

Creekside Well Groundwater Recovery Project

Grant Applicant:



South Coast Water District
31592 West Street
Laguna Beach, CA 92651
UEI: WKHDXN8HMXA3

Project Manager: Steve Dishon
31592 West Street
Laguna Beach, CA 92651
Email: sdishon@scwd.org
Phone: (949) 499-4555 ext. 3900

Submittal Date: October 27, 2023

Submitted to:

U.S. Department of the Interior, Bureau of Reclamation
WaterSMART Drought Response Program: Drought Resiliency
Projects for FY 2024, NOFO No. R24AS00007 for Funding Group II

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Mandatory Federal Forms

The following were submitted via [grants.gov](https://www.grants.gov): SF- 424 Application for Federal Assistance, SF-424C Budget Information - Construction Programs, SF-424D Assurances – Construction Programs, SF-LLL Disclosure of Lobbying Activities, Certification Regarding Lobbying, Project Abstract Summary, Project Narrative Attachment Form, and Budget Narrative Attachment Form. **Appendix E** includes Signed Federal forms.

Technical Proposal and Evaluation Criteria

Executive Summary

- **The applicant’s name, city, county, and state and a brief explanation of how you meet the applicant eligibility requirements.**

Mr. Steve Dishon, Water Resources Manager, South Coast Water District (SCWD/District), Laguna Beach, Orange County, California.

- **The Task Area you are applying under (Task A, B, C, or D) and what funding group, if applicable.**

The District is applying for grant funding under the Reclamation Notice of Funding Opportunity Task B - Increasing the Reliability of Water Supplies through Groundwater Recovery, in Funding Group II.

- **If applying under Task areas A-C, indicate whether you are a Category A or Category B applicant.**

The District is a Category A applicant, meeting the applicant eligibility requirements as a water district.

- **A one-paragraph summary that provides the project location, brief description of the work, partners, and recent project area drought conditions. Describe how this project helps alleviate impacts of those conditions/other concerns. Identify supporting planning documents.**

The proposed Creekside Well Groundwater Recovery Project (Project) will be located in Creekside Park in the City of Dana Point, in the South Orange County region of southern California. The District is the lead and the sole agency for Project implementation. The Project involves equipping an existing groundwater well to increase supply to the District’s Groundwater Recovery Facility (GRF) for distribution. The region has recently and frequently experienced severe drought conditions and wildfires. While waves of precipitation have hit the western U.S. since December 2022, Orange County has been designated in a drought almost continuously since early 2021, with extreme or exceptional drought conditions identified between May to December 2021 by the U.S. Drought Monitor. The proposed improvements will help alleviate impacts of drought conditions by producing an additional 465 acre-feet per year (AFY) of local groundwater, which will reduce the demand for imported potable water supplies from the Colorado River and the San Francisco-San Joaquin Bay Delta (Bay-Delta), and deliver water from a local alternative source to maximize the District’s groundwater production to the permitted amount. The District’s 2020 Urban Water Management Plan (UWMP) is the primary drought plan that identifies and supports the Project, citing diversifying water supplies and maximizing groundwater production as key strategies to increase water supply reliability for the District and the South Orange County region, which is approximately 80% reliant on imported water supplies from the Metropolitan Water District of Southern California (MWD) via the Municipal Water District of Orange County (MWDOC).

- **State the length of time and estimated project completion date including the construction start.**

The Project is anticipated to start in November 2024, with construction starting in August 2025 with an approximately 12-month construction duration, and completion of the Project in October 2026.

- **State whether the proposed project is located on a Federal facility or will involve Federal lands, and what work will occur on the Federal facility or Federal lands.**

The Project is not located on a Federal facility, nor will it involve Federal lands.

- **Provide relevant background information about the applicant and service area such as services provided, population served, irrigated acres served, crops grown in the project area, etc.**

The District was founded in 1932 and provides potable water, recycled water, and wastewater services to approximately 35,000 residents, 1,000 businesses, and 2 million visitors per year in South Orange County, California. The District is situated approximately 60 miles south of Los Angeles and encompasses an area of approximately 5,300 acres along the coastline. The District's service area includes the communities of Dana Point, South Laguna Beach, and areas of San Clemente and San Juan Capistrano.

- **Include details regarding the applicant's or applicant partner's water supplies (water delivered or diverted from all water sources including water supply contracts, water rights, applicant or partner owned wells, and any other long-term water supplies). Include the total amount of water available in an unconstrained year (in AF) and the 10-year average annual water supply (in AF).**

The District meets its water supply needs with a combination of imported water, local groundwater, and recycled water. The District works together with two primary agencies, MWDOC and the San Juan Basin Authority (SJBA), to ensure a safe and reliable water supply that will continue to serve the community in periods of drought and shortage. In a normal hydrologic year, SCWD is approximately 75% reliant on imported water for its water supplies, and over 80% reliant on imported water for its potable supplies. Imported water is purchased from MWDOC, one of the largest MWD member agencies. MWD provides about half of the water supply in the six-county Southern California region. MWD's water supplies include water from the Colorado River, via the Colorado River Aqueduct (CRA); water from Northern California, via the State Water Project (SWP); and use of storage and water transfers during dry hydrologic years.

SCWD's local water supplies include water produced at its GRF and non-potable recycled water, which together meets the remaining 25% of its total water demands. The 1 million gallon per day GRF in Capistrano Beach treats brackish groundwater using reverse osmosis and iron/manganese treatment system pursuant to the District's State Water Resources Control Board (SWRCB) Permit No. 21138. On average, the GRF has provided about 900 AFY of local supply from the San Juan Basin (Basin). The maximum annual amount that SCWD is permitted to take from the San Juan Basin is 1,300 AFY. SCWD also has approximately 29.1 million gallons of water stored in reservoirs in South Orange County for use during system emergencies, such as an outage of major conveyance of imported water into South Orange County or an outage of MWD's Diemer Water Filtration Plant, which treats most of the imported water used in South Orange County—including SCWD's. In 2020, the total water delivered included the following: 847 AFY of groundwater, 4,530 AFY of purchased/imported water from MWDOC/MWD, and 845 AFY of recycled water (**Table 1**). Per correspondence with MWDOC, over the last five years, the source of imported water for the District was approximately 75% from the CRA and 25% from the SWP, and illustrates the significant percentage of CRA water utilized in the service area. The total amount of water available in an unconstrained year is estimated as 7,731 acre-feet (AF) (FY13), and the estimated 10-year average annual water supply is 6,557 AF (FY13 - FY22) based on the District's historical water data.

