in following through with what is stated in the Long Form and bringing their project to a high readiness to

proceed is critical to the IRWM Plan merit and success.

Climate Change Effects

This states whether the project has an effect on climate change conditions, or, conversely, if the project includes climate change adaptation. In all cases, projects typically have no appreciable GHG production to impact climate change negatively.

Reducing GHG compared to Project Alternatives

The study of GHG reduction for purposes of minimizing climate change impacts is not typically done under mitigated negative declaration CEQA review unless a full EIR is required. In addition, projects with older EIRs, may not include this analysis, so a discussion is included in this section of when, or if, a GHG alternative analysis will be performed. This is addressed further in **Section P – Climate Change**.

Project Sponsor to adopt IRWM Plan

This involves a simple response of either yes or no on whether or not the sponsoring agency plans to adopt the IRWM Plan upon its final completion.

Reduce Dependence on Delta Supplies

If the project is reliant on SWP water, projects affecting the need for the SWP are evaluated and qualitatively described based on the anticipated level of benefit to reduced SWP reliance.

Potential Impacts and Benefits of Project Implementation

This provides a summary of impacts and benefits listed in the Long Form with the level of specificity based on how far along the project is in the planning and design phases of implementation.

When a more Detailed Project-Specific Impact and Benefit Analysis will Occur

Project-specific impact benefit analyses are not typically done in accordance with State standards. In most cases, this level of analysis will not be completed until required to do so for purposes of grant funding or loans. Most project sponsors have the analysis spread through many documents and in their minds, but not compiled and on paper.

What is Proposed Methods of Monitoring Project Performance

Monitoring of specific metrics is required for each project based on the benefits and IRWM Objectives being met. In most cases, the metrics are physical in nature and can be monitored through standard practices applying the latest technology. In cases where benefits are difficult to capture, other, more qualitative metrics are used as an indicator of the potential benefits;

especially, if implemented on a larger scale. For example, the number of times the implementation of a best management practice is practiced could be an indicator of the improvement to water quality, since the water quality benefits themselves are difficult to capture in smaller scale or pilot-level projects.

Known and Possible Funding Sources

This lists the known and possible funding sources based on the Long Form responses and what is provided in **Section L – Financing Strategies**.

Funding Mechanisms, Including Water Rates, etc.

This describes how the proposed funds are collected, providing assurance that monies will be available to see that implementation, monitoring, and O&M are secured prior to project approval.

How O&M Costs for Projects will be Covered

This describes which funding source(s) is to be used for specifically O&M.

Process that Considers GHG Emissions when Choosing between Project Alternatives

This responds to whether a process was used in the selection of the project that considered GHG emissions. In most cases the project did not go through a rigorous project alternatives analysis including GHG emissions. The IRWM Plan will provide a discussion of the GHG emission concerns in **Section P – Climate Change**.

The PFR paper is a living document available on the IRWM website and is updated over time as new information becomes available for the selected projects. The DWR Guidelines recognize that not all of the project information is available at this stage in the process, and as projects mature, new information should be added as part of the IRWM monitoring and data management activities.

G.3.1.2 Projects Selected for the Project Forms Review Paper

To reduce the list and ensure the highest priority projects, the Long Form projects listed in **Table G-2** are filtered by an initial review of the previous Phase 1 scoring result, readiness-to-proceed, level of satisfying IRWM Goals and Objectives, gauged level of meeting State RMS based on applicable Objectives, and a rough equivalence of Sub-Region representation. All criteria are treated equally along with the understanding that the total project count remains below 20 percent of the total number of projects submitted under Phase 1, or approximately 10 to 15 projects, whichever is smaller.

With 15 projects being the smaller of two numbers, the PMT’s filter process results in 15 PIPs total with the possibility of combining projects of similar nature and geographic area. See for location of selected projects. The selected projects and the reason for selection are identified in the **Table G-3** below (bolder text project names are selected for final project list). Likewise, projects not selected are given a primary reason why they were not selected. Projects not selected are still included in the Full Project List.

