

Targeted Water Conservation Incentive Program

Grant Applicant:



South Coast Water District

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Projects

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Mandatory Federal Forms

SF-424, SF-424A, SF-424D, and SF 424-LLL were submitted via grants.gov.

Technical Proposal and Evaluation Criteria

Executive Summary

Date: March 17, 2021; **Applicant:** South Coast Water District; **Program Manager:** Mr. Larry Fregin; **City, County, State:** Laguna Beach, Orange County, California

Please indicate whether you are a Category A applicant or a Category B applicant.

Per the NOFO Section C.1. Eligible Applicants, the District is a Category A applicant.

A one paragraph project summary that provides the location of the project, a brief description of the work that will be carried out, any partners involved, expected benefits and how those benefits relate to the water management issues you plan to address.

South Coast Water District (SCWD/District), located in southern Orange County (SOC), California, along the coastline, is proposing the Targeted Water Conservation Incentive Program (Program) for water conservation and irrigation efficiency. The Program is seeking funding to expand the existing SCWD Turf Removal Rebate Program by offering rebates for removing high-water use turfgrass landscaping and irrigation, and replacing it with water-conserving California Friendly landscapes, synthetic turf, and mulch. This rebate-incentive Program will promote water conservation through the transformation of up to 15,000 square feet of living turfgrass to California Friendly landscapes; approximately 5,000 square feet of living turfgrass to synthetic turfgrass, and approximately 66,000 square feet of mulch application and related irrigation. The Program will focus on single- and multi-family residential and commercial properties throughout the District's service area. The two-year Program will result in reductions of potable water use, increased irrigation efficiency and uniformity, reductions of dry-weather and stormwater runoff and its associated non-point source pollution, urban groundwater recharge, reductions of landscape maintenance costs, and are expected to save more than 2.7 acre-feet per year (AFY) and a total of 27 acre-feet (AF) of potable water over the life of the improvements. Quality control measures are in place to ensure participants correctly convert their landscape according to the Program terms and conditions. At the close of the Program, the District will conduct an evaluation of the program based on participant water consumption history. This Program meets the goals of the District's 2015 Urban Water Management Plan (UWMP) as a key water conservation program and increases water supply reliability for the SOC region, which is approximately 80% reliant on imported water supplies from the Colorado River Aqueduct (CRA) and State Water Project (SWP, Bay Delta) to meet demands. Participants in the Program will serve as examples for others to follow throughout the District's service area and in neighboring water districts. The Program will provide water conservation education, thereby fostering a California Friendly landscape transformation and promoting conservation and environmental stewardship and responsibility for landscape practices throughout the District service area.

State the length of time and estimated completion date for the proposed project. The length of time to complete the proposed Program is two years, with an expected start date of September 2021 (anticipated award date) and completion date of September 2023.

Whether or not the project is located on a Federal facility. The Targeted Water Conservation Incentive Program is not located on a Federal facility.

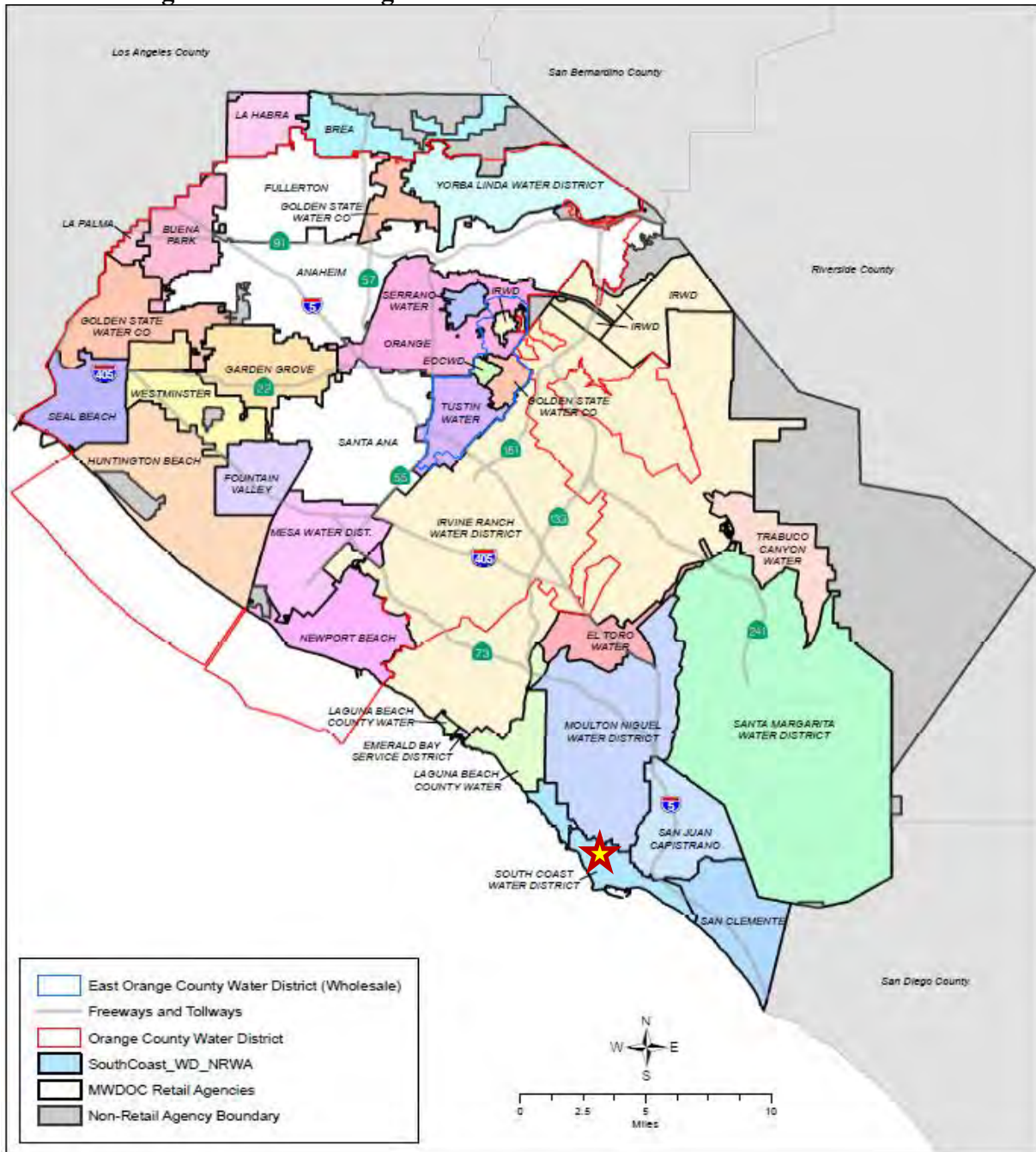
Program Location

The District is located along the southern California coastline in Orange County, approximately 60 miles south of Los Angeles and encompassing an area of approximately 8.3 square miles (5,300 acres). The District provides domestic and non-domestic water service to residential, commercial, and institutional customers within the Cities of Dana Point, Laguna Beach, a small portion of San Clemente. Figure 1 presents the Program area, which includes the entire District service area because the Targeted Water Conservation Incentive Program will be implemented throughout the service area. The Program latitude and longitude represent the District office at 33.505560 N and -117.742790 W. Figure 2 presents the District's location within the service area of the Municipal Water District of Orange County (MWDOC), which provides imported water to the region via Metropolitan Water District of Southern California (MWD) from the State Water Project (SWP, Bay Delta) and Colorado River Aqueduct (CRA).

**Figure 1. SCWD Program Location in Coastal Southern Orange County, California
(Program includes entire Service Area)**



Figure 2. SCWD Program Location within MWDOC Service Area



Technical Project Description

This proposal is seeking funding to enhance the District’s existing rebate program to provide additional rebate incentives for water conservation through landscape and irrigation transformations to single family residential, multi-family residential, and commercial customers. The Targeted Water Conservation Incentive Program (Program) is a water conservation program designed to transform turf intensive landscapes requiring potable water supplies for irrigation to California Friendly landscapes through turf removal and replacement with California Friendly, drought-tolerant plants, synthetic turf, or mulch application to reduce irrigation water demand.

Turfgrass requiring more than four feet of irrigation water each year, will be removed and replaced by low-water-using California Friendly plants, (which require less than half the water needed by turfgrass), or with synthetic turf (which requires no supplemental irrigation water). Plant irrigation must be converted to a low-flow system or be capped off to utilize hand watering. Mulch application saves water by reducing evaporative losses, cooling soil, and controlling weeds and encourages infiltration, prevents stormwater runoff and erosion, and can also provide a barrier to some soilborne diseases that stress plants and increase water requirements.

The proposed Program anticipates up to 15,000 square feet of living turfgrass to California Friendly landscapes; approximately 5,000 square feet of living turfgrass to synthetic turfgrass, and approximately 66,000 square feet of mulch application and related irrigation. A total water savings of 2.7 acre-feet per year (AFY), or 27 acre-feet (AF) over the 10-year life of the Program improvements is estimated. These estimates are based on the anticipated participation by 2 large Homeowner Associations for the native plant program and mulch distribution and approximately 5 single family residential customer sites for the synthetic turf installation. The estimated total project size was estimated based on budget availability and previous turf removal program participation.

