

FOX CANYON GROUNDWATER MANAGEMENT AGENCY



MEMORANDUM

Date: November 7, 2022
To: Operations Committee
From: Kim Loeb, Groundwater Manager
Subject: Item E – Water Supply and Infrastructure Projects

Background

The FCGMA as a Groundwater Sustainability Agency has the authority and responsibility to achieve sustainable management of the groundwater basins under its jurisdiction through management actions and projects. Water supply and infrastructure projects were identified and added to the Groundwater Sustainability Plan (GSP) lists of projects for the Las Posas Valley Basin, Oxnard Subbasin, and Pleasant Valley Basin by the Board at the January 26, 2022, and March 23, 2022, Board meetings. However, these projects need to be evaluated, ranked, and prioritized for funding and implementation.

The FCGMA Board tasked the Operations Committee to develop recommendations for the criteria, guidelines, and policies for vetting, adding, and prioritizing projects to be considered for funding and implementation. The funding may come from grants awarded to FCGMA and/or replenishment pumping fee(s) implemented by FCGMA. The Committee met on May 2, 2022, to begin this process and reviewed FCGMA's past processes to select projects for inclusion in the GSPs and the process conducted by the Committee in 2018 including the criteria for project evaluation and the checklist used for submittal by project proponents. Additionally, the Committee reviewed Department of Water Resources' (DWR's) 2021 evaluation criteria for application of Round 1 Sustainable Groundwater Management (SGM) grant funds and the process by which these projects were selected. The discussion continued at the Committee's August 1, 2022, meeting reviewing the previous GSP checklist in more detail. Building on the Committee's discussions and recommendations of criteria for ranking and prioritizing projects and experience with capital improvement plans (CIP), staff prepared draft FCGMA Project Ranking Criteria.

Revised Draft Project Ranking Criteria

The Committee had a robust discussion of the draft Project Ranking criteria at the October 6, 2022, meeting. The Committee recommended organizing the criteria under topics and that certain criteria should be weighted higher than others. Additionally, the Committee recognized that not all criteria for capital projects is applicable to studies or projects addressing data gaps. The Committee requested that stakeholders in attendance email comments and suggestions to staff by November 14. One submission of comments was received from John Lindquist of United Water Conservation District (Item E-3).

The purpose of the Project Ranking process is to rank and prioritize the projects on the lists of projects adopted by the Board for the Groundwater Sustainability Plan (GSP) for each of the basins. This will create a ranked CIP list of projects to be implemented by FCGMA and/or other agencies. The prioritization will be used to recommend to the Board which projects should be included for funding by potential replenishment fees and/or in the Agency's applications submitted in response to grant opportunities. Additionally, the prioritization will help to inform which projects should be included in future scenario modeling for the five-year GSP evaluations based on the likelihood that the project will be implemented by the 2040 deadline for bringing the basins into sustainable groundwater management.

The attached draft Project Ranking sheet has been revised based on the Committee discussion and comments received including criteria weighting (Item E-1). The criteria are organized into following categories:

- **Water Supply** – This category is to establish the projected benefit to the groundwater basin by increasing the sustainable yield, producing supplemental water to meet demand in lieu of

groundwater pumping, or reduce groundwater demand. Scoring is based on the annual volume of increased sustainable yield or reduced groundwater demand provided by the project and the extent of the studies and documentation supporting the estimated quantification. As currently weighted in the draft, the total possible Water Supply score is 50 points.

- **Timing / Feasibility** – This category addresses the timing and uncertainty of the project. The basins are mandated to achieve sustainable groundwater management by 2040, so projects with greater certainty that they can be implemented and online prior to then will score higher. Projects with more uncertainty and longer implementation times will score lower. As currently weighted in the draft, the total possible Timing / Feasibility score is 55 points.
- **Cost / Funding** – This category evaluates the cost / benefit of the project and the amount of capital and operations and maintenance (O&M) of non-FCGMA funding that is committed to the project. As currently weighted in the draft, the total possible Cost / Funding score is 50 points.
- **Additional Benefits** – This category addresses additional benefits of the project including whether the project addresses multiple undesirable results, ties into existing infrastructure, and if the project benefits disadvantaged or underrepresented communities. As currently weighted in the draft, the total possible Additional Benefits score is 15 points.

Staff will provide details of a couple of projects from the current GSP lists so the Committee can work through real-world project scoring to evaluate if any modifications should be made to the draft criteria. A project scoring sheet that will be use is attached (Item E-2). The goal of this exercise is to evaluate the ranking criteria for clarity and appropriate weighting, determine if the suggested scoring matrix meets Agency priorities, and identify any missing or redundant criteria.

Once the Committee has finalized recommendations for ranking projects, modified ranking for studies and projects to reduce data gaps will be straightforward to develop. The Committee's recommended FCGMA Project Ranking criteria will be brought the full Board for discussion and approval.

Project Prioritization Policies and Procedures

Staff recommends that the Committee also develop recommendations for policies and procedures for the ranking and scoring of projects. Such policies and procedures could include an expression of the Board's intent to annually prioritize projects according to the Project Ranking Criteria; the development and use of a Project Request Form for project requests; annual dates/deadlines for the submission of project requests by proponents; annual dates/deadlines for review and scoring of new project requests by Agency staff and presentation to the Operations Committee; annual review by the Operations Committee of updated Project Prioritization List; and annual referral to the Board for adoption as part of GSP Annual Report approval.

In addition, staff recommends these policies and procedures include how the Agency will prioritize projects eligible for future grant funding in the Agency's grant applications. Staff recommends that projects first be determined eligible for funding under the grant program and then prioritized in the Agency's grant application consistent with the projects' ranking on the then-current Project Prioritization List. This policy would allow staff to quickly prepare grant applications in response to requests for submission with short deadlines consistent with project rankings on the Agency's Project Prioritization List and the Board's previous direction.

Attachments: Item E-1 – Revised Draft FCGMA Project Ranking
Item E-2 – Project Scoring Sheet
Item E-3 – Comments Received