Table G-3. Final Project Selection

PIP No.	Project Code	Project Title	Primary Reason for In or Out of IRWM Plan
1	MLTP_ECO1	Livestock & Land Program	Included for its multi-objective regional benefits and water quality enhancement while gaining private property owner volunteer participation for purposes of environmental stewardship.
	MLTP_FLD1	Water Conservation Corps	Not included due to low RTP.
	MLTP_WMT1	County-Wide Watershed Awareness Campaign	Not included due to medium RTP and lower total Objectives-based point score.
2	MLTP_WMT2	LID Pilot Program	Included for its public education and outreach, as well as targets private property owners to volunteer and pay for LID projects with monetary rebate incentives.
3	NCNT_ECO1	North County Fertilizer Regions_ Precision Agriculture	Included for its wide public educational value and regional water quality benefits through volunteer participation by private property owners with reduced fertilizer cost incentives.
4	NCNT_ECO2	Attiyeh Ranch Conservation Easement	Included for public and environmental stewardship values; both resulting in the protection of the watershed and endangered flora and fauna species in the region.
	NCNT_FLD1	Upper Salinas watershed plans	Not included due to medium RTP.
5	NCNT_GWM1	Atascadero Groundwater Basin Augmentation Expansion Project	Included because of the multi-objective elements of improving recycled wastewater for higher beneficial use as a source for groundwater recharge and potable supplies in the Salinas Underflow.
6	NCNT_WMT1	Community Based Social Marketing	Included due to its low cost high education value over a broad region, enlisting support of private property owners to take ownership of their environment, and improving sustainable farming and business practices.
7	NCNT_WMT2	North County Precision Irrigation Research Program_ Precision Agriculture	Both projects are included for their wide public educational value and regional water demand reduction benefits over a critically impacted groundwater basin, and both offer change in irrigation practices through volunteer participation by private property owners with reduced pumping cost incentives.
	NCNT_WMT3	Tracking and Conserving Vineyard Irrigation Water in the Paso Robles Groundwater Basin	
8	NCNT_WSP1	City of Paso Robles Lake Nacimiento Water Treatment Plant Construction	Included due to its maximizing existing supplemental water supplies in a critically impacted groundwater basin, and use as a conjunctive supply for drought protection and effects of climate change in the region.
9	NCNT_WSP2	San Miguel Critical Water System Improvements	Included due to the DAC need for critical water system improvements.
	NCST_ECO1	Water Conservation Partnerships in Chorro Valley	Not include due to low RTP and low total Objectives-based point score.

Table G-3. Final Project Selection, Continued

PIP No.	Project Code	Project Title	Primary Reason for In or Out of IRWM Plan
10	NCST_GWM1	8th Street Upper Aquifer Well and Nitrate Removal Facility	Included for its multi-Objective values of managing a critical groundwater basin subjected to continuous degradation of water quality from septic systems (nitrates) and sea water intrusion, and the local collaboration between the agencies and public using a vetted management plan.
11	NCST_FLD1	Los Padres CCC Center - Stormwater LID Treatment Project	Included for its multi-Objective benefits of environmental stewardship, LID educational opportunities, and the conversion of private lands to restore a rich ecosystem of flora and fauna.
	SCNT_FLD1	Mid-Higuera Bypass	Not included due to its medium RTP and low Objectives point score.
12	SCNT_FLD2	Oceano Drainage Improvement Project - Hwy 1 & 13th Street	Included due to multi-Objective elements of providing a DAC with health and safety along with water quality, groundwater recharge, and flood attenuation.
13	SCNT_WMT1	Lopez Water Treatment Plant Membrane Rack Addition	Included due to increased use of existing surface water supplies and reduction in groundwater use in a constrained groundwater basin shared by multiple agencies and private well owners.
	SCNT_WSP1	Lopez Lake Spillway Raise Project	Not included due to low RTP.
14	SCNT_WSP2	Recycle Water Distribution System Expansion	Included due to increased recycled water use in a DAC with the benefit of reducing groundwater pumping in a constrained groundwater basin.
	SCNT_WSP3	NCMA_MMMA Salt and Nutrient Management Plan (SNMP)	Not included due to medium RTP.
15	SCNT_WSP3	Pismo Beach Recycled Water Project	Included for its increased recycled water use in a constrained groundwater basin, and its high level of RTP with regional cooperation and financial commitments already in place.