The actual number of participants may vary based on demand and size of individual projects, but based on previous incentive programs, could range from 5 to 15 participants, assuming a mix of larger and smaller projects. This Program allows single-family projects with a cap of 1,000 square feet, and multi-family residential and commercial projects with a cap of 7,500 square feet per application. This Program will rebate \$4 per square foot for turf removal/conversion projects, roughly half the cost to install synthetic turf, or \$0.40 per square foot for mulch application projects.

Participation in the Program begins with the submission of an application by a property owner, manager, or designated contractor. The participant will be required to include the following information, as applicable: conversion area measurement; existing irrigation equipment; new irrigation equipment; site plan; meter/account information; water source; landscape material; and site photographs depicting conversion area and existing irrigation equipment. The area that will receive a rebate must be 100% permeable to air and water. Upon implementation of the measure, SCWD will perform an onsite installation confirmation inspection. Program performance will be based on an evaluation of water use before and after the landscape improvements at selected implementation sites.

Evaluation Criteria

Evaluation Criterion A: Program Benefits (35 points)

- **Describe the expected benefits and outcomes of implementing the proposed project.**
 - **What are the benefits to the applicant's water supply delivery system?**

The Program is needed to increase water conservation in the District's service area and reduce demand on potable water supplies, including imported and groundwater, used for landscape irrigation. The District's 2020 irrigation demand was 23% of the District's total water consumption. The expected benefits of implementing the Program include 2.7 AFY of water conservation/water savings, or 27 AF over the 10-year life of the Program improvements, that will reduce the District's demands on imported water from MWDOC via MWD from the SWP and CRA and the demands on pumping groundwater from the San Juan Basin. The Program will benefit customers by

providing cost savings via rebates to participants who implement efficient landscape measures with the benefit of lower water bills due to reduced water use. The reduced demand will improve the District's delivery system because there are portions of the District where customers cannot receive recycled water for irrigation due to infrastructure constraints on extending recycled water deliveries. Therefore, the Program provides an alternative to receiving recycled water by offering rebates to customers who reduce the current demand on potable water supplies for landscape irrigation. In turn, the Program's water conservation benefits makes the District's delivery system more efficient and better able to meet irrigation demands.

2.7 AFY Program water savings was calculated by assuming 44 gallons per year per square foot (gallons/year/ft²) for all turf removal water savings; this was based on historic water use data for turf removal landscape conversion in southern California. Synthetic turf without irrigation will save even more water. Since it is estimated that up to 20,000 ft² of landscapes will be converted, this results in 880,000 gallons per year or 2.7 AFY (calculated as follows: 44 gallons/year/ft² * 20,000 ft²). Turfgrass removal is given a ten-year lifetime for water savings purposes, so the savings over the lifetime of the Program would be approximately 27 AF of water conserved. The Program also includes approximately 66,000 square feet of mulch application to approved landscape areas; however, water savings from mulch application is not quantified, as the extent to which mulch reduces irrigation requirements is not well measured.

The Program will also benefit the water supply delivery system by modernizing existing infrastructure in order to address water reliability concerns. This will be accomplished by updating landscaping throughout the service area to be more drought tolerant and permeable, while offering financial incentives and educating the District's customers about water use efficiency measures. Due to COVID-19 pandemic this past year, some customers were unable to pay their water bills. The Program's rebate incentives and reduced water usage (once implemented) translates into lower water bills and significantly benefits the District's customers. The Program provides an option for customers to save water and costs by transforming the existing high-water use grass turf areas into water conserving landscape to save potable water locally in the impaired San Juan Groundwater Basin (Basin) and regionally in the SWP and CRA, making more water available at the sources for other beneficial uses. The conserved water from the Program will help to address increased water demand with the region's high population growth, the extended periods and harsher drought cycles, climate change issues and preservation of environmental resources.

By saving water, the Program will reduce water related conflict within the Bay Delta and the CRA (over limited water supplies) from which the District receives its imported water from MWD via MWDOC. This Program will help to reduce the amount of water needed for import to southern California through the MWD system. In addition, the proposed Program may serve as a model to other agencies that are looking for ways to meet current emergency drought reductions. The District is entirely reliant on imported water supplies from the Bay Delta and CRA for 80% of its supply. Similarly, the SOC region is 80% reliant on the same imported water supplies. Therefore, the water-related conflict within the Bay Delta and CRA is significant and implementing the Program will assist in increasing local water reliability and decreasing imported water demand.

○ **If other benefits are expected explain those as well. Consider the following:**

▪ **Extent to which the proposed project improves overall water supply reliability**

The Program will help to provide reliable water supply, reduce dependency on imported water,

meet water demands during all hydrologic conditions (drought resiliency), and maximize potable/recycled water use efficiency. Saving 2.7 AFY through Program implementation is significant because 80 percent of the District's water supply consists solely of imported water obtained from MWDOC via MWD. The remaining 20 percent of its demand comes from its one million gallon per day Groundwater Recovery Facility in the San Juan Basin and recycled water. Additionally, 23% of the District's irrigation consumption is irrigation. The District is limited in the amount of groundwater it can pump each year. Hence, potable water savings from the Program will directly reduce the amount of water imported by up to 2.7 AFY, avoiding diversions of water each year from the CRA and Bay Delta, allowing water to be conserved to instream flows in the Bay Delta and CRA.

The Colorado River supply faces current and future imbalances between water supply and demand in the Colorado River Basin due to long term drought conditions. The long-term imbalance in future supply and demand is projected to be approximately 3.2 million AF by the year 2060. Approximately 40 million people rely on the Colorado River and its tributaries. Water conserved as a result of the Program's implementation represents a decrease in local demand, which would decrease the amount imported by the District through MWDOC and MWD; thereby, the conserved water will remain at its source, in the Bay Delta and in the Colorado River, for environmental and other beneficial uses.

Due to the arid climate and hot summers in southern California, the greatest savings will be achieved in the summer months through irrigation efficiency. The Program will serve as an example of efficiency that can be replicated from user to user, and by water agency to water agency, thereby increasing the capability of future water conservation and efficiency efforts beyond the District service area. A significant portion of customers who participate in the District's water savings rebate programs will participate in other future programs. MWD has demonstrated that turf conversions induce a multiplier effect, meaning people not participating in the rebate program will convert their lawns themselves, enhancing the opportunities for future water efficiency and conservation. The measures and devices installed/converted in this Program create long term water efficient practices, which will save water during and between times of drought.

▪ **The expected geographic scope benefits from the proposed project (local, sub-basin, basin)**
Geographically, the Program will help meet the water supply needs of the District's service area, including the San Juan Basin within the San Juan Creek Watershed, and the greater SOC region (also known as the SOC Watershed Management Area [WMA]) in Southern California. Locally, the expected geographic scope of the benefits from the Program includes water savings in the District's service area, which consists of the Cities of Dana Point, South Laguna Beach, and areas of San Juan Capistrano and San Clemente, comprising a total population of approximately 40,000. However, the impact of water savings reaches far beyond the population of the District's service area because of the tourist population that soars to over 2 million visitors annually in the area's coastal hotels and recreational amenities. Popular tourist destinations of Dana Point Harbor, Doheny State Beach, and Laguna Beach are frequented year-round by visitors to the beach cities.

Water savings will help reduce the demand on groundwater in the impaired San Juan Basin. The District has groundwater rights to the local Basin, which has limited supply because the storage capacity in the groundwater basin is small relative to recharge and production. The range of natural yield of the Basin is 7,000 AFY to 11,000 AFY. As such, the Basin is sensitive to drought periods,

as demonstrated by recent dry hydrologic conditions that prevented pumping between October 2014 and January 2017. Besides the District, there are 3 other agencies that have groundwater rights to the San Juan Basin and use this water for either municipal purposes or for irrigation. The Basin is governed by the San Juan Basin Authority (SJBA) and is a Joint Power Agency comprised of representatives from four local jurisdictions. The Basin is located in the San Juan Creek Watershed within the SOC WMA. By conserving potable water used for irrigation, the Program helps increase water supply reliability among the SJBA by reducing pumping demands on the San Juan Basin. The Program also reduces demand on imported water to meet the needs of the SOC WMA region within the San Juan Creek Watershed, which is regionally 80% reliant on imported water. The SOC WMA is included within the Water Quality Control Plan of the San Diego Basin Plan, thereby impacting water management within the San Diego Basin.

The District is approximately 80% reliant on imported water from MWD and MWDOC for potable water supplies. With nearly 19 million people in MWD's service area, Southern California is heavily reliant on imported water supplies to meet demands. Therefore, on a regional level, since water saved within the District's service area results in less water imported to the region of SOC, the geographic scope of the benefits expands to the larger Orange County area, including MWDOC's service area and subsequently MWD's service area in southern California which relies on the CRA and SWP for imported water supplies. Frequent tension over the water in the Colorado River Basin due to limited supplies and high demand makes any reduction in demand from the Basin significant for resolving competition. The Program provides water savings for the entire District service area, the San Juan Basin, and the San Juan Creek Watershed. Any reduction in water demand results in reduced demand on imported water for the SOC WMA, increases local water supply, including the MWDOC and MWD service areas by extension.

▪ **Extent to which the proposed project will increase collaboration and information sharing among water managers in the region**

The proposed Program will increase collaboration and information sharing among water managers in the region by sharing data and results from the Program with Reclamation, MWDOC, MWD, SJBA and other water agencies in the SOC WMA region. The District will provide valuable data to Reclamation, MWDOC, and MWD who have worked together previously on numerous grants to implement larger regional water conservation programs. The Program success will encourage other water districts or agencies that are smaller than the larger regional agencies to implement similar programs for their customers, thereby adding to the impact of water conservation practices.

