

PROJECT MANAGEMENT PLAN

Version#: 1 **Date:** 1/14/2015

Project Title

Proposition 1 Water Storage Investment Program Regulations and Guidelines

Sponsor/Program Manager	California Water Commission Member, Executive Officer (Sue Sims)
Project Manager	Rachel Ballanti
Project Budget	Approx. \$6.1 million for program administration activities through December 2016 (Total Water Storage Investment Program funding is \$2.7 billion)

Project Summary/Description (include Scope statement)

The California Water Commission will develop and adopt regulations for the quantification and management of the public benefits of water storage projects to establish criteria that will be used to rank and provide funding for water storage projects. Eligible public benefits include ecosystem improvements, water quality improvements, flood control benefits, emergency response, and recreation. The draft regulations will be developed in a public process, approved by the Commission, and sent to the Office of Administrative Law. This begins a formal rulemaking process which includes a more formalized public participation and legal review process, before the final regulations are approved by the Office of Administrative Law.

The Commission will simultaneously develop project solicitation and evaluation guidelines for the Proposition 1 Water Storage Investment Program. The guidelines will also be developed in a public process. The guidelines will include information about project and applicant eligibility, requirements for project applications and supporting materials, available funding for projects, and timeframes for considering applications and allocating funding. The guidelines will also define the evaluation criteria and process that the Commission will use to evaluate project applications.

Stakeholder engagement is integral to the Commission's decision-making process. The Commission will convene a Stakeholder Advisory Group representing diverse organizations, agencies, and interests to review and provide recommendations on key issues in the development of the regulations and guidelines documents

Project-Specific Considerations (this can be legislative language or other guidelines that will drive project)

Proposition 1 the Water Quality, Supply, and Infrastructure Improvement Act of 2014 was approved by voters on November 4, 2014. Chapter 8 of the Act provides the legislative directive for this project. Through the Act, \$2.7 billion is continuously appropriated to the California Water Commission to pay for the public benefits associated with *water storage projects that improve the operation of the state water system, are cost effective, and provide a net improvement in ecosystem and water quality conditions*, in accordance with Chapter 8. Public benefits include ecosystem improvements, water quality improvements, flood risk reduction and management, emergency response, and recreation. To be eligible for funding, ecosystem improvements benefits must constitute at least 50% of the public benefit funded by the Commission for each project.

The Act requires the Commission to develop and adopt regulations and methods for quantification and management of public benefits by December 15, 2016. Per the legislation, the Commission will select projects for funding on a competitive basis based on expected return of public investment. Eligible projects include:

- CALFED surface storage projects, with the exception of projects that are prohibited by the California Wild and Scenic Rivers Act
- Groundwater storage and contamination prevention or remediation projects
- Conjunctive use and reoperation projects
- Local and regional surface storage projects

Further, the legislation stipulates that only projects that provide measurable improvements to the Delta ecosystem or to the tributaries to the Delta shall be funded.

Project-Specific Considerations (this can be legislative language or other guidelines that will drive project)

In January 2014, following the Drought Proclamation, the Governor published the California Water Action Plan which recognized the State’s challenges with drought, uncertain water supplies, declining groundwater supplies and poor water quality. One of the ten priority actions identified in the plan is “Expand Water Storage Capacity and Improve Groundwater Management” (Action 6).

Expanding water storage capacity is critical to the successful implementation of many aspects of the Water Action Plan. Expanding water storage could directly support increasing regional self-reliance (Action 2), managing and preparing for dry periods (Action 5), and increasing flood protection (Action 8). If strategically located and operated, water storage would also help achieve the co-equal goals of providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem (Action 3), protecting and restoring important ecosystems (Action 4), and providing safe water for all communities (Action 7).

Environmental Stewardship and Sustainability Considerations: (Describe the process that will be used to ensure compliance with the [Environmental Stewardship Policy](#)? Include how the project will achieve the environmental stewardship and sustainability objectives and expected outcomes/benefits. Include the Environmental Coordinator and team members).

