

IRVINE RANCH WATER DISTRICT POLICY POSITION  
SANTA ANA RIVER WATERSHED GRANT FUNDING PRIORITIZATION

June 18, 2010

Issue Summary:

Water agencies and regulators throughout the region have been working to develop a comprehensive plan for the Santa Ana River Watershed that will optimize the management of water supplies, water quality, and environmental resources. Irvine Ranch Water District supports the creation of a process through which costs and benefits of projects and programs within the Santa Ana River Watershed are identified, evaluated, and then prioritized based on their value to the Santa Ana River Watershed.

Background:

The underlying premise of the *One Water, One Watershed* integrated watershed planning process is to develop a comprehensive plan for the entire Santa Ana River Watershed to optimize water supply, water quality and environmental resource management. From the outset, the process has emphasized a holistic approach to the identification and prioritization of projects and programs that provide the greatest benefit to the entire watershed, not just certain sub-regions or agencies.

A central purpose of the *One Water, One Watershed* plan is to provide a basis for making resource development decisions and for allocating a finite pool of state grant funding to projects in the watershed. Given that there is insufficient grant funding for all projects in the watershed, a prioritization process must be employed. As is the case with any management decision where limited economic resources are available, several key policy principles must be considered. Proposed policy principles for the administration of grant funding in the watershed are as follows:

Watershed-wide Policy Principles:

- Specific minimum objectives or outcomes should be established for the deployment and prioritization of limited economic resources, including grant funds. In the case of the Santa Ana River Watershed, this would include, for example, objectives for amount of new water supply developed in the watershed and for the reduction of in-basin salt loads;
- A higher priority for the deployment of grant funds should be given to projects, programs and actions that provide the greatest net contribution toward meeting the objectives on a watershed-wide basis;
- Resource management decisions of individual agencies in the watershed that share resources should be coordinated such that the most economically beneficial approach to meeting the established watershed-wide objectives is achieved; and
- Agencies' individual water rights and statutory authority to implement projects and programs that benefit their individual service areas should not be impaired.

Project and Program Policy Principles:

- For meeting the established watershed objectives, the highest priority for grant funding should be given to projects and programs that:
  - Are the most cost-effective projects using a ‘cost per acre-foot’ or other appropriate cost comparison measures that takes into account impacts on all affected agencies’ water supply costs;
  - Provide the greatest benefits to the greatest number of people; and
  - Provide the most durable benefits in that the benefits persist over time.
- Maximize the net amount of water produced and optimize recycling existing supplies by funding treatment plant expansions, distribution systems and on-site improvements;
- Improve water use efficiency by funding proven, reliable, cost-effective, long-term potable water conservation projects;
- Maximize the amount of storage of potable water, groundwater and recycled water which provides increased local supply and reliability; and
- Facilitate the removal of salts from the watershed and the reduction of salt loading in accordance with established objectives which will result in sustainable salinity levels in potable and non-potable water supplies.