The District has a cooperative working relationship with members of the SJBA, which is comprised of four neighboring agencies, including the District, that oversee groundwater in the San Juan Basin. In addition, the District is a member of the SOC WMA, which is comprised of 26 water districts, Cities, County, and special districts, that meet at least quarterly to share water management projects that meet the water conservation goals of the local watersheds, including San Juan Creek Watershed. The results of this Program will be shared with the members of the SJBA and SOC WMA.

Additionally, the proposed Program promotes collaboration within the conservation programs administered by the District through creating partnerships with its customers, such as Homeowners Associations (HOAs), to save water, learn about water efficient landscaping, and ways to save money on irrigation practices. The Program also builds upon the District's established relationship

with environmental organizations due to ongoing programs that reduce nonpoint source pollution from entering local waterways and beaches. Program importance is demonstrated by the letters of support from U.S. Representative Mike Levin of California's 49th Congressional District, Senator Patricia Bates of the 36th District, Assemblymember Lauri Davies of the 73rd District, Lisa Bartlett Orange County Board of Supervisors for the 5th District, Seascape Village HOA, and the City of Dana Point Chamber of Commerce as included in Appendix A. This support is significant in promoting efficient landscape water use techniques to water users, promoting widespread collaboration and partnerships for conservation practices.

- **Any anticipated positive impacts/benefits to local sectors and economies (e.g., agriculture, environment, recreation, tourism)**

The proposed Program will provide positive economic impacts to the local landscaping industry, protect the tourism economy, reduce water bills for customers, and protect ecosystems. This will be accomplished by creating more jobs for landscaping companies, ensuring water supply for tourism, providing rebates, and reducing dependence on imported water. The Program will encourage implementation of water conservation projects throughout the District, positively impacting employment and productivity in the landscaping construction industry. Further, increasing stormwater retention and infiltration will reduce runoff and its associated non-point source pollution in local fresh and marine environments, which are the core of the recreation and tourism industry within the coastal service area of the District. Mulch application saves water by reducing evaporative losses, cooling soil, and controlling weeds and encourages infiltration, prevents stormwater runoff and erosion, and can also provide a barrier to some soilborne diseases that stress plants and increase water requirements. When mulches are used instead of turf or plants, the use of landscape chemicals is also reduced, which reduces pollution loads and degradation of groundwater and surface water.

The District's service area hosts over 2 million visitors annually due to the significant number of hotels and recreational amenities. The recreational areas of Doheny State Beach Park, the Dana Point Harbor, and other area beaches are the main recreation areas for visitors and are used heavily year-round. The estimated total overnight guest spending in Dana Point alone is \$450 million per year, and this does not include hotels and resorts in south Laguna Beach, which is part of the District's service area. This tourism industry depends on a secure, reliable water supply to meet the needs of their clientele and help support the local economy. Therefore, the Program will provide water supply reliability for tourism by saving 2.7 AFY, or 27 AF over the life of the Program improvements.

This Program will benefit disadvantaged communities (DACs) by providing monetary assistance, in the form of a rebate, for water savings projects to help increase the financial feasibility of implementing such measures. DACs are located in the cities of Dana Point and San Juan Capistrano, which consist of 6% of the District's service area. The District will market the program through its outreach efforts to disadvantage communities. Many of these projects can beautify landscapes and help mitigate the urban heat island effect by increasing biomass while simultaneously using less water, requiring less maintenance, and reducing the cost of a monthly water bill.

Locally, the proposed Program will benefit the recovery of listed Steelhead Trout in the San Juan Creek by reducing urban runoff and non-point source pollution through better irrigation management. Statewide, the Program will benefit several federally-listed threatened and

endangered species in the San Francisco Bay and San Joaquin Delta ecosystem. These species include the Delta Smelt, Steelhead Trout, and Spring and Winter-Run Chinook Salmon. These species are included in Reclamation's Central Valley Program in California, which evaluates the impacts of the Central Valley Program and State Water Program on the San Francisco Bay and San Joaquin Delta ecosystem. Due to the listing of these species and recent court rulings, southern California's ability to access imported water from the Bay Delta has been restricted to retain water in the ecosystem to accelerate the recovery of these listed species. Therefore, the Program's reduction on imported water demand for the SOC region further protects species in the Bay Delta watershed.

Lastly, the Program will also provide reductions in Greenhouse Gases (GHG) that can be correlated to the energy savings by reducing the energy needed to transport 2.7 AF of imported water annually to the District from other parts of the State. Savings made possible by the Program can be estimated at approximately 4,118 pounds of carbon per year by converting to carbon emissions using a calculation of required energy of 2,500 kilowatt-hours per acre-foot (kWh/AF) of imported water and carbon dioxide (CO₂) emissions at 0.61 pound of CO₂/kWh (2.7 AF * 2,500 kWh/AF * 0.61 lbs. CO₂/kWh). The Program helps meet the State's GHG reduction goals by conserving approximately 4,118 lbs. of CO₂/year.

- **Extent to which the project will complement work done in coordination with NRCS in the area (e.g., with a direct connection to the district's water supply). Describe any on-farm efficiency work that is currently being completed or is anticipated to be completed in the future using NRCS assistance through EQIP or other programs.**

The Natural Resources Conservation Service (NRCS) acknowledges that drought, aging infrastructure, and environmental requirements can strain existing resources, and has collaborated with Reclamation through the NRCS's WaterSMART Initiative (WSI) to coordinate investments in priority areas for improving our cumulative impact in water conservation and drought resilience. WSI priority areas in Fiscal Year 21 include areas within Kern, Kings, and Tulare Counties in the southern part of California's Central Valley. The Bay Delta Region is the hub of California's water system, providing water approximately two thirds of the state's drinking water (including providing water to the District and to NRCS priority areas in California). Implementing landscape water conservation initiatives with the proposed Program will complement work done by NRCS because it reduces demand from the Bay Delta, therefore, the Program indirectly helps to increase availability of water in the Bay Delta region, which is a NRCS priority area. NRCS uses Environmental Quality Incentives Program and WSI funds to complement Reclamation WaterSMART funded projects by helping eligible farmers and ranchers make improvements that align with the paired Reclamation WaterSMART project. Although the proposed Program also incentivizes water conservation, the proposed Program would not include on-farm efficiency work that is currently being completed or is anticipated to be completed in the future using NRCS assistance through EQIP or other programs.

Evaluation Criterion B: Planning Efforts Supporting the Program (35 points)

- **Describe how your project is supported by an existing planning effort.**
- **Does the proposed project implement a goal or address a need or problem identified in the existing planning effort?**

The District's 2015 UMWP (June 2016) supports the Program by identifying the Program as one

of its water conservation measures. The District's 2015 UWMP includes measures for water conservation that support the proposed Program. In addition, the UWMP states that in its 5-year capital improvement program, the District plans to expand the Turf Removal Rebate Program, which demonstrates the commitment to implementing the Project. The District's 2015 UWMP includes Chapter 5 Water Shortage Contingency Plan, which identifies the water supply shortage policies MWD and the District have in place to respond to events including catastrophic interruption and reduction in water supply. Currently, the District is primarily reliant on imported water from MWD via MWDOC, with water sourced from the SWP and CRA for its drinking water supply. These water supplies are limited due to drought, population growth, and pumping restrictions, and are expected to further decrease over time. The Water Shortage Contingency Plan provides support for the proposed Project by identifying ways to conserve water and reduce water usage.

The Program helps meet the State's AB 32 goals by reducing GHG emissions as a result of the reduction in water treatment and delivery from imported water supplies. The Program will avoid GHG emissions by conserving approximately 4,118 lbs. of CO₂/year. The Program also helps to meet the goals of the California Water Plan Update 2018, the South Orange County IRWMP and MWDOC's Orange County Water Reliability Study. Water use efficiency is a main goal in all of these plans that will enable the region to manage water supplies and resources for future generations. Lastly, as a member agency, the District is incorporated into MWDOC's Urban Water Management Plan. MWDOC is a member of the Alliance for Water Use Efficiency. The Program supports the District's efforts to achieve MWDOC's Conservation Demand Management Measure and Best Management Practice goals. The Project builds upon the District's current successes in achieving the following: (1) maximizing water conservation by achieving over 20% sustained conservation compared to pre-drought 2014 levels; and (2) maximizing water recycling at a total of approximately 830 AFY or over 13% of the District's overall water demand. The District strives to be an example of water use efficiency and water conservation for other water agencies that are near 100% dependent on imported water supplies.

Through water conservation, the proposed Program also implements the SJBA's local Basin 2015 Groundwater Management Plan titled, "Final San Juan Basin Groundwater Management and Facilities Plan December 2013" prepared by the SJBA that identifies conservation as a means to reduce groundwater pumping demands on the Basin. Moreover, as a member agency, the District is incorporated into MWDOC's 2015 UWMP by supporting the District's efforts to achieve MWDOC's Conservation Demand Management Measure and Best Management Practice goals. In addition, MWD's 2015 Integrated Resource Plan includes Water Reliability Goals to: Maintain CRA Supplies, Stabilize SWP Supplies, and Develop and Protect Local Water Supplies. The Program will provide new potable water supply from water conservation, thereby reducing the demand on imported water from the SWP and CRA current used to meet potable demands. Finally, the Program implements water conservation measures to achieve the goal of the District's 2017 Infrastructure Master Plan for a long-term plan toward "water independence."