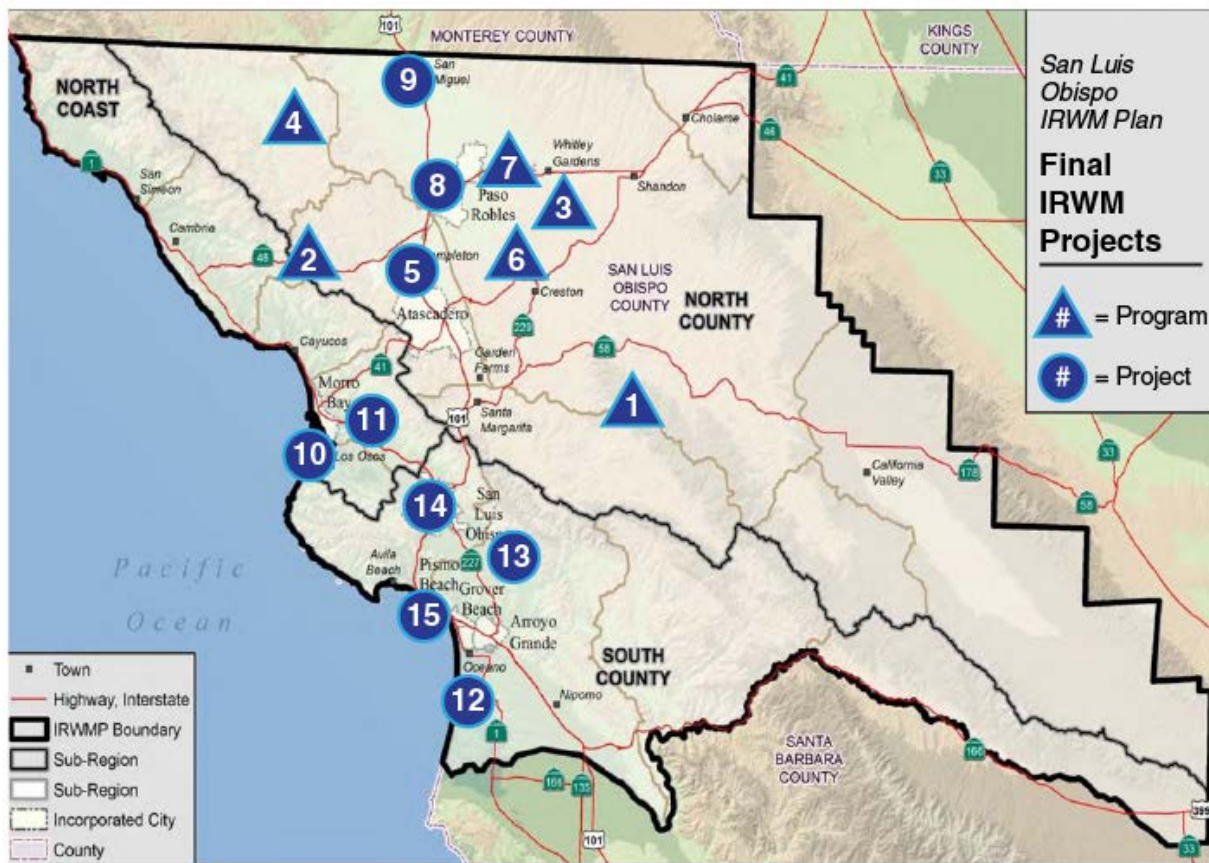


Figure G-3. High Priority List of 15 IRWM Plan Implementation Projects

Project Form Review (PFR) Paper Technical Review

Upon draft completion of the PFR paper (**Appendix G-5 – Project Form Review Paper**), the PMT requires review by the project sponsors for technical accuracy, and to respond to specific questions arising during PFR paper development. Contact is made through the District reaching out to project sponsors requesting their review of the draft PFR paper and to comment on any technical inaccuracies in the document. With this initial review, the first level of notification is complete.

G.3.2 Level 2 – Stakeholder Notification and Comment Period

Since the PFR paper is lengthy in size and content, an abbreviated document (Briefing Paper included as **Appendix G-6 – Project Selection Briefing Paper**) is prepared to fully inform all interested parties of the project selection findings. The outline of the document below considers projects from the previous IRWM Plan, projects added during the interim period, projects included in the Full Project List, how certain projects can be integrated, and projects included in the Final Project List. The level of information provided is limited to listings of the projects and descriptions for the PIPs.