Table 1. SCWD Water Supplies — Actual

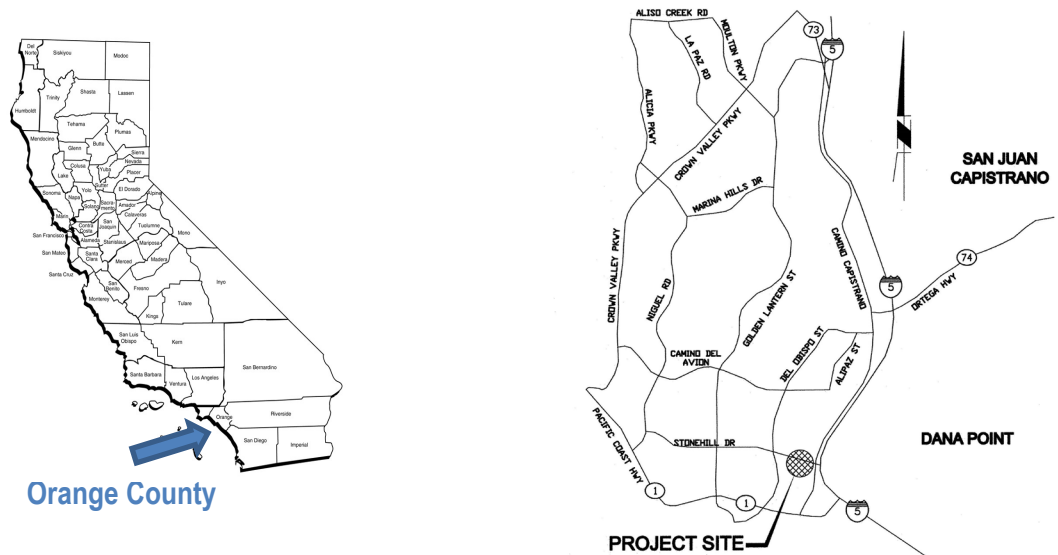
Water Supply	Additional Water Supply Detail	2020	
		Volume (AF)	Water Quality
Groundwater (desalinated)	San Juan Groundwater Basin	847	Drinking Water
Purchased or Imported Water	MWDOC	4,530	Drinking Water
Recycled Water	South Orange County Wastewater Authority	845	Recycled Water
Total		6,222	
NOTES: Sources – OC Retail Water Usage FY 2015 to FY 2020 (MWDOC, 2020) and SCWD, 2020			

Project Location

Provide specific information on the proposed project location or project area, including a map showing the geographic location.

As presented in **Figure 1**, the proposed Project location is in the City of Dana Point's Creekside Park, near the Stonehill Drive crossing of the San Juan Creek, near Interstate 5 in Orange County, California. The Project's latitude and longitude is 33.474807, -117.679963.

Figure 1. Creekside Well Groundwater Recovery Project Location



Project Description

Provide a comprehensive description of the technical aspects of your project, including the goals and objectives, work to be accomplished, and the approach. This description should provide detailed information about the project including materials and equipment and the work to be conducted.

Goals and Objectives. The primary objective of the Project is to allow the District to extract its full permitted amount of groundwater (1,300 AFY) from the Basin, which will net approximately 1,040 AFY (80% of 1,300 AFY) of treated groundwater production. Groundwater in the San Juan Basin is unusable due to high Total Dissolved Solids (TDS). The District currently owns and operates the GRF in Capistrano Beach that treats brackish groundwater using reverse osmosis and iron and manganese removal to supplement potable water demands. The Stonehill Well is currently the District's only groundwater well that pumps water to the GRF for treatment, and has difficulty pumping high volumes to meet demand, and that well fouls often as a result, requiring significant down time and maintenance. The proposed Creekside Well Project will reduce the demand on Stonehill Well, thus reducing maintenance needed due to well fouling. The Creekside Well Project will equip a second well to supply the GRF that will allow it to extract its full permitted allotment of 1,300 AFY from the Basin. The Project will meet the District's need to increase local supply by extracting and treating groundwater to produce the additional 465 AFY. The additional pumping capability from Project implementation will balance the pumping load between the two groundwater wells and allow for a lower pumping volume at the District's Stonehill Well. Additional Project goals are to save the energy and associated costs and carbon emissions associated with importing water from great distances, help meet the District's goals of diversifying water supply, reducing dependence on imported potable water, and building long-term resilience to drought.

Work to be Accomplished/Approach. The Project will equip the existing Creekside Well and connect it to the District’s existing groundwater treatment and distribution systems. The existing well was drilled and developed in 2013, but was not equipped with a pump and conveyance facilities to extract groundwater. The proposed Project will include the following:

- Mobilization, demobilization, traffic control, stormwater control, and site demolition work;
- Well equipment (i.e., well head foundation, well pump, control panel, valves, meters, and fittings, assemblies, SCADA/telemetry panel and programming);
- Electrical improvements (i.e., service, transformer, meter, distribution panels, wiring, lighting);
- GRF piping and appurtenances;
- Asphalt paving and hardscape improvements; and
- Drainage improvements, irrigation and landscaping; and site fencing.

Performance Measures

Table 2 below identifies Project benefits and performance measures throughout its anticipated 20- to 80-year life. A 20-year design life is anticipated for mechanical and electrical Project components, and the piping components are anticipated to have an 80-year design life.

Table 2. Project Benefits and Performance Measures

Benefit	Target	Measurement Tools and Methods
Water Savings - Additional Water Supplies Delivered	Up to 465 AFY	Measuring the amount of groundwater added to the system with a meter located at the GRF.
Energy Savings - Reduce Energy Required to Supply Water Demands	From Water Better Managed 918,654 kilowatt hours (kWh)/year (465 AFY)	Measuring groundwater volume supplied by the well and equated to the offset in energy required to transfer an equal quantity of water to the District from distant water supply sources. Energy savings using the calculation of $(2,250 \text{ kWh/AF} - 274.4 \text{ kWh/AF}) = 1,975,6 \text{ kWh/AF}$.
Carbon Emissions Savings - Climate Change Impacts	488,724 lb. of CO ₂ /year from water savings (465 AFY)	Confirm the water savings from the Project and convert to carbon emissions using carbon dioxide (CO ₂) emissions = 0.532 lb. of CO ₂ /kWh.

Evaluation Criteria

Evaluation Criterion A - Project Benefits

Sub-Criterion A1: Available Water Supplies and Water Better Managed

Sub-Criterion A1.a Adds to Available Water Supplies

The South Coast Water District (District) is proposing the Creekside Well Groundwater Recovery Project (Project) as part of its long-term resilience to drought planning by: 1) improving infrastructure for enhanced water reliability and flexibility in times of drought; 2) providing an additional 465 AFY of new local groundwater supply; and 3) benefitting fish, wildlife, and the environment by increasing the reliability of irrigation water and allowing more imported water to stay at its source to support Bay-Delta and Colorado River habitats.