- **Explain how the proposed project has been determined as a priority in the existing planning effort as opposed to other potential projects/measures.**

The District has determined this Program is a priority in their existing planning effort both by allocating budget for the Program annually and by identifying it as a key measure for water conservation in their 2015 UWMP. The ongoing SCWD Turf Removal Rebate Program began in

FY 2010 and has removed over 893,000 square feet of irrigated turf within the District service area to date, with over 500 participants. The District annually allocates budget for the Turf Removal Rebate Program to reduce water reliance on imported water and support the District in meeting water conservation requirements brought on by drought conditions.

Regionally, a similar rebate Project was ranked as a priority in the SOC IRWM Plan, through a project selection process for grant award based on a ranking system that scores a project higher if it provides quantifiable benefits aligned with the objectives and strategies outlined in the IRWM Plan. The proposed Program was one of the highest-ranking projects in the IRWM Plan and is identified as a priority for meeting the objective of “Reduce consumption from outdoor residential, commercial, industrial, and institutional landscapes” through the following Strategies: WS-5-S3, Promote use of native and non-native California Friendly plants in urban landscapes, and WS-2-S4, Promote the replacement of non-functional turf grass with California Friendly plantings. This objective and strategies specifically identify turf replacement and California Friendly planting projects as a means to increase water supply reliability during times of drought. The Targeted Water Conservation Incentive Program is needed to meet this objective by promoting water use efficiency through incentivizing their customers to implement small-scale water conservation projects with rebates to offset project costs. The District strives to be an example of water use efficiency and water conservation for other water agencies similarly dependent on imported water supplies.

Lastly, the District is implementing the proposed Program to meet future statewide water conservation requirements under the California Department of Water Resources and State Water Resources Control Board’s Guidance Handbook, entitled “Making Water Conservation a California Way of Life- Primer of 2018 Legislation on Water Conservation and Drought Planning, SB 606 and AB 1668”. The requirements specifically target irrigation measures for water conservation, as proposed in the Program.

Evaluation Criterion C: Program Implementation (10 points)

- **Describe the implementation plan for the proposed project. Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates.**

This Program will be implemented through the following six tasks, as described below:

Task 1 - Program Administration: Program management would include SCWD salaries/wages for administrative and management efforts for the initiation and operation of the Program, including finalizing the Program scope, reviewing financial, contractual, reporting, performance monitoring, and reporting. The Program Manager will manage implementation of the Targeted Water Conservation Incentive Program for the duration of the work. As part of the Grant Management and Reporting (Task 5), SCWD will supply a data table with the actual hours per reporting period and related salary rates for each staff personnel.

Task 2 - Marketing and Promotion: SCWD will produce marketing and promotional material for the Program to encourage Program participation. The District webpage will be updated to present information regarding Program rules and regulations, and provide access to the Program application and information about rebate levels. Marketing may also consist of bill inserts and outreach to Large Landscape Survey Assessment participants. Program promotional materials will

acknowledge Reclamation's funding. Stakeholders including landscape maintenance contractors, facilities/property managers, homeowner association board members, and business owners, will be actively involved in the Program for education and promotional purposes.

Task 3 – Site Inspections: The turf conversion sites will receive a pre-project and post-project inspection. The pre-project inspection will verify there is currently living turf on the proposed site and the square footage of turf eligible for the Program. The post-project inspection verifies that the total project area was converted to meet program rules and requirements such as being 100% permeable and installing low-flow irrigation (as applicable). At a minimum, the pre-installation verification process will include collecting the following information: site contact information, measure, sector, device cost, rebates paid, installation date, conversion square footage. Additional collected information may include, as applicable: existing irrigation equipment, new irrigation equipment, site plan, conversion area measurement, landscape material, and site photographs depicting conversion area. Additionally, the District will perform comprehensive on-site post-inspections to serve as a quality control check to verify the reliability of the installation verification process. During on-site inspections executed by the District, the following will be performed:

- Walk the site with the property owner or person designated by the property owner;
- Verify specific aspects of project meet Program terms;
- Measure the project area;
- Verify installation of water efficient irrigation for California Friendly plants; and
- Promote California Friendly landscape irrigation educational classes.

Task 4 – Rebate Incentive: Over the 24-month period of the potential grant award, SCWD proposes to facilitate the implementation of the conversion of approximately 15,000 square feet of living turfgrass to California Friendly landscapes; approximately 5,000 square feet of living turfgrass to synthetic turfgrass, and approximately 66,000 square feet of mulch application. SCWD proposes to provide incentives through a rebate-style format to residential property owners and commercial property owners/managers for qualifying conversions. The following proposed rebate amounts will be available for each participant site; these rebate levels and estimated implementation areas may vary due to market transformation during Program implementation:

- Turf replacement with California-Friendly plants (\$4 per square foot);
- Turf replacement with synthetic turf (\$4 per square foot); and
- Mulch application (\$0.40 per square foot).

Rebate incentives will be based on the square footage of conversion. No participant will be rebated an amount higher than what is totaled as an eligible project cost. To receive the Program rebate funds, the completed site conversion is required to be consistent with the intent of the Program. Additionally, the turf areas must remain in compliance with the conversion requirements for five years. If this requirement is violated, the participant may be required to refund all or a portion of rebate funds. This requirement is void upon transfer of ownership. Turf conversion area qualification criteria include:

- Bare soil must be covered by mulch and/or groundcover.
- Site may not include any California invasive species.
- Conversion area must include the entirety of the irrigation zone(s), and must be converted to a low-flow irrigation system or be capped off. Deviations will be considered individually.
- Conversions that have been started or are already completed are not eligible as per the Program terms and conditions. Site is required to be inspected before living turf is removed.
- Conversions must comply with all applicable laws, codes, policies, covenants, and restrictions.

Task 5 – Grant Management and Reporting: The selected consultant will work closely with the District to negotiate, execute, and manage the Agreement with Reclamation. Reporting will also be performed on an annual basis, including submittal of Financial Reports and Program Performance reports, as well as Financial Reimbursement Requests using the online ASAP system through the System for Award Management (SAM). Program Performance and Final Reports will be completed and evaluate water savings achieved by the Program.

Program Schedule - The Program is ready to begin immediately after execution of the agreement with Reclamation. Table 1, presents the Program schedule with a start date of September 30, 2021 (anticipated award date) and completion September 30, 2023.

Table 1. Targeted Water Conservation Incentive Program Schedule

Task/Milestone/Activity	Planned Dates	
	Start	End
<i>Estimated Funding Award – 9/30/21</i>		
Task 1: Program Administration	9/30/21	9/30/23
Board of Directors approval for Program. Execute and manage the cooperative agreement with Reclamation. Finalize Program forms get them approved through legal department.		
Task 2: Marketing and Promotion	9/30/21	9/30/23
Incorporate Program on the SCWD Website. Work with District communications department to promote Program.		
Task 3: Site Inspections	1/30/22	9/30/23
Conduct pre- and post-project site inspections.		
Task 4: Rebate Incentives	1/31/22	9/30/23
Process rebates as needed.		
Task 5: Grant Management and Reporting	9/30/21	9/30/23
Prepare Program Performance Reports and Reimbursement Requests. Close program and prepare Final Report.		

- **Describe any permits that will be required, along with the process for obtaining such permits.** There are no required permits anticipated for the Program. All Program-related approvals will be handled by the District and will be executed in a timely and efficient manner.
- **Identify and describe any engineering or design work performed specifically in support of the proposed project.** There is no engineering or design work required to support the Program.
- **Describe any new policies or administrative actions required to implement the project.** Final approval from the District Board of Directors will be required prior to proceeding with the Program. No new District policies or administrative actions are required.
- **Describe the timeline for completion of environmental and cultural resource compliance. Was the timeline for compliance discussed with the local Reclamation office?** Environmental and cultural resources compliance is not shown in the schedule above since the turf replacement and mulch application will be performed on property that is considered already disturbed. Per our email correspondence with Doug McPherson, Environmental Protection Specialist, Bureau of Reclamation, Southern California Area Office, on March 8, 2021, “we fund projects like this every year using a NEPA Categorical Exclusion...turf replacement projects are nearly always completely benign, with no environmental or cultural resource issues [and are considered] general maintenance of existing landscaping and avoid SHPO consultation under "no potential effect" (NoPE) list #8.” Therefore, a Categorical Exclusion under NEPA is anticipated.

Evaluation Criterion D: Nexus to Reclamation (10 points)

• **How is the proposed project connected to Reclamation project activities?**

The proposed Project will benefit Reclamation's water supply in the Colorado River through its nexus with the District's Reclamation-funded Doheny Ocean Desalination Project, the Santa Ana Watershed Basin Study, and Reclamation's Colorado River Basin Study by making 2.7 AFY of potable water available through water savings. The Project supports the District's Doheny Ocean Desalination Project via the cooperative agreement with Reclamation's WaterSMART: Desalination Construction Projects under the WIIN Act (executed in 2019). The Desalination Project goal is to reduce dependence on imported water and protect the San Juan Basin groundwater supplies. The proposed Project is connected to this project because it will decrease potable water used for irrigation throughout the District's service area, expanding water use efficiency to protect the San Juan Basin and reduce demand on imported supplies from the CRA. The Project, located in Orange County, also directly supports the Santa Ana Watershed Basin Study adaptation strategies, which is a partnership between the Santa Ana Watershed Project Authority and Reclamation by reducing demand on imported water and promoting the state's 20 x 2020 Water Conservation Plan. Lastly, the Project will increase the availability of Reclamation's overall water supply in the Colorado River Basin Plan, which is a multi-year Basin Study to examine supplies and demands for Colorado River water. The proposed Project is associated with the Colorado River Basin, and the District receives water from MWD via MWDOC, which currently relies on the CRA and the SWP as its primary sources of water. The study also included ideas and projects to resolve the supply and demand imbalance, including water conservation. Reclamation manages the Colorado River system from which MWD imports water. The District purchases approximately 80% of its supply from MWD through MWDOC. Water is imported from the Colorado River and from northern California via the SWP. Imported water savings associated with the Project translate to more water remaining in these two fragile systems. The Project benefits Reclamation because it reduces imported water supplies from the Colorado River and northern California; thereby protecting the Colorado River Basin. By reducing the amount of water imported, this water in effect remains in the basin from which it originates, or is made available to meet demands in other areas of the State, including those of tribal nations.