The California Water Commission and DWR are committed to protecting, restoring, and enhancing the environment as they implement decisions that address current and future demands on water resources and flood protection throughout California. DWR’s WREM No. 58b and Environmental Policy provide guidance and direction to meet or exceed environmental compliance requirements and develop more sustainable, economical, and environmentally beneficial programs and projects. Environmental stewardship will be integrated into this project in two ways:

1. During development of regulations and guidelines – Development of the regulations and guidelines will require significant levels of documentation, communication, and coordination. During the development process, Commission members, Commission staff, DWR, partner agencies and consultants will make every effort to minimize travel and maximize use of electronic forms of communication to reduce the environmental footprint of the project.
2. Within the regulations and guidelines – Environmental stewardship objectives and ecosystem protection and restoration are key criteria for storage funding decisions, and criteria to support these goals will be a significant part of the final regulations and guidelines.

The Environmental Coordinator for this project is the Project Manager. The Project Manager will have primary responsibility for ensuring WREM No 58b and DWR’s Environmental Policy are followed throughout this project. The Project Manager will articulate environmental stewardship objectives to project team members and consultants and will coordinate with the Environmental Coordination Committee, as needed, to identify best practices for integrating environmental stewardship objectives into the project.

Environmental Coordinator	Rachel Ballanti
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Environmental Team Members

Ajay Goyal	Joe Yun
Tracie Billington	Jenny Marr
Sean Sou	Brianna Shoemaker

Project Start Date:	November 4, 2014	Estimated End Date:	December 15, 2016 (Statutory Deadline for Completion of Regulations)
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Project Life Cycle/ Major Milestones

	<u>Planned</u>	<u>Actual</u>
Project Team Established	December 2014	December 2014
Project Management Plan Completed	January 2015	
Stakeholder Advisory Group Chartered	February 2015	
Draft Regulations Approved by Commission	September 2015	
Notice of Proposed Rulemaking and Draft Regulation Package Submitted to OAL	October 31, 2015	
Final Regulations Approval Deadline	December 15, 2016	
Public Process for Guidelines Complete	TBD	
Final Guidelines Approved	TBD based on completion of regulations	

Roles & Responsibilities

Project Manager: The Project Manager, a member of the CWC staff, is responsible for creating the Project Management deliverables and using them to direct the work activities in coordination with the Sponsor, Project Team, and interested stakeholders. The Project Manager is responsible for the overall implementation of the project including schedule and budget, and managing the work of the project team.

Commission Members: The members of the Commission will direct work activities, review draft documents, consider public comments, make policy decisions, and approve the final guidelines and regulations.

Commission Staff: Commission staff serve as liaisons with the Commission. The Commission staff coordinate with the project team, develop materials for Commission presentations and briefings, and ensure that the project is carried out consistent with Commission policies and procedures.

DWR Statewide Infrastructure Investigations Branch (SIIB): Members of the SIIB serve as a subject matter experts on water storage infrastructure. The SIIB Branch will provide technical support to the Commission, oversee development of common assumptions, project selection criteria, and engineering models, and manage contracts for technical assistance. Staff will participate in the development of draft regulations and guidelines and participate in stakeholder and commission meetings.

DWR IRWM Financial Assistance Branch (FAB): Members of the IRWM FAB serve as a subject matter experts on the development and management of financial assistance programs. The FAB branch will oversee development of processes and materials for effectively administering the funding program and ensure the development of success/performance measures and tracking and reporting mechanisms. Staff will participate in the development of draft regulations and guidelines and participate in stakeholder and commission meetings.

Department of Fish and Wildlife (DFW): The DFW representative will direct and coordinate activities to provide the Commission with the relative value of ecosystem priorities as identified by DFW. Additionally, they will participate in the review of draft documents, attend stakeholder and Commission meetings, and conduct research and analysis needed to quantify the ecosystem benefits of water storage projects

State Board Water Resources Control Board (State Board): The State Board representative will direct and coordinate activities to provide the Commission with the relative value of water quality priorities as identified by the State Board. Additionally, they will participate in the review of draft documents, attend stakeholder and Commission meetings, and conduct research and analysis needed to quantify the water quality benefits of water storage projects

Stakeholder Advisory Group: The Stakeholder Advisory Group's primary role will be to review and make recommendations to the Commission on key technical and policy issues for the Water Storage Investment Program.