- **How will the project build long-term resilience to drought? How many years will the project continue to provide benefits?**

The Project will build long-term resilience to drought by increasing local groundwater supplies by 465 AFY in

place of less reliable imported water for non-potable uses, saving 918,654 kWh/year in energy, and 488,724 lbs. of CO₂, annually, year-round, for the approximately 80-year life of the Project. These benefits are quantified in **Table 2** above. The Project will result in the use of approximately 465 AFY of groundwater that would otherwise be unavailable to the District. Groundwater in the San Juan Basin is unusable due to high iron and manganese. The District currently owns and operates the GRF in Capistrano Beach that treats brackish groundwater using reverse osmosis and removes iron and manganese to supplement potable water demands. The Stonehill Well is currently the District's only groundwater well that pumps to the GRF for treatment, and has difficulty pumping high volumes to meet demand, and that well fouls often as a result, requiring significant down time and maintenance. The proposed Creekside Well Project will reduce the demand on Stonehill Well, thus reducing maintenance needed due to well fouling. The Project will equip a second well (the existing Creekside Well) to supply the GRF and will allow the District to extract its full permitted allotment of 1,300 AFY from the Basin. The Project will meet the District's need to increase local supply by extracting and treating groundwater to produce up to 465 AFY. The additional pumping capability from Project implementation will balance the pumping load between the two groundwater wells and allow for a lower pumping volume at the District's Stonehill Well. Increasing the amount of local water supply has a significant impact on the District's potable water supply because approximately 75% of the District's total water supply is purchased surface water imported by MWD via MWDOC. MWD's imported water sources are the CRA and the SWP, which draws water from the Bay-Delta. The Project will provide local groundwater that will offset the demand for imported water and potable supplies. Given the increasing costs of imported water and the severe drought related water supply challenges that all of California, especially in Southern California, constantly faces, diversifying water supply is critical for meeting growing water supply demands.

- **What percentage of the total water supply does the additional water supply represent? How was this estimate calculated?**

The additional water supply of 465 AFY represents 7.5% of total SCWD supplies as of 2020. The additional water supply also represents approximately 9.3% of SCWD's current potable water supply. Current total water supply equals 6,222 AFY, and total potable water supply of 5,377 AFY includes 847 AF groundwater and 4,530 AFY purchased or imported water (Table 6-1 of the District's 2020 UWMP, Page 6-2). The estimate for percent of total SCWD supply is calculated as follows: $465 \text{ AFY} / 6,222 \text{ AFY} = 7.5\%$. The estimate for percent of total SCWD potable water is calculated as follows: $465 \text{ AFY} / 5,377 \text{ AFY} = 8.7\%$.

- **What is the estimated quantity of additional supply the project will provide and how was this estimate calculated? Provide quantity in AFY as the average annual benefit over ten years.**

The Project will make an additional 465 AFY of groundwater available; 465 AFY is the average annual benefit over ten years. This estimate was developed based on the development pumping tests performed after the initial well installation in 2013. The sustained well pumping capacity was estimated to be 400 gallons per minute (646 AFY). The assumption that the well is pumped 90% of the time, equates to 581 AFY of groundwater extracted and conveyed to the District's GRF, which has an 80% production rate of water sent to the distribution system after reverse osmosis treatment. Therefore, the estimated new, additional water supply is 80% of 581 AFY, or 465 AFY realized.

- **Provide a qualitative description of the degree/significance of the benefits associated with the additional water supplies.**

The benefits are significant because the Project will provide a critical local water supply in the event the District's imported water supply is cut off. The District and South Orange County region are both about 80% reliant on imported water for total supplies but can be up to 100% reliant on imported water for potable supplies. For example, in 2016, the District pumped near-zero groundwater due to recent drought conditions that negatively impacted the groundwater supply and quality, requiring the District to be fully reliant on

imported water for potable supplies. Since 2016, the volume of groundwater pumped has increased (2020 UWMP, Page 6-16). The amount the District can extract is limited due to capacity and drought, which makes the groundwater Basin an unreliable source. Imported water pipelines cross five seismic faults several times, posing a high vulnerability to the region during times of drought, earthquake, or another catastrophic event. The 2018 South Orange County Reliability Study identified several risks to the imported water delivery system, including emergency shutdowns of outside facilities, prolonged drought, and lack of local project implementation. As detailed above, 465 AFY represents an 8.7% imported water supply savings for the District of its current total potable water supply. Realizing the increasing vulnerability of its primarily imported water, the District's planning documents include a goal to reduce dependency on imported water supply by 20%. The Project will yield real water supply benefits that will help achieve this goal by producing an additional 465 AFY of local groundwater, reducing the District's dependency on imported water supply. The Project will also increase operational flexibility during drought because it will allow the District to deliver more local groundwater by increasing the groundwater supply as an alternative or supplement to imported supply.

Wells

- **What is the estimated capacity of the new well(s), and how was the estimate calculated?**

This estimate was developed based on the development pumping tests performed after the initial well installation in 2013. The sustained well pumping capacity was estimated to be 400 gallons per minute (646 AFY). The assumption that the well is pumped 90% of the time equates to 581 AFY of groundwater extracted and conveyed to the District's GRF, which has an 80% production rate of water sent to the distribution system after reverse osmosis treatment. Therefore, the estimated water supply is 80% of 581 AFY, or 465 AFY of new groundwater recovered.

- **How much water do you plan to extract through the well(s), and how does this fit within and comply state or local laws, ordinances, or other applicable groundwater governance structures?**

Up to 581 AFY of water is planned to be extracted through the existing well proposed to be equipped with Project implementation. The District maintains rights to pump up to 1,300 AFY of water from the Basin in compliance with the groundwater governance structures applicable to the San Juan Basin described below and in the subsequent responses relating to wells.

Per the California Department of Water Resources (DWR) designation, the San Juan Basin is a non-adjudicated, very low-priority basin (DWR, 2019). The Basin is in the San Juan Creek Watershed and is comprised of four principal groundwater basins: 1) Lower Basin, 2) Middle Basin, 3) Upper Basin, and 4) Lower Trabuco. The Lower Basin, Middle Basin, and Lower Trabuco consist of approximately 5.9 square miles of water bearing alluvium. Groundwater occurs in the relatively thin alluvial deposits along the valley floors and within the major stream channels.

The San Juan Basin has a drainage area of over 111,000 acres and includes Oso Creek, Trabuco Creek, Horno Creek, Chiquita Canyon, Canada Gobernadora and Bell Canyon. The Basin is currently managed by several agencies: the SJBA, MWDOC, California Regional Water Quality Control Board - San Diego Region (RWQCB) and the SWRCB. The SJBA is a joint powers authority designed to carry out and oversee water resource development of the San Juan Basin. The SJBA is comprised of the following member agencies: Santa Margarita Water District (SMWD) and SCWD. The SWRCB has determined that the San Juan Creek watershed is not a groundwater basin but is rather a surface and underground flowing stream. Therefore, it is subject to SWRCB jurisdiction and its processes with respect to the appropriation and use of waters within the watershed. Both the SJBA and the District have their own SWRCB Permit for Diversion and Use of Water: Permit No. 21074 and Permit No. 21138, respectively (Wildermuth Environmental, Inc., 2020).