• **Does the applicant receive Reclamation project water?** Yes, the District receives a mixture of Colorado River water and State Water Program water through MWD and MWDOC, as described above.

• **Is the project on Reclamation project lands or involving Reclamation facilities?** The Program is not on Reclamation lands, but indirectly involves Reclamation facilities, as described above.

• **Is the project in the same basin as a Reclamation project or activity?** Yes, the Targeted Water Conservation Incentive Program is in the same San Juan Basin as the Reclamation-funded Doheny Ocean Desalination Project, as described above.

• **Will the proposed work contribute water to a basin where a Reclamation project is located?** The water savings attained will be the result of reduced imports from the Bay Delta and the Colorado River, thereby impacting the Colorado River Basin, as described above. By reducing the amount of water imported, this water in effect remains in the basin from which it originates, or is made available to meet demands in other areas of the State.

• **Will the project benefit any tribes?** No, there are no federally recognized tribes in Orange County, but tribes in the Colorado River Basin may benefit from water remaining at the source.

Program Budget

The complete Targeted Water Conservation Incentive Program Budget includes a Funding Plan, Budget Proposal, Budget Narrative, and the SF 242 Budget Form.

Funding Plan and Letters of Commitment

Describe how the non-Federal share of project costs will be obtained. Reclamation will use this information in making a determination of financial capability.

The District will fund all non-Reclamation Program costs. Since 2010, the District has allocated budget for the existing Turf Removal Rebate Program, and this annual budget allocation will fund the District’s cost share for the expanded Targeted Water Conservation Incentive Program. The District’s FY 21/22 and FY 22/23 budget will fund the District’s non-federal share of Program costs. The budget amounts will be included under the District’s Water Conservation Budget Section W120-000 sub section Water Conservation Programs # 60610. This budget is funded annually for the Turf Removal Rebate Program by a portion of the water service charge, and the water peak demand charge, and interest income.

1. **Cost Share Contribution:** The District will provide its cost share in monetary (cash) contributions. The Targeted Water Conservation Incentive Program is included in the FY 21/22 budget and is funded by a portion of the water service charge, and the water peak demand charge, and interest income. The District budget will include \$37,539.25 for FY 21/22 and \$37,539.25 for FY 22/23.
2. **Any Costs Incurred Before the Anticipated Program Start Date:** The District does not anticipate any in-kind costs prior to award. Program start date is not anticipated to be before September 30, 2021.
3. **Funding Partners:** None.
4. **Funding Requests from other Federal Partners:** No other funding has been requested or received from other Federal partners.
5. **Pending Funding Requests:** There are no pending funding requests for the Targeted Water Conservation Incentive Program.

Table 2 summarizes the funding sources for the Targeted Water Conservation Incentive Program.

Table 2. Total Program Cost

SOURCE	AMOUNT
Costs to be reimbursed with the requested Federal funding	\$75,000.00
Costs to be paid by the Applicant	\$75,078.50
TOTAL PROGRAM COST	\$150,078.50

Budget Proposal

The District will fund approximately 50 percent of the Targeted Water Conservation Incentive Program costs (\$75,078.50), and the District is requesting approximately 50 percent (\$75,000) of the total Targeted Water Conservation Incentive Program costs as shown in Table 2. Table 3

South Coast Water District
Targeted Water Conservation Incentive Program

provides the Budget Detail by cost categories (Budget Item Description). The Budget Narrative is provided below.

Table 3. SCWD Targeted Water Conservation Incentive Program Budget

BUDGET ITEM DESCRIPTION	COMPUTATION			Quantity Type	TOTAL COST
	Price/Rate	Unit	Quantity		
SALARIES AND WAGES					
Larry Fregin-Project Manager	\$68.81	/Hour	100	Hour	\$ 6,881.00
Eric Lenz - Supervisor	\$60.19	/Hour	250	Hour	\$ 15,047.50
Jonathan Barnes - Technician, Site Inspections	\$47.40	/Hour	250	Hour	\$ 11,850.00
			Subtotal		\$ 33,778.50
FRINGE BENEFITS					
Not Applicable					\$ -
			Subtotal		\$ -
TRAVEL					
Not Applicable					\$ -
EQUIPMENT					
Not Applicable					\$ -
			Subtotal		\$ -
SUPPLIES/MATERIALS					
Not Applicable					\$ -
			Subtotal		\$ -
CONTRACTUAL/ CONSTRUCTION					
Consultant - Grant Reporting	\$165.00	/Hour	60	Hour	\$ 9,900.00
			Subtotal		\$ 9,900.00
OTHER					
Rebate Programs - CA Friendly Plants	\$4.00	/SF	15,000	SF	\$ 60,000.00
Rebate Programs - Synthetic Turf	\$4.00	/SF	5,000	SF	\$ 20,000.00
Rebate Programs - Mulch	\$0.40	/SF	66,000	SF	\$ 26,400.00
			Subtotal		\$ 106,400.00
TOTAL DIRECT COSTS:					
					\$ 150,078.50
INDIRECT COSTS					
Not Applicable					\$ -
TOTAL ESTIMATED PROJECT/ACTIVITY COSTS:					\$ 150,078.50

*No In-kind contributions or Indirect Costs are included for the Targeted Water Conservation Incentive Program.

Budget Narrative

Submission of a budget narrative is mandatory. An award will not be made to any applicant who fails to fully disclose this information. The budget narrative provides a discussion of, or explanation for, items included in the budget proposal. The types of information to describe in the narrative include, but are not limited to, those listed in the following subsections. Costs, including the valuation of third-party in-kind contributions, must comply with the applicable cost principles contained in 2 CFR Part §200, available at the e-CFR (www.ecfr.gov).

Salaries and Wages

Indicate the project manager and other key personnel by name and title. The project manager must be an employee or board member of the applicant. Other personnel should be indicated by title alone. For all positions, indicate salaries and wages, estimated hours or percent of time, and rate of compensation. The labor rates must identify the direct labor rate separate from the fringe rate or fringe cost for each position. All labor estimates must be allocated to specific tasks as outlined in the applicant's technical project description. Labor rates and proposed hours shall be displayed for each task.

A total of \$33,778.50 is allocated for this budget category. The Program Manager and other key personnel are identified by name and title below. Their salaries and wages (labor rates) and estimated hours are included below (labor rates are separate from the fringe rate). Table 4 shows the labor estimates allocated to specific tasks as outlined in the project description. The labor rates were implemented by the District on July 1, 2020.

The **Program Project Manager is Larry Fregin**. Mr. Fregin is the Reclamation/Conservation Manager for the District. His budgeted time includes a direct labor rate of \$68.81/hour, which does not include fringe benefits. A total of 100 hours at a total cost of \$6,881.00, is estimated to manage and promote the Program over the allotted 2-year timeframe. As shown in Table 4, Larry will be involved in the following Tasks:

- Task 1: Program Administration – A total of 80 hours at a rate of \$68.81/hour are allotted to implement the Program.
- Task 2: Marketing and Promotion – A total of 20 hours at a rate of \$68.81/hour are allotted to implement the Program.

The **Program Supervisor** for the District will be **Eric Lenz**. The budgeted time includes a direct labor rate of \$60.19/hour, which does not include fringe benefits, for a total of 250 hours estimated to supervise the Program and conduct pre-project and post-project verification inspections over the allocated 2-year timeframe. The total amount budgeted is \$15,047.50. As shown in Table 4, Eric will be involved in the following Tasks:

- Task 3: Site Inspections – A total of 200 hours at a rate of \$60.19/hour are allotted for site verification inspections.
- Task 4: Rebate Incentives – A total of 50 hours at a rate of \$60.19/hour are allotted for rebate processing.

The **Technician** for the District will be **Jonathan Barnes**. The budgeted time includes a direct labor rate of \$ 47.40/hour, which does not include fringe benefits, for a total of 250 hours estimated to supervise the Program and conduct the pre-project and post-project verification inspections over the allocated 2-year timeframe. The total amount budgeted is \$11,850.00. As shown in Table 4, Jonathan will be involved in the following Task:

- Task 3: Site Inspections – A total of 250 hours at a rate of \$ 47.40/hour are allotted for site verification inspections.

Table 4. Budget Labor Detail

Task	Activity & Employee	Hours	Rate	Total Costs
Task 1	Program Management Program Manager (Larry Fregin)	80	\$68.81	\$5,504.80
Task 2	Marketing and Promotion Program Manager (Larry Fregin)	20	\$68.81	\$1,376.20
Task 3	Site Inspections Supervisor (Eric Lenz)	200	\$60.19	\$12,038.00
Task 3	Site Inspections Technician (Jonathan Barnes)	250	\$47.40	\$11,850.00
Task 4	Rebate Incentives Supervisor (Eric Lenz)	50	\$60.19	\$3,009.50
TOTAL				\$ 33,778.50

Fringe Benefits

Fringe benefits are not included for the Targeted Water Conservation Incentive Program.