For additional detail see the program flowchart and organizational chart.

Major Deliverables

Product Deliverables:

- Results of scoping survey identifying potential applicants, projects, and type of public benefits
- Stakeholder Advisory Group Recommendations
- Regulations for the Quantification and Management of the Public Benefits of Water Storage Projects
- Project Solicitation and Evaluation Guidelines for Proposition 1 Water Storage Funding

The deliverables listed above will incorporate information from the following critical interim work products:

- Common assumptions for project analysis
- Project evaluation criteria
- Department of Fish and Wildlife and State Board priorities and environmental values
- Economic values of public benefits

Project Management Deliverables:

- Project Management Plan
- Stakeholder Advisor Group Charter

Resources Needed

Personnel: The development of regulations and guidelines requires labor resources with expertise in various technical aspects (see Roles and Responsibility section). Additionally, the Program Manager will coordinate with the Commission's Executive Officer to ensure Water Commission staff capacity to meet the additional workload associated with this project.

Funding: The Program Manager will work closely with the DWR's Bond Accountability Office and Budget Office to ensure that appropriate funding is available to implement the project and that all reporting requirements are met.

Quality Planning Considerations

In developing regulations, guidelines, and project solicitation and evaluation criteria that meets all the statutory requirements, is legally sound, and maximizes the sound investment of bond funds for the public benefits of water projects, the Commission will conduct its activities in an open and transparent manner. The documents will be developed by a diverse and experienced project team including Commission staff, consultants, staff representing DWR's water storage, financial assistance programs, and DFW and State Board representatives. A Stakeholder Advisory Group consisting of experts representing diverse interests will participate in the development of documents and provide recommendations to the Commission. All documents will be reviewed by the Commission in noticed public meetings. Additionally, all documents will be available for public review. The regulations will be reviewed and approved through the Office of Administrative Law's formal rulemaking process. This process involves public comment periods, hearings, and review and approval by Administrative Law attorneys. Prior the final approval, the Guidelines must be posted on the California Natural Resources Agency's Website, considered at a minimum of 3 public meetings held across the state, and verified for consistency with existing law by the Secretary for Natural Resources.

Quality of the project and deliverables is dependent on the following project aspects

- Maintaining appropriate interim project timelines to meet statutory timelines.
- Open transparent processes
- Communication between project working groups (technical, stakeholders, advisory, and process)

Risk-Response Considerations (list any potential positive or negative risks and planned responses)

Risk in the development of the regulations and guidelines will be managed mainly by proactive communication, engagement, and transparent process. The Commission may make revisions to the regulations and guidelines based on concerns raised by the Office of Administrative Law or the public which could delay the development timeline. Communication and involvement of these parties as the regulations and guidelines are developed should help the project meet statutory and non-statutory timelines.

Change Management Considerations/Procedures

Changes to the regulations and guidelines, and major changes to the scope and schedule of the project will be managed through the Commission's public meeting process. The major changes and recommendations will be brought before the Commission for consideration at a public meeting and staff will make changes as directed by the Commission.

Changes to the project budget, minor changes to scope and schedule (changes not affecting the on-time completions of milestones and deliverable), a will be managed by the Program Manager, under the direction of the Executive Officer.

Baselines Attached

X

Work Breakdown Structure	X
Project Budget	
Project Schedule	X

Other Attachments (Available upon Request)

X

Stakeholder Register	X
Communications Management Plan	X
Human Resources Management Plan	
Risk Register	X
Quality Management Plan	
Procurement Plan	
Environmental Stewardship Plan ¹	
Project Safety Plan ²	

¹ See WREM 58b for more information about creating an Environmental Stewardship Plan.

² All project Managers must take into account safety policies and procedures for projects. A safety plan should be created if needed. For more information visit the [Workplace Safety Project](#) web site.