- **Will the well be a primary supply or supplemental supply when there is a lack of surface supplies?**

The Creekside Well will be used as a primary supply source. The District meets its water supply needs with

a combination of imported water, local groundwater, and recycled water. In 2020, the total water delivered included the following: 847 AFY of groundwater, 4,530 AFY of purchased/imported water from MWDOC/MWD, and 845 AFY of recycled water, for a total of 6,222 AFY of actual water supply. This amounts to groundwater providing approximately 13.6% of the District's total water supply. In a normal hydrologic year, SCWD is approximately 75% reliant on imported water for all its water supplies, and over 80% reliant on imported water for its potable supplies.

- **Does the applicant participate in an active recharge program contributing to groundwater sustainability?**

No, the District does not participate in an active recharge program because there is no current active recharge program. However, a recharge project is currently planned for the Basin. The San Juan Watershed Project is a multi-phase project proposed by SMWD and partners, such as the District (a 20% partner). When implemented, that project would enhance water reliability by capturing local stormwater and urban return flows and directing those flows and recycled water into infiltration basins and/or directly to San Juan Creek to recharge the San Juan Basin. Subsequently, this new groundwater supply will be pumped out of the groundwater Basin and sent to a new water filtration plant, the existing City of San Juan Capistrano Groundwater Recovery Plant, or the SCWD GRF for potable treatment. A final programmatic Environmental Impact Report was submitted by SMWD in 2019 and subsequently, supplemental environmental documents for individual project elements have been completed (SMWD, 2021).

- **Provide information documenting that proposed well(s) will not adversely impact the aquifer it/they are pumping from (overdraft or land subsidence). At a minimum, this should include aquifer description, information on existing or planned aquifer recharge facilities, a map of the well location and other nearby surface water supplies, and physical descriptions of the proposed well(s) (depth, diameter, casing description, etc.). If available, information should be provided on nearby wells (sizes, capacities, yields, etc.), aquifer test results, and if the area is currently experiencing aquifer overdraft or land subsidence.**

Facilities located within the San Juan Basin include 13 active groundwater wells. Currently, the greater part (90%) of the municipal groundwater is pumped for domestic use. SJBA makes it a primary goal to produce and use data to determine how to efficiently use the Basin as a water storage facility and to increase the use of groundwater pumping for domestic uses. Currently, there are no active groundwater storage or recharge programs in the San Juan Basin. The storage in the groundwater Basin is small, at an estimated 41,400 AF, relative to recharge and production. The range of natural yield of the Basin is 7,000 AFY to 11,000 AFY. Instream recharge along both San Juan Creek and Arroyo Trabuco Creek is the only viable largescale recharge method for the Basin due to the lack of suitable off-stream sites for stormwater storage and recharge, and the inability of the Basin to accept large amounts of recharge at a specific site (SJBA, 2016).

As a member of the SJBA, the District is entitled to participate in the development of projects to appropriate and divert water from the San Juan Watershed (Wildermuth Environmental, Inc., 2020). A well completion report, including a map of the existing well that will be equipped as part of the proposed Project is presented in **Appendix A**. The well completion report includes the following descriptions of the existing well: A depth of 133 feet below ground surface (bgs), and a 20-5/8-inch outside diameter 316L stainless steel casing. The well is screened between a depth of 65 and 85 feet bgs and between 95 and 130 feet bgs. The well was finished being installed May 7, 2013. A test to determine the well yield was performed on June 25, 2013, and indicated 400 gallons per minute (approximately 645 AFY). As noted in the District's 2020 UWMP, there are currently no nearby direct surface water uses in the District's service area. The Basin is under management; the area is not currently experiencing aquifer overdraft or land subsidence.

- **Describe the groundwater monitoring plan that will be undertaken and the associated monitoring**

triggers for mitigation actions. Describe how the mitigation actions will respond to or help avoid any significant adverse impacts to third parties that occur due to groundwater pumping.

To keep in accordance with the permits and to monitor for triggers for the initiation of mitigation actions, SJBA conducts **water level and water quality monitoring**. Per the San Juan Basin Groundwater and Facilities Management Plan (Wildermuth Environmental, 2013), the District has pressure transducers and data loggers installed in seven monitoring wells across the San Juan Basin to record groundwater-level elevations and electrical conductivity, in addition to numerous wells managed by the SJBA. Groundwater data collected from these wells are used for water rights permit compliance reporting, California Statewide Groundwater Elevation Monitoring reporting, storage management, and seawater intrusion monitoring. Monthly, the data is downloaded from the data loggers and manual measurements of depth to groundwater made to calibrate the pressure transducers. The field data is processed, checked for quality assurance/quality control and loaded into a relational database. If the monitoring indicates low water levels, the District will be requested to stop pumping to respond to or help avoid potential adverse impacts to the Basin or third parties that occur due to groundwater pumping. For example, in 2016, the District pumped near-zero groundwater due to recent drought conditions that negatively impacted the groundwater supply and quality, requiring the District to be fully reliant on imported water for potable supplies.

The Basin does not strictly follow the term “safe yield” in preventing undesirable results occurring because of over-production of groundwater. Rather, the SJBA adopted the concept of “adaptive management” of the Basin to vary pumping from year to year based on actual Basin conditions derived from monitoring efforts, with the groundwater management implication that during dry periods groundwater pumping will be lower than in wet periods. The SJBA serves as the “Basin Manager” responsible for annually determining the amounts of adapted “available safe yield” so that it and the District can pump pursuant to their water rights, so that 80% of water available for pumping goes to the SJBA (up to a maximum of 12,500 AFY), and 20% goes to the District (up to a maximum of 1,300 AFY) (Wildermuth Environmental, Inc., 2020).

Following the recommendations of the San Juan Basin Groundwater and Facilities Management Plan, the SJBA began developing adaptive pumping management (APM) plans to annually determine the water available for pumping. The first APM plan was the 2016 plan. The plans are updated each April, after most of the rainy season has passed, to define an initial pumping allocation for the subsequent 12-month period based on current Basin conditions. Adjustments to the initial allocation are made as appropriate. The APM plan also discusses the various efforts SJBA leads to **support the continued sustainable production** from the Basin.

Sub-Criterion A2: Environmental & Other Benefits

Sub-Criterion A2.a: Climate Change

- **In addition to drought resiliency measures, does the proposed project include other natural hazard risk reductions for hazards such as wildfires or floods?**

The proposed Project includes hazard risk reduction for **wildfires** by providing additional potable water supply that can be used for irrigation for defensible space around structures. The frequency, intensity, and size of wildfires has increased over the past years due to drought conditions across California creating dry vegetation. The Project provides a new local source of groundwater that is available for combatting the increasing threat, duration, and severity of wildfires. The District’s potable water distribution system consists of 1,580 fire hydrants and reservoirs that hold up to 21.9 million gallons of water that can be used for fire suppression in its service area. As identified in Section 3.8 of the 2018 South Orange County Integrated Regional Water Management Plan (IRWMP), changes in hydrological conditions in the South Orange County region due to climate change include drought, damage to trees, and increased risk of wildfire and erosion. Expanding groundwater supply will reduce potable demand and increase local supply available for regional

wildland fire suppression. The District's service area includes portions of Laguna Beach and high fire risk areas in Laguna Canyon and Aliso Canyon. The 2019 City of Laguna Beach Wildfire Mitigation and Fire Safety Report describes that nearly all of the City of Laguna Beach and its surrounding 16,000 acres of open space are designated by the state's CalFire agency as a Very High Fire Hazard Severity Zone, and include hilly terrain, significant vegetation (fuel for wildfires), hot, dry summer and fall seasons, and high-speed Santa Ana winds. These conditions are frequently involved in the most destructive fires in the region. Due to these natural conditions, Laguna Beach has a history of wildfires, the most devastating of which occurred on October 27, 1993, when a Santa Ana wind-driven fire consumed over 14,000 acres, caused the evacuation of over 23,000 people, and destroyed 441 homes and structures in less than a day. More recently, Laguna Beach experienced wildfires in 2015, 2018, and 2022, which started in open space areas. The proposed Project will provide up to 465 AFY of local groundwater that makes more potable water available for fire suppression locally and regionally.