Travel

Travel costs are not included for the Targeted Water Conservation Incentive Program.

Equipment

Equipment not included for the Targeted Water Conservation Incentive Program.

Materials and Supplies

Materials and Supplies are not included for the Targeted Water Conservation Incentive Program.

Contractual

Identify all work that will be accomplished by consultants or contractors, including a breakdown of all tasks to be completed, and a detailed budget estimate of time, rates, supplies, and materials that will be required for each task. For each proposed contract, identify the procurement method that will be used to select the consultant or contractor and the basis for selection. Please note that all procurements with an anticipated aggregate value that exceeds the Simplified Acquisition Threshold (currently \$10,000) must use a competitive procurement method (see 2 CFR §200.320 – Methods of procurement to be followed). Only contracts for architectural/engineering services can be awarded using a qualifications-based procurement method. If a qualifications-based procurement method is used, profit must be negotiated as a separate element of the contract price. See 2 CFR §200.317 through §200.326 for additional information regarding procurements, including required contract content.

Contractual costs are included to perform required grant management and reporting on behalf of the District. Grant Reporting will be performed by a consultant. Reporting includes Financial Reports, Performance Reports, and Final Performance Report.

- **Task 5: Grant Management and Reporting** – A total of 60 hours at a rate of \$165/hour is allocated for this task. A total of **\$9,900** is budgeted for the 2-year time frame allotted for the Program. The budgeted cost for the consultant was determined to be fair and reasonable because it is consistent with District estimates based on experience with similar projects. The District typically utilizes sole-source procurement methods for professional grant management and reporting services, with the basis of selection including consultant experience, institutional knowledge, and proposed fee.

Third Party In-Kind Contributions

Third Party In-Kind Contributions are not included for the Targeted Water Conservation Incentive Program.

Environmental and Regulatory Compliance Costs

Based on the nature of the water conservation programs, it is anticipated a Categorical Exclusion under National Environmental Policy Act (NEPA) will be determined. Therefore, there is no need to include Environmental and Regulatory Compliance Costs. These costs will not be incurred implementing the Program. Therefore, no associated costs are presented in the budget.

Other Expenses

Other expenses related to the Targeted Water Conservation Incentive Program are the rebate costs, as described below.

- **Task 4 Rebate Incentives** - Over the 2-year period of the potential grant award, SCWD proposed to facilitate the implementation of approximately 20,000 square feet (approximately 0.5 acres) of turfgrass conversions to California Friendly/drought tolerant plants or synthetic turf in approved landscape areas, based on previous program participation. The Program also includes approximately 66,000 square feet of applied mulch to landscape areas. The District proposes to provide incentives through a rebate-style format to residential or commercial property owners/managers for qualifying conversions. A total of **\$106,400** is budgeted for the rebate incentives. The rebate amounts were based on existing rebate amounts and current installation costs for the proposed water conservation measures. Based on recent feedback showing interest in the program and historical participation data, the District estimated the total amounts based on 2 HOAs participating in the California Friendly plant program and mulch distribution and approximately 5 single family residential customer sites for the synthetic turf installation. The number of participants will be based on Program demand and project size. Table 5 below details the anticipated rebate amounts; these rebate levels may vary due to market transformation during the implementation phase. A letter of support provided by Seascape Village HOA (included in Appendix A) shows support for the Program and anticipated participation.

Previously, the District had 282 customer sites participate in the turf removal rebate program for Synthetic Turf and an additional 220 sites participate in the California Friendly /native replacement program from FY 2010 to FY 2020. These totals were considered in developing anticipated participation for the proposed Program and total budget estimates.

Table 5. Budget Rebate Incentives Detail

OTHER					
Rebate Programs - CA Friendly Plants – Assumes 2 large HOAs	\$4.00	/SF	15,000	SF	\$ 60,000.00
Rebate Programs - Synthetic Turf – Assumes 5 single family residences	\$4.00	/SF	5,000	SF	\$ 20,000.00
Rebate Programs – Mulch – Assumes 2 large HOAs	\$0.40	/SF	66,000	SF	\$ 26,400.00
			Subtotal		\$ 106,400.00

Indirect Costs

Indirect costs are not included for the Targeted Water Conservation Incentive Program.

Total Costs

Indicate total amount of project costs, including the Federal and non-Federal cost share amounts.

The Targeted Water Conservation Incentive Program total cost is \$150,078.50. The Federal cost share amount requested is \$75,000 (approximately 50%) and the non-federal cost share amount is \$75,078.50 (approximately 50%), as shown in Table 2.

Environmental and Cultural Resources Considerations

To allow Reclamation to assess the probable environmental and cultural resources impacts and costs associated with each application, all applicants should consider the following list of questions focusing on the NEPA, NHPA, and ESA requirements. Please answer the following questions to the best of your knowledge. If any question is not applicable to the project, please explain why. The application should include the answers to:

(1) Will the proposed project impact the surrounding environment (e.g., soil [dust], air, water [quality and quantity], animal habitat)? Please briefly describe all earth-disturbing work and any work that will affect the air, water, or animal habitat in the project area. Please also explain the impacts of such work on the surrounding environment and any steps that could be taken to minimize the impacts.

No, the Targeted Water Conservation Incentive Program provides incentives for turf replacement and mulch application and should pose no adverse impact to the surrounding environment. The work will be performed on property that is considered already disturbed, and no further requirements are needed. It is anticipated that a Categorical Exclusion or Finding of No Significant Impacts under NEPA will be required given the nature of the Program that includes providing rebates for water conservation projects. A Categorical Exclusion seems appropriate since the Targeted Water Conservation Incentive Program will likely not have a significant effect on the human environment and, therefore, neither an environmental assessment nor an environmental impact statement would be required.

(2) Are you aware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated critical habitat in the project area? If so, would they be affected by any activities associated with the proposed project?

No known species listed or proposed to be listed as a Federal endangered or threatened species, or designated critical habitats are within the Targeted Water Conservation Incentive Program area. The Targeted Water Conservation Incentive Program will be implemented at specific properties in landscaped areas that are considered already disturbed that are not critical habitat and not considered to affect species listed or proposed to be listed as a Federal endangered or threatened species.

(3) Are there wetlands or other surface waters inside the project boundaries that potentially fall under CWA jurisdiction as “waters of the United States?” If so, please describe and estimate any impacts the project may have.

No, there are not wetlands or other surface waters inside the Targeted Water Conservation Incentive Program boundaries that potentially fall under CWA jurisdiction as "waters of the United States." No associated impacts would occur and no mitigation is required. The Targeted Water Conservation Incentive Program will be implemented at specific properties in landscaped areas that are considered already disturbed and outside of waters of the United States.

(4) When was the water delivery system constructed?

The original water delivery system was built in 1932.

(5) Will the project result in any modification of or effects to, individual features of an irrigation system (e.g., headgates, canals, or flumes)? If so, state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features completed previously.

No, the Targeted Water Conservation Incentive Program will not result in any modification of or effect to individual features of an irrigation system.

(6) Are any buildings, structures, or features in the irrigation district listed or eligible for listing on the National Register of Historic Places? A cultural resources specialist at your local Reclamation office or the State Historic Preservation Office can assist in answering this question.

There are no buildings, structures, or features listed or eligible for listing on the National Register of Historic Places within the Targeted Water Conservation Incentive Program sites. The Targeted Water Conservation Incentive Program will be implemented at specific properties in landscaped areas that are considered already disturbed.

(7) Are there any known archeological sites in the proposed project area?

There are no known archeological sites in the proposed Program area. The Targeted Water Conservation Incentive Program will be implemented at specific properties in landscaped areas that are considered already disturbed.

(8) Will the project have a disproportionately high and adverse effect on low income or minority populations?

The Targeted Water Conservation Incentive Program will not have a disproportionately high and adverse effect on low income or minority populations. The Targeted Water Conservation Incentive Program has the potential to provide positive monetary benefits to low income and minority populations by incentivizing water conservation project implementation which, after installation, will potentially decrease the costs to that population.

(9) Will the project limit access to and ceremonial use of Indian sacred sites or result in other impacts on tribal lands?

The Targeted Water Conservation Incentive Program will not limit access to and ceremonial use of Indian sacred sites or result in other impacts on tribal lands.

(10) Will the project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area?

No, the Targeted Water Conservation Incentive Program will not contribute to the introduction, continued existence, or spread of noxious weeds or non-native species known to occur in the area.

Required Permits or Approvals

Applicants must state in the application whether any permits or approvals are required and explain the plan for obtaining such permits or approvals.

There are no required permits anticipated for the Targeted Water Conservation Incentive Program. All Program-related approvals will be handled by the District and will be executed in a timely and efficient manner. Final approval from the District Board of Directors will be required prior to proceeding with the Targeted Water Conservation Incentive Program.

Official Resolution

A draft resolution of the SCWD Board of Directors is included in Appendix B. The official resolution will be adopted at the meeting of the District's Board of Directors scheduled for March 25, 2021. The official adopted resolution will be submitted to Reclamation within 30 days of the grant application deadline of March 18, 2021. The resolution verifies the District's legal authority to enter into an agreement; the Board of Directors has reviewed and supports submittal of this application; the capability of the District to provide the amount of funding and in-kind contributions specified in the Funding Plan; and that the District will work cooperatively with Reclamation to meet established deadlines for entering into a cooperative agreement.