1. Introduction
2. Purpose
3. Project Integration
4. Prior IRWM Plan Project List (2007)
5. Full Project List
6. Short Project List
7. Selected Project Technical Descriptions
8. Strategic Considerations
9. What's Next

Ideally the public comment period is limited to two weeks with comments submitted to the PMT for consideration in the IRWM Plan, but circumstances will guide the public comment duration.

G.3.3 Level 3 – Public Notice and RWMG Approval

As a DWR requirement of the project selection process, notification of the list of projects contained within the IRWM Plan is necessary. The PMT publishes some form of public documentation (**Appendix G-1 – Project Selection Brochure**) summarizing the project selection process. This is written to increase the understanding of why the projects are selected and what they will mean to the region upon implementation.

G.4 APPEALS PROCESS

If, upon receipt of the Level 2 or Level 3 notification, a project sponsor disagrees with the findings of the PMT, a formal and informal appeals process is provided to fully vet project sponsor concerns.

G.4.1 Informal Appeals Process

During the RWMG review, the group will make sure to confirm that consensus is developed or that disagreements are properly identified, discussed, and resolved. In the event of disagreements, if unresolved, they will be stated in writing so that disagreements are clearly defined and to ensure decision makers are properly informed during final plan approvals or in the event of a need for a formal hearing to resolve the disagreement (see formal appeals).

G.4.2 Formal Appeals Process

Please refer to the RWMG Memorandum of Understanding Article 4.5 "Decision Making," which establishes a formal appeals process.

G.5 IMPLEMENTATION APPROACH CATEGORIES

Once the Final Project List is created, as noted in **Figure G-2**, project sponsors have various possible implementation approaches available in order to move forward with project/program implementation. Some of these approaches are IRWM Plan-supported, while others are Local Agency-supported. This is done to account for the reality of limited direct project funding through the IRWM Plan implementation.

All projects meeting the criteria for acceptance in the plan are considered to be no more or less important. However, if funding for a local project exists outside of the IRWM Plan implementation grant process, the project sponsor is encouraged to pursue those funding alternatives, to the maximum extent of financial feasibility. Two approach categories are available to every project.

G.5.1 Implementation Approach Category 1 – IRWM Regional Approach

IRWM-supported projects/programs likely to be included in a regional IRWM grant application are high-ranking projects/programs with the needed documentation and multi-agency support, but may be lacking adequate funding in-place to implement the project or would benefit from IRWM grant funding. This implementation approach category seeks projects/programs with a

high RTP and generally requires the RWMG to group the project with other projects into a cohesive, competitive IRWM grant funding implementation proposal where synergies can be shown through construction of the suite of projects/programs. This category of project requires the highest level of scrutiny to ensure the project adds a high degree of value to a grant proposal and creates synergies amongst other high-ranking projects. Selection of these projects is based on how well the projects can be combined to create a winning grant proposal.⁵

G.5.2 Implementation Approach Category 2 – Local Agency Funding Approach

The second implementation approach encourages local agencies or organizations to champion an effort to seek local funding and/or other grant funding sources outside of the IRWM program, in order to ensure project/program implementation. This might be well-suited for lower ranking projects/programs or single agency projects with limited regional benefits. These projects/programs have a high level of sponsorship from the IRWM Plan (being included on the Project List) that supports the agency in seeking other funding mechanisms such as non-IRWM State grant programs or loans, or increasing local rates and fees.

G.6 TASK 3 - BIENNIAL PROJECT LIST UPDATE

As part of the Plan implementation, the project list will be updated on a biennial basis (or more often if needed) to keep the list of included projects current. The project solicitation process described above will be used to update the Full Project List. Project solicitations will be conducted biennially, or more frequently when new opportunities arise in order to ensure that the Region's Project List is current, comprehensive and reflects existing project statuses. The updated Full Project List will be published as an addendum to the IRWM Plan, not requiring re-adoption of the plan. Future IRWM implementation grant opportunities will be offered to the best suited projects/ programs.

The region seeks to create an online database where concepts, projects, and programs can be submitted, and/or existing concepts, projects, and programs can be updated, between solicitation periods. These submittals would not be scored and ranked until the next Biennial Project List Update.

⁵ This process is intended to offer the maximum amount of flexibility to allow the RWMG leeway to determine the best suite of projects for a given grant source.