- **Will the proposed project establish and use a renewable energy source?**

No, the Project will not establish or use a renewable energy source.

- **Will the proposed project reduce greenhouse gas emissions by sequestering carbon in soils, grasses, trees, and other vegetation?**

No, the Project will not reduce greenhouse gas emissions by sequestering carbon in soils, grasses, trees, and other vegetation.

- **Does the project include green/sustainable infrastructure to improve climate resilience?**

No, the Project does not include green infrastructure, but may be considered sustainable infrastructure with up to an 80-year design life, which will increase water supply reliability for long-term climate resilience.

- **Does the project seek to reduce or mitigate climate pollutions such as air or water pollution?**

Yes, the Project will reduce air pollution via conservation of energy by saving 918,654 kWh/year because producing local groundwater for irrigation will use less energy than continuing to use imported water. The proposed Project will use a low-impact water treatment process that will consume less energy than a standard treatment system and consequently reduce lifecycle operating costs. Southern California, including the District, receives imported water via the SWP and the CRA, a conveyance process that requires a large amount of energy. By producing water locally rather than importing water, the proposed Project will significantly reduce the amount of energy used to deliver water to the District's customers. The proposed Project will add 465 AFY to the District's groundwater supply. The proposed Project would reduce energy consumption by offsetting the energy that would be required to deliver 465 AFY of imported potable water by producing the same amount of groundwater locally, which requires much less energy. The power required to import 1 AF of water is approximately 2,250-kilowatt hours (kWh)/AF based on the publication "California's Water – Energy Relationship" (California Energy Commission, 2005) and based on the weighted average of approximately 3,000 kWh/AF for SWP water and 2,000 kWh/AF for CRA water. Conversely, the District can locally produce and deliver every 1 AF of extracted groundwater using only 274.4 kWh of energy. The effective reduction in energy required to supply 465 AFY is the difference between the energy associated with the potable water delivery and the energy used to produce water locally. The Project reduces the energy needed to manage water by saving 918,654 kWh/year.

The Project will reduce carbon dioxide (greenhouse gases) by using less energy to produce groundwater locally in place of importing water from the CRA and SWP. The Project mitigates air pollution by reducing the energy and associated greenhouse gases required to convey imported water to the District's service area. Carbon emission estimates of 0.532 lb. of CO₂/kWh based on the U.S. Environmental Protection Agency's eGRID Summary Tables 2021 were used to determine the conversion factor to calculate emission savings as follows: 0.532 lb. of CO₂/kWh * 918,654 kWh/year = 488,724 lbs. of CO₂ savings per year upon Project

completion. Energy and emissions savings benefits will be realized immediately upon operation of the Project.

- **Does the proposed project have a conservation or management component that will promote healthy lands and soils or serve to protect water supplies and its associated uses?**

The Project has a management component that serves to protect water supplies and its associated uses. The Project implements the regional climate change action plan, adopted by the District, and is listed in Chapter 4 of the South Orange County IRWMP as a measure to mitigate climate change impacts for the region. IRWMP Chapter 12 Climate Change includes a DWR climate change analysis. IRWMP page 10-11 describes Climate Change Adaptation & Mitigation Strategies, while page 10-13 identifies specific climate change adaptations. Developing groundwater supplies is identified as a climate change adaptation strategy.

The Project will also implement the San Juan Basin Optimization Plan to protect local groundwater supplies threatened by climate change and drought conditions. By increasing potable water supply, the Project will ensure irrigation flows (urban runoff) continue to replenish the Basin to help ameliorate threats posed by rising sea levels and saltwater intrusion, and poor water quality to the South Orange County region's only source of groundwater, the San Juan Basin. The San Juan Basin, which is managed by the SJBA (SMWD and SCWD), is an impaired groundwater Basin with a high concentration of TDS (approximately 2,200 milligrams per liter) due to both natural and anthropogenic degradation sources. Rising sea levels could further increase TDS in the San Juan Basin and further reduce groundwater quality. Drought and low rainfall also result in less water replenishing the Basin, which lowers the quality of the water as the concentration of TDS increases in the lower volume of water. Desalters are currently used to treat the groundwater and seawater intrusion that threatens the San Juan Basin. However, more water used for irrigation ensures flows make their way into the watershed's creeks and ultimately infiltrate back into the Basin.

The additional pumping capability from Project implementation will balance the pumping load between the two groundwater wells and allow for a lower pumping volume at the District's Stonehill Well. The Stonehill Well is currently the District's only groundwater well that pumps to the GRF for treatment, and has difficulty pumping high volumes to meet demand, and that well fouls often as a result, requiring significant down time and maintenance. The Project will equip another groundwater well and reduce the demand on Stonehill Well, thus reducing maintenance needed due to well fouling.

- **Does the project contribute to climate change resiliency in other ways not described above?**

The proposed Project serves as a District strategy to adapt to climate change conditions by leveraging local groundwater to increase local water supply reliability, including for emergencies. The Project contributes to climate change resiliency by further diversifying the District's water supply portfolio through a locally controlled supply, combining an aggressive water use efficiency program, water recycling, storm water recharge, and increasing local supplies to reduce dependence on imported water supplies. Should an earthquake, wildfire, system shutdown, or other event disrupt the delivery of imported water to the area, the Project's groundwater would provide emergency water supplies for the District (and South Orange County).

Sub-Criterion A2.b: Environmental Benefits

- **Does the project improve ecological climate change resiliency of a wetland, river, or stream to benefit wildlife, fisheries, or habitats? Do benefits support an endangered/ threatened species?**

No, the Project does not improve ecological climate change resiliency or directly support threatened or endangered species.

- **What are the types and quantities of environmental benefits provided, such as the types of species and the numbers benefited, acreage of habitat improved, restored, or protected, or the amount of additional stream flow added? How were these benefits calculated?**

Not Applicable

- **Will the project reduce the likelihood of a species listing or otherwise improve the species status?**

Not Applicable

Sub-Criterion A2.c: Other Benefits

- **Will the project assist States and water users in complying with interstate compacts?**

The Project helps to deliver an additional 465 AFY of groundwater locally, reducing the demand for imported potable water, and making that same amount available for other uses, thereby helping California comply with interstate compacts with other users of Colorado River water.