Appendices

Appendices are attached in the following pages.

Appendix A – Letters of Support

Appendix B – Draft Resolution

Appendix A – Letters of Support



Congress of the United States
House of Representatives
Washington, DC 20515-0549

WASHINGTON D.C. OFFICE
1626 LONGWORTH OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3906

OCEANSIDE DISTRICT OFFICE
2204 EL CAMINO REAL, SUITE 314
OCEANSIDE, CA 92054
(760) 599-5000

DANA POINT DISTRICT OFFICE
33282 GOLDEN LANTERN, SUITE 102
DANA POINT, CA 92629
(949) 281-2449

March 12, 2021

Mr. Matthew Reichert
Bureau of Reclamation
P.O. Box 25007, MS 84-27133
Denver, CO 80225

Dear Mr. Reichert,

I write to ask your full consideration of the South Coast Water District's (SCWD) grant application for funding under the U.S. Department of the Interior, Bureau of Reclamation's WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2021. This grant will help fund SCWD's Targeted Water Conservation Incentive Program as part of their long-term goal of water conservation and improved water use.

South Coast Water District's two-year targeted landscape improvement program offers rebates to promote water conservation through the transformation of high-water-use turfgrass landscaping and irrigation to California Friendly landscapes, synthetic turf landscapes, and mulch landscapes. Actions taken under this program will result in the reduction of potable water use and nonpoint source pollutants associated with dry-weather and stormwater runoff. These measures will increase local water supply reliability, thus benefitting the constituents of my district.

I appreciate the U.S. Department of the Interior, Bureau of Reclamation's attention to this grant application. Please contact my office if you have any questions or if I can be of assistance.

Sincerely,

A handwritten signature in black ink that reads "Mike Levin". The signature is fluid and cursive, with a prominent flourish at the end.

Mike Levin
Member of Congress

CAPITOL OFFICE
STATE CAPITOL, ROOM 3063
SACRAMENTO, CA 95814
TEL (916) 651-4036
FAX (916) 651-4936

DISTRICT OFFICES
24031 EL TORO ROAD
SUITE 201A
LAGUNA HILLS, CA 92653
TEL (949) 598-5850
FAX (949) 598-5855

169 SAXONY ROAD
SUITE 103
ENCINITAS, CA 92024
TEL (760) 642-0809
FAX (760) 642-0814

SENATOR.BATES@SENATE.CA.GOV
WWW.SENATE.CA.GOV/BATES

California State Senate

SENATOR
PATRICIA C. BATES
THIRTY-SIXTH SENATE DISTRICT



COMMITTEES
APPROPRIATIONS
VICE CHAIR
ENVIRONMENTAL QUALITY
VICE CHAIR
HOUSING
VICE CHAIR
RULES
VICE CHAIR
TRANSPORTATION
VICE CHAIR
BUSINESS, PROFESSIONS AND
ECONOMIC DEVELOPMENT
INSURANCE

March 3, 2021

Mr. Rick A. Shintaku, PE
General Manager
South Coast Water District
31592 West Street
Laguna Beach, California 92651

Dear Mr. Shintaku,

It is my understanding that the South Coast Water District (SCWD) is submitting a "WaterSMART Grants: Small-Scale Water Efficiency Projects" grant application for consideration by the U.S. Bureau of Reclamation. This grant would help fund SCWD's Targeted Water Conservation Incentive Program, an integral part of meeting the district's long-term goals of water conservation, supply reliability, and efficient management.

As the state senator for the 36th District (South Orange and North San Diego Counties) and as a former Orange County supervisor, I understand the serious implications of drought restrictions on our local water districts, especially when combined with the region's overwhelming reliance on imported water. SCWD has a legacy of providing safe and reliable drinking water to its customers since 1932 and the WaterSMART grant would enable the district to enhance water efficiency and reliability.

The two-year targeted landscape improvement program will offer rebates to promote water conservation through the transformation of high-water-use turf grass landscaping and irrigation for California-friendly landscapes, synthetic turf landscapes, and mulch landscapes. These measures will result in a reduction in potable water use, increased irrigation efficiency and uniformity, and the reduction of pollutants associated with dry-weather and stormwater runoff.

It is my pleasure to convey my support of this project and for SCWD's WaterSMART application. I wish SCWD every success in its efforts to improve service to its customers.

Sincerely,

A handwritten signature in blue ink that reads "Patricia C. Bates".

PATRICIA C. BATES
Senator, 36th District

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0073
(916) 319-2073
FAX (916) 319-2173

E-MAIL
Assemblymember.Davies@assembly.ca.gov



DISTRICT OFFICE
31473 RANCHO VIEJO ROAD, SUITE 104
SAN JUAN CAPISTRANO, CA 92675
(949) 240-7300
FAX (949) 240-7313

March 8, 2021

Rick A. Shintaku, PE
General Manager
South Coast Water District
31592 West Street
Laguna Beach, California 92651

Dear Mr. Shintaku:

I understand that South Coast Water District is submitting a WaterSMART Grants: Small-Scale Water Efficiency Projects grant application for consideration by the United States Bureau of Reclamation for Fiscal Year 2021. This grant would help fund SCWD's **Targeted Water Conservation Incentive Program**, an integral part of the District's long-term goal of water conservation, water supply reliability and efficient water management.

As the representative of the 73rd District in the CA State Assembly and a longtime resident of south Orange County, I know very well the implications of drought restrictions and the region's overwhelming reliance on imported water. South Coast Water District has been providing reliable, safe drinking water to its customers since 1932 and this WaterSMART Grant would enable the District to further enhance water use efficiency and local water supply reliability. The two-year targeted landscape improvement program will offer rebates to promote water conservation through the transformation of high-water-use turfgrass landscaping and irrigation to California Friendly landscapes, synthetic turf landscapes, and mulch landscapes. These measures will result in a reduction in potable water use, increased irrigation efficiency and uniformity, and reductions of nonpoint source pollutants associated with dry-weather and storm water runoff.

It is my pleasure to convey my strong support of this project and for SCWD's Grant application.

I greatly appreciate SCWD's commitment to being proactive stewards of our scarce water resources. Thank you for your continued efforts on behalf of the region. Please feel free to contact my district office if you need anything further.

Sincerely,

A handwritten signature in black ink that reads "Laurie Davies".

Assemblywoman Laurie Davies- 73rd Assembly District



LISA A. BARTLETT

ORANGE COUNTY BOARD OF SUPERVISORS
SUPERVISOR, FIFTH DISTRICT

ORANGE COUNTY HALL OF ADMINISTRATION
333 W. SANTA ANA BLVD.
10 CIVIC CENTER, SANTA ANA, CALIFORNIA 92701
PHONE (714) 834-3550 FAX (714) 834-2670
<http://bos.ocgov.com/fifth/>

March 10, 2021

Bureau of Reclamation
Financial Assistance Support Section
Attn: Mr. Matthew Reichert
P.O. Box 25007, MS 84-27133
Denver, CO 80225

Dear Mr. Reichert,

I understand that Orange County Coastkeeper (OC Coastkeeper) in partnership with the Municipal Water District of Orange County (MWDOC), and South Coast Water District (SMWD) are both submitting applications to the WaterSMART Grants: Small-Scale Water Efficiency Projects for consideration by the United States Bureau of Reclamation for Fiscal Year 2021. The SCWD's **Targeted Water Conservation Incentive Program** and OC Coastkeeper/MWDOC's **South Orange County Commercial Irrigation Improvement Project (SOC CIIP)** will include conversion of high water-demand landscapes with inefficient irrigation devices to drought-tolerant, California Friendly landscapes irrigated with efficient irrigation practices.

The County supports projects like these that promote water use efficiency, build regional water self-reliance and reduce the impacts of urban runoff on local watersheds. Similarly, the County appreciates the collaborative nature with which these projects will be implemented as stakeholder and agency collaboration is a hallmark of South Orange County.

Sincerely,

A handwritten signature in blue ink that reads "Lisa A. Bartlett".

Lisa Bartlett
Supervisor, Fifth District
Orange County Board of Supervisors

February 26, 2021

Rick A. Shintaku, PE
General Manager
South Coast Water District
31592 West Street,
Laguna Beach, California 92651
rshintaku@scwd.org
(949) 342-1152 Office

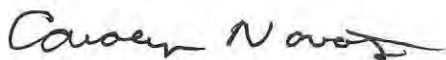
Re: Letter of Support for Funding South Coast Water District's Targeted Water Conservation Incentive Program grant application for the United States Department of the Interior, Bureau of Reclamation's WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2021.

Dear Mr. Shintaku:

We understand that the South Coast Water District (District) is submitting a WaterSMART Grants: Small-Scale Water Efficiency Projects grant application for consideration by the United States Bureau of Reclamation for Fiscal Year 2021. This grant would help fund the District's **Targeted Water Conservation Incentive Program**, as part of its long-term goal of water conservation, water supply reliability and efficient water management. The District has been providing reliable, safe drinking water to its customers since 1932 and its service area includes the Seascape Village Home Owner's Association (HOA), located in the City of San Clemente. The Seascape Village HOA fully supports the Project and the District's efforts to enhance water use efficiency and local water supply reliability. The two-year targeted landscape improvement program offers rebates to promote water conservation through the transformation of high-water-use turfgrass landscaping and irrigation to California Friendly landscapes, synthetic turf landscapes, and mulch landscapes. These measures will result in reductions of potable water use, increased irrigation efficiency and uniformity, and reductions of nonpoint source pollutants associated with dry-weather and stormwater runoff.