- **Will the project benefit multiple sectors and/or users (e.g., agriculture, municipal and industrial, environmental, recreation, or others)? Describe the associated sector benefits.**

The Project benefits multiple users in the recreation and tourism sector by providing local groundwater in place of imported water. Without the Project helping to provide a reliable water source, the District's tourism and recreational areas may face economic losses. MWDOC retained the services of the Orange County Business Council and found that the economic impacts from droughts ranged up to \$1.7 billion, depending on the shortage scenario. Even a relatively short 10-day, 20% water reduction has a projected impact of over \$60 million, illustrating the tremendous potential cost from water system outages or short-term drought.

The Project will benefit recreation by providing local groundwater supply to the District's entire service area, which hosts over 2 million visitors annually at Doheny State Beach Park, the Dana Point Harbor, and other area beaches that serve as heavily used year-round recreation destinations. 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. The Doheny State Beach and surrounding park sites provide a valuable recreational, educational, and cultural resource for all users, including the disadvantaged community (DAC) population who visit the park. Doheny State Beach is accessible via public transit (Orange County Transit Authority bus and Metrolink) and does not charge an entrance fee for walk-in visitors. Free Wi-Fi is provided at Doheny State Beach, which is a valuable educational resource for its visitors, especially for individuals who may not have access to internet at their homes. These recreational areas are an ideal option for inexpensive, quality recreational, educational and cultural experiences for both residents and visitors, including those from DACs.

- **Will the project benefit a larger initiative to address sustainability?**

The Project will benefit larger statewide and local initiatives to address sustainability of water supplies. Drought conditions result in a heightened competition for imported water within MWD's southern California service area and limited groundwater supplies in the local San Juan Basin. Per MWD's 2020 UWMP, imbalances are occurring in the Upper Colorado River Basin, where snowpack peaked in April 2020 at 107% of median, yet from April through July runoff was observed at just 52% of average due to hot and dry conditions in the late spring and early summer. It was forecasted by Reclamation that forecasted demands will exceed available supply in the Colorado River. As described in the District's 2020 UWMP, approximately 40 million people rely on the Colorado River and its tributaries for water, with 5.5 million acres of land using Colorado River water for irrigation. The long-term imbalance in future supply and demand is projected to be approximately 3.2 million acre-feet by the year 2060.

The proposed Project benefits the "California Water Plan Update 2023", which is the larger statewide initiative to address water sustainability, and is updated every five years. The State Water Resources Control Board developed the California Water Plan to further California's sustainable water management and proactive response to changing availability and constraints on water. As outlined in the Plan, California's Water Supply

Strategy includes the following:

- ❖ Creating storage space above and below ground for as much as 4 million AF of water;
- ❖ Recycling and reusing at least 800,000 AF of water per year by 2030;
- ❖ Freeing up 500,000 AF of water through more efficient water use and conservation; and
- ❖ Making new water available for use by capturing stormwater and desalinating ocean water and salty water in groundwater basins.

The Project benefits the California Water Plan by helping meet the last bullet point above, through equipping a second well, the Creekside Well, to supply the GRF that will treat the Basin's groundwater to produce up to 465 AFY of additional local groundwater supply. The proposed Project also supports DWR's statewide requirement for water suppliers to prepare an Urban Water Management Plan every five years that: 1) assesses the reliability of water sources over a 20-year planning period; 2) describes demand management measures and water shortage contingency plans; and 3) helped meet the targeted 20% reduction in per-capita urban water consumption by 2020. For the 2020 UWMP cycle, DWR placed emphasis on achieving improvements for long-term reliability and resilience to drought and climate change in California. As a groundwater recovery project, the proposed Project benefits the larger statewide initiative to meet the objectives of these requirements by producing more local groundwater to reduce demand on imported water and increase statewide water reliability.

Lastly, the proposed Project supports the District's local initiative to address sustainability by implementing the following goal: Maximize Groundwater Use. Existing groundwater use in 2020 was 847 AFY with a permitted maximum extraction from the Basin of 1,300 AFY. The Project supports the goal to maximize groundwater use by contributing 465 AFY of additional groundwater to maximize permitted groundwater use and bring the District one step closer to achieving a balanced water supply portfolio within its service area.

- **Will the project help to prevent a water-related crisis or conflict? Is there frequently tension or litigation over water in the basin?**

The Project will decrease heightened competition for finite water supplies by increasing local water supplies to maximize the District's permitted groundwater supply and to offset limited imported water supplies. Drought conditions result in a heightened competition for imported water within MWD's service area and limited San Juan Basin groundwater supplies. The District is currently 80% reliant on imported water from MWD and MWDOC for its potable water. With nearly 19 million people in MWD's service area, Southern California is heavily reliant on imported water supplies to meet demands. Reclamation has forecasted that demands will exceed available supply in the Colorado River. This results in competition for limited water supplies throughout the Bay Delta and Colorado River Basin. Locally, the San Juan Basin's groundwater supply is shared between SCWD and SMWD. As described previously, the drought has decreased Basin instream recharge. Some of the Basin's storage capacity cannot be used because of potential sea water intrusion, economic considerations, and increasingly poor water quality; this has caused tension among local agencies due to the limited local supply. The Project reduces tension locally because it increases local water supply reliability by offsetting imported water.

Evaluation Criterion B – Planning and Preparedness

- **Explain how the applicable plan addresses drought. Proposals that reference plans clearly intended to address drought will receive the most points under this criterion.**

The proposed Project is supported by multiple planning efforts. However, the most relevant drought planning document is the District's 2020 UWMP, which includes the 2020 Water Shortage Contingency Plan (WSCP) as Appendix H. The WSCP is a strategic planning process to prepare for and respond to water shortages. A water shortage may occur due to a number of reasons, such as water supply quality changes, climate change,

drought, and catastrophic events (e.g., earthquake). The District's WSCP provides real-time water supply availability assessment and structured steps designed to respond to actual conditions. This level of detailed planning and preparation will help maintain reliable supplies and reduce the impacts of supply interruptions. A link to the District's 2020 UWMP can be found under South Coast Water District at https://wuedata.water.ca.gov/uwmp_plans.asp?cmd=2020 and then selecting "View Documents". Excerpts from the drought plan are presented in **Appendix B**.

- **Does the drought plan contain drought focused elements (e.g., a system for monitoring drought, drought projections that consider climate change, identification of drought mitigation projects, drought response actions, and an operational and administrative framework)?**

The 2020 UWMP, the "drought plan", contains drought focused elements, including prioritized drought mitigation and response actions in Chapter 7.5 Drought Risk Assessment (pages 7-11 to 7-15) and Chapter 8 Water Shortage Contingency Planning (pages 8-1 to 8-5). The drought plan includes drought projections that consider climate change as part of the drought risk assessment planning process. The drought risk assessment assumes that the District will experience drought over the next five years and addresses the District's water supply reliability in the context of presumed drought conditions. Together, the water service reliability assessment (Sections 7.1 through 7.3), Drought Risk Assessment, and WSCP (Section 8 and Appendix H) allow the District to have a comprehensive picture of its short-term and long-term water service reliability and to identify the tools to address any perceived or actual shortage conditions. The drought plan incorporates drought projections based on the driest five-year historic sequence of the District's water supply and the analysis considers plausible changes on projected supplies and demands due to climate change.

Chapter 6.9 of the District's UWMP includes future water projects to mitigate drought, including Recycled Water System Expansion, San Juan Watershed, Water Treatment Plant Purchases, Doheny Ocean Desalination, the **Creekside Groundwater Recovery Well (Project)**, and other local projects. Additionally, regional initiatives are listed for long-term water shortage planning with MWDOC to benefit the South Orange County region, including the District, to further increase local supplies and offset imported supplies.

Drought Response Actions are described in Appendix H, Section 3 on page 3-1 in the WSCP. The District anticipates a water supply shortage and provides pre-planned guidance for managing and mitigating drought shortages in the WSCP. The WSCP includes six levels of drought response actions, referred to as "water supply shortage response actions" (page 3-6 to 3-8). In Appendix H, Section 3.9 Monitoring and Reporting describes a system for monitoring drought to meet state drought reporting requirements. Also, Chapter 7.5 Drought Risk Assessment (page 7-11) includes vulnerability assessments related to drought. The District recently acted on the WSCP due to current drought conditions by moving to a Level 2 Water Supply Shortage on April 14, 2022, which prompted a series of conservation actions. The operational and administrative framework is included in the WSCP within the six levels of drought response actions.

- **Describe how the drought plan includes consideration of climate change impacts to water resources or drought.**

The District's 2020 UWMP considers climate change impacts to water resources and drought in Section 4.3.1.1 (page 4-5) by stating that long-term climate change can have an impact on water demands into the future. For the 2020 UWMP, information from a statistical model of total water monthly production from 1990 to 2014 from a sample of retail water agencies was used. This model incorporated climate change impacts by removing impacts from population growth, the economy and drought restrictions to estimate the impact on water use from climate change impacts of temperature and precipitation. The results of this analysis are:

- ❖ Hot/dry weather demands will be 5.5% greater than current average weather demands;
- ❖ Cooler/wet weather demands will be 6% lower than current average weather demands; and
- ❖ Climate change impacts will increase weather demands by 2% (2030), 4% (2040) and 6% (2050).

The Water Use Projections for 2021-2045 incorporated the climate change impacts statistics into the total water demand. Climate change impacts are also discussed in Section 6.2.1 (page 6-7), and Section 7.2.1 (page 7-3) and include a threat of more frequent, more intense, and longer lasting droughts, which will result in water deficits continued dryness in the Colorado River Basin, and increased temperatures, which will affect the percentage of precipitation that falls as rain or snow, and the amount and timing of mountain snowpack. Climate change is noted as a factor that affects the ability to estimate existing and future water delivery reliability, especially for imported water from the SWP and CRA, and supports implementation of projects to increase reliability of local supplies. UWMP Appendix H, Section 3.2.2.2 (page 3-4) of the WSCP also describes the District's annual assessment of supply and demand conditions related to supplemental imported water, which includes climate change projections within the District's service area.

- **When was the plan developed and how often is it updated?**

The District's 2020 UWMP is the most recent plan (dated June 2021), and is updated every five years. The next update is scheduled for 2025.

- **Was the drought plan developed through a collaborative process?**

- **Describe who was involved in preparing the plan and if prepared with input from stakeholders with diverse interests? Describe the process used for stakeholders to provide input.**

The drought plan was developed with input from multiple stakeholders with diverse interests, as described in Section 2.2 and Section 10.2 of the 2020 UWMP (pages 2-2 to 2-4 and 10-2 to 10-3), and included collaboration with MWD, MWDOC, Orange County Local Agency Formation Commission, and the SJBA, among other South Orange County stakeholders. In addition, the District closely collaborated with adjacent local water suppliers MWDOC, SMWD, MNWD, Laguna Beach County Water District, and the cities of Laguna Beach, Dana Point, San Clemente, San Juan Capistrano, Laguna Niguel, and Mission Viejo on the regional approach to mitigating drought. The plan was prepared by Arcadis, a District consultant, working directly with District staff. The District sent a Letter of Notification to the County of Orange and the cities within its service area on March 17, 2021 to state that it was in the process of preparing an updated UWMP. Interested stakeholders could provide input during the development of the plan by attending a public hearing, board meeting, and/or sending an email. The District encouraged community and public interest involvement in the plan update through a public hearing and inspection of the draft document on June 24, 2021. Copies of the draft plan were made available for public inspection at the District's main office. Public hearing notifications were published in local newspapers on the SCWD website and social media platforms. A copy of the published Notice of Public Hearing is included in Appendix K of the 2020 UWMP.

- **If the plan was prepared by an entity other than the applicant, describe whether and how the applicant was involved in the development of the plan.**

Not applicable; the District prepared the 2020 UWMP (drought plan) in collaboration with Arcadis, a District consultant.

- **Describe how your drought resiliency project is supported by an existing drought plan.**

The proposed Project is supported by the 2020 UWMP (drought plan) by naming it in Chapter 6 (page 6-30) of the UMWP, as an infrastructure improvement that will allow the District to extract its full permitted allotment of 1,300 AFY from the San Juan Basin.

- **Does the drought plan identify the proposed project as a potential mitigation or response action? How is the proposed project prioritized in the drought plan?**

The 2020 UWMP identifies the proposed Project in Section 7.4 Management Tools and Options (page 7-10), as a local and regional water supply program that is a response action to mitigate drought. The proposed

Project is prioritized in the 2020 UWMP (drought plan) in Section 6.9.1 (page 6-33), under District Initiatives, whereby the Project is identified under the heading “GRF Well No. 2 Wellhead Facilities & Pipeline”. The Project is also prioritized in the WSCP (Appendix H of the UWMP) by referring to the District’s more detailed 2017 Infrastructure Master Plan (or future adopted plan) that incorporates projects that could address added supply capacity required by current or future demand projections.

- **Does the proposed project implement a goal or need identified in the drought plan? Is the supported goal or need prioritized within the plan?**

The proposed Project implements several goals identified in the WSCP (Appendix H of the UWMP), including groundwater sustainability (Section 1.2, page 1-3); avoiding an extreme water shortage (Section 2.3.1, page 2-5); and District goals for water supply reliability (Table 3-1, page 3-7 and page 3-8). The Project will develop 465 AFY of new local water supply and is identified as a future supply action.

- **Attach relevant sections of the plan that are referenced in the application, as an appendix to your application. These pages will be included in the total 125-page count for the application.**

The proposed Project is supported by the 2020 UWMP, the drought plan; a copy of relevant pages from the 2020 UWMP are attached as **Appendix B**.