If you have any questions or need additional information regarding our support of this project, please do not hesitate to contact me by email at Novotny5@cox.net or via telephone at 949-276-4946

Sincerely,



Carolyn Novotny
Vice President
Seascape HOA



March 6, 2021

Rick A. Shintaku, PE
General Manager
South Coast Water District
31592 West Street,
Laguna Beach, California 92651
rshintaku@scwd.org
(949) 342-1152 Office

Re: Letter of Support for Funding South Coast Water District's Targeted Water Conservation Incentive Program grant application for the United States Department of the Interior, Bureau of Reclamation's WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2021.

Dear Mr. Shintaku:

We understand that the South Coast Water District (District) is submitting a WaterSMART Grants: Small-Scale Water Efficiency Projects grant application for consideration by the United States Bureau of Reclamation for Fiscal Year 2021.

This grant would help fund the District's **Targeted Water Conservation Incentive Program**, as part of its long-term goal of water conservation, water supply reliability and efficient water management. The District has been providing reliable, safe drinking water to its customers since 1932 and its service area includes the Cities of Dana Point, South Laguna Beach, and portions of San Juan Capistrano and San Clemente. The Dana Point Chamber of Commerce fully supports the Project and the District's efforts to enhance water use efficiency and local water supply reliability. The two-year targeted landscape improvement program offers rebates to promote water conservation through the transformation of high-water-use turfgrass landscaping and irrigation to California Friendly landscapes, synthetic turf landscapes, and mulch landscapes.

These measures will result in reductions of potable water use, increased irrigation efficiency and uniformity, and reductions of nonpoint source pollutants associated with dry-weather and stormwater runoff.

If you have any questions or need additional information regarding our support of this project, please do not hesitate to contact me by email at vickie@danapointchamber.com or via telephone at (949) 496-1555.

Sincerely,

A handwritten signature in black ink, appearing to read "Vickie McMurchie". The signature is fluid and cursive, with a large loop at the end.

Vickie McMurchie
Executive Director

Appendix B –Draft Resolution

SOUTH COAST WATER DISTRICT

RESOLUTION NO. 17-20/21

A RESOLUTION OF THE BOARD OF DIRECTORS OF SOUTH COAST WATER DISTRICT ENDORSING WATERSMART: SMALL-SCALE WATER EFFICIENCY PROJECTS GRANT 2021

WHEREAS, the United States Bureau of Reclamation is currently offering grant opportunities through the WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year (“FY”) 2021; and

WHEREAS, said WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021 is a cost-shared program emphasizing water efficiency; and

WHEREAS, the Board of Directors of South Coast Water District (“Board”) supports the submission by the South Coast Water District (“District”) of a grant application, prepared and approved by the District, to the WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021; and

WHEREAS, the District is capable of providing the amount of matching funds of up to \$75,078.50 in cash and/or in-kind contributions specified in the grant application’s funding plan; and

WHEREAS, if selected for a WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021, the District will work with the United States Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement;

NOW, THEREFORE, SOUTH COAST WATER DISTRICT BOARD OF DIRECTORS DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1: The Board approves the submission of the application for the WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021 by the District for fiscal year 2021-22, fiscal year 2022-23.

Section 2: In the event grant funding is provided by the United States Bureau of Reclamation, the Board authorizes the General Manager of the District or his designee to accept the grant and sign any contract for administration of the grant funds and delegate the Chief Financial Officer to act as a fiscal agent for any grant funding received.

Section 3: This resolution shall take effect immediately.

Section 4: The Secretary shall certify to the adoption of this resolution and henceforth and thereafter the same shall be in full force and effect.

PASSED AND ADOPTED this 25th day of March, 2021.

President

ATTEST:

Secretary

Attachment 14. Areas Affected by Project

South Coast Water District

Targeted Water Conservation Incentive Program

Areas affected by the Project include South Coast Water District's entire service area, which provides water and wastewater services to approximately 35,000 residents, 1,000 businesses, and 2 million visitors per year in south coastal Orange County, California. The District's service area includes the communities of Dana Point, South Laguna, and areas of San Clemente and San Juan Capistrano.

The Project will reduce the demand on imported water received from the Municipal Water District of Orange County (MWDOC) via the Metropolitan Water District of Southern California. MWDOC serves imported water in Orange County to 28 retail water agencies, to approximately 2.3 million people, including:

City of Brea	East Orange County Water District (EOCWD)
City of Buena Park	El Toro Water District (ETWD)
City of Fountain Valley	Emerald Bay Services District (EBSD)
City of Garden Grove	Irvine Ranch Water District (IRWD)
City of Huntington Beach	Laguna Beach County Water District (LBCWD)
City of La Habra	Mesa Water District (Mesa)
City of La Palma	Moulton Niguel Water District (MNWD)
City of Newport Beach	Orange County Water District (OCWD)
City of Orange	Santa Margarita Water District (SMWD)
City of San Clemente	Serrano Water District (Serrano)
City of San Juan Capistrano	South Coast Water District (SCWD)
City of Seal Beach	Golden State Water Company (GSWC)
City of Tustin	Trabuco Canyon Water District (TCWD)
City of Westminster	Yorba Linda Water District (YLWD)

County: Orange

State: California



Congress of the United States
House of Representatives
Washington, DC 20515-0549

WASHINGTON D.C. OFFICE
1626 LONGWORTH OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3906

OCEANSIDE DISTRICT OFFICE
2204 EL CAMINO REAL, SUITE 314
OCEANSIDE, CA 92054
(760) 599-5000

DANA POINT DISTRICT OFFICE
33282 GOLDEN LANTERN, SUITE 102
DANA POINT, CA 92629
(949) 281-2449

March 12, 2021

Mr. Matthew Reichert
Bureau of Reclamation
P.O. Box 25007, MS 84-27133
Denver, CO 80225

Dear Mr. Reichert,

I write to ask your full consideration of the South Coast Water District's (SCWD) grant application for funding under the U.S. Department of the Interior, Bureau of Reclamation's WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2021. This grant will help fund SCWD's Targeted Water Conservation Incentive Program as part of their long-term goal of water conservation and improved water use.

South Coast Water District's two-year targeted landscape improvement program offers rebates to promote water conservation through the transformation of high-water-use turfgrass landscaping and irrigation to California Friendly landscapes, synthetic turf landscapes, and mulch landscapes. Actions taken under this program will result in the reduction of potable water use and nonpoint source pollutants associated with dry-weather and stormwater runoff. These measures will increase local water supply reliability, thus benefitting the constituents of my district.

I appreciate the U.S. Department of the Interior, Bureau of Reclamation's attention to this grant application. Please contact my office if you have any questions or if I can be of assistance.

Sincerely,

A handwritten signature in black ink that reads "Mike Levin". The signature is fluid and cursive, with a prominent flourish at the end.

Mike Levin
Member of Congress

SOUTH COAST WATER DISTRICT

RESOLUTION NO. 17-20/21

**A RESOLUTION OF THE BOARD OF DIRECTORS OF SOUTH
COAST WATER DISTRICT ENDORSING WATERSMART:
SMALL-SCALE WATER EFFICIENCY PROJECTS GRANT 2021**

WHEREAS, the United States Bureau of Reclamation is currently offering grant opportunities through the WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year (“FY”) 2021 and

WHEREAS, said WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021 is a cost-shared program emphasizing water efficiency; and

WHEREAS, the Board of Directors of South Coast Water District (“Board”) supports the submission by the South Coast Water District (“District”) of a grant application, prepared and approved by the District, to the WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021; and

WHEREAS, the District is capable of providing the amount of matching funds of up to \$75,078.50 in cash and/or in-kind contributions specified in the grant application’s funding plan; and

WHEREAS, if selected for a WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021, the District will work with the United States Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement;

NOW, THEREFORE, SOUTH COAST WATER DISTRICT BOARD OF DIRECTORS DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1: The Board approves the submission of the application for the WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021 by the District for fiscal year 2021-22, fiscal year 2022-23.

Section 2: In the event grant funding is provided by the United States Bureau of Reclamation, the Board authorizes the General Manager of the District or his designee to accept the grant and sign any contract for administration of the grant funds and delegate the Chief Financial Officer to act as a fiscal agent for any grant funding received.

Section 3: This resolution shall take effect immediately.

Section 4: The Secretary shall certify to the adoption of this resolution and henceforth and thereafter the same shall be in full force and effect.; and

PASSED AND ADOPTED this 25th day of March, 2021.



President

ATTEST:



Secretary

SOUTH COAST WATER DISTRICT

Serving the Public Since 1932

Certification

I, Rick Shintaku, Secretary of the SOUTH COAST WATER DISTRICT, Orange County, California, do hereby certify that the foregoing **Resolution No. 17-20/21** was duly adopted at a meeting of the Governing Board of said District, held on the 25th day of March, 2020 by the following vote of members of the Board:

AYES: Doug Erdman, Rick Erkeneff, Scott Goldman, Bill Green, Wayne Rayfield

NOES:

ABSENT:

ABSTAIN:

and I further certify that Dennis Erdman, as President and Rick Shintaku, as Secretary, signed and approved said **Resolution No. 17-20/21** on the 25th day of March, 2020.



Rick Shintaku
Secretary of the Board
South Coast Water District