Evaluation Criterion C - Severity of Actual or Potential Drought Impacts Addressed by the Project

- **Describe the severity of the impacts that will be addressed by the project: Describe existing or potential drought conditions in the project area.**
- **Is the project in an area currently suffering from drought or recently suffered from drought or water scarcity? Describe existing conditions, including when the area has experienced those conditions. Describe frequency, duration, and severity of current, recent or historical conditions.**

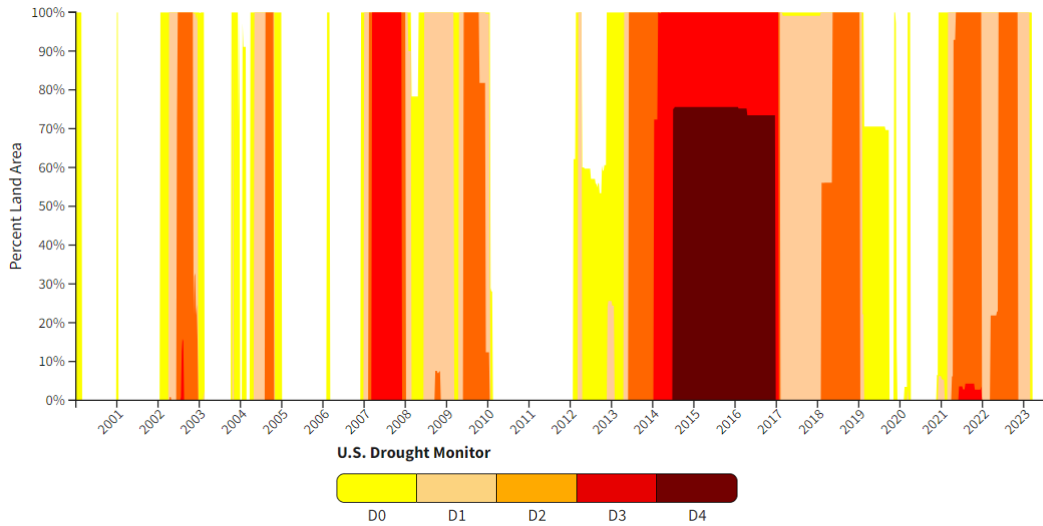
Yes, the proposed Project is in South Orange County, an area that has recently suffered from prolonged drought and water scarcity. California faced unmatched drought conditions in 2015 and 2016 after experiencing the hottest year on record in 2014 and the driest year ever recorded in 2013. 2015 had some of the warmest and driest months on record, including a record low snowpack in the Sierra Nevada. Even with the storms of 2020, the U.S. Drought Monitor declared South Orange County, California, in severe to extreme drought in 2022 and 2023 (**Figure 2**), and the same swift return to drought conditions is expected in 2024. Orange County has been categorized as having abnormally dry to exceptional drought conditions approximately 15 out of the last 23 years, affecting 100% of the county’s residents. **Figure 2** on the following page uses five categories/colors in the powerful imagery below to convey drought conditions: D0 (yellow) indicates abnormally dry conditions, showing areas that may be going into or are coming out of drought, D1 (light orange) indicates moderate drought, D2 (dark orange) indicates severe drought; D3 (red) indicates extreme drought, and D4 (dark red) indicates exceptional drought – the most intense drought category presented by the U.S. Drought Monitor.

Drought is an ongoing challenge to California and throughout the West. According to data presented by the National Centers for Environmental Information (<https://www.ncei.noaa.gov/access/monitoring/climate-at-a-glance/county>), 7 of the top 15 driest years on record in the last 128 years (years ranking 1, 3, 4, 7, 12, and two tied for 15th driest) have occurred in Orange County since 2000. In 2014, California’s Governor Brown responded to drought conditions by declaring a drought emergency for the state. In 2021, California’s Governor Newsom again declared a drought state of emergency that expanded to extend throughout all 58 California counties.

In recent years, drought conditions have also negatively influenced the amount of imported water that agencies like the District can depend on to meet their customers’ water demands. In March 2021, DWR

announced a decrease to 5% of requested water supplies from the SWP allocation for the 2021 water year. In December 2021, DWR announced a 0% initial allocation of SWP water for the 2022 year, the lowest initial allocation recorded in its history. In March 2022, DWR announced a 5% allocation of requested supplies following a historically dry January and February, the driest for those months documented in state history. In May 2022, the California State Water Board adopted emergency water conservation regulations focused on urban water use efficiency and conservation. The District must take action to diversify its water supply and implement new sources of local water to reduce demand for increasingly less reliable imported water.

Figure 2. U.S. Drought Monitor – Historical Drought Conditions for Orange County, California



The Project is needed because California recently exited declared state of drought emergency, and the region is routinely subject to extreme drought conditions. In response to previous drought conditions, SCWD’s Board of Directors voted to move to a Level 2 Water Supply Shortage effective May 1, 2022 which prompted the conservation actions from the District’s Water Shortage Contingency Plan in Appendix H of the District’s 2020 UWMP. Currently, SCWD’s Board of Directors voted on April 13, 2023, to move to a Level 1 Water Supply Shortage. When drought conditions persist, the District will elevate the Water Supply Shortage Level, prompting additional conservation actions, but additional conservation becomes more difficult, as the District’s customers have already implemented successful conservation practices. Over the past 25 years, District’s population increased by approximately 10%, but potable water demands have dropped 36%.

- **Describe any projected increases to the severity or duration of drought or water scarcity in the project area resulting from changes to water supply availability and climate change.**

The District’s Integrated Water Resources Plan [IWRP] (CDM Smith, January 2022) states, “Global and downscaled climate models indicate that California will be significantly warmer in the future...Under those climate models that predict a hotter/drier future, SCWD’s water demands will likely be greater, local groundwater will likely be more limited, and MWD’s imported water will likely be significantly reduced.” The IWRP includes climate change scenarios assumed to alter historical hydrology (1922 to 2020) through the delta-hybrid approach that Reclamation uses for its basin studies. Table 2 in the IWRP includes the Potable Water Demand Forecasted for the District, including 5,480 AFY in 2025, and up to 5,724 AFY in 2050. However, it is noted that a hot/dry climate future can increase the total potable demand by 3% to 5%. The District’s 2020 UWMP included a statistical model that incorporated climate change impacts and concluded that: hot/dry weather demands will be 5.5% greater than current average weather demands and climate change impacts will increase current average weather demands by: 2% in 2030, 4% in 2040, and 6% in 2050.

Statewide, the DWR, based on historical data, projects that snowpack in the Sierra Nevada will fall 25 to 40% below the historical average by 2050. Moreover, the California Climate Science and Data for Water Resources Management (DWR, 2015), identifies how droughts will become more frequent and persistent during this century. Their projections include: 1) Temperature - Scripps Institution of Oceanography indicates that by 2060-2069 mean temperatures will be 3.4 to 4.9 °F higher across the state than they were in the period 1985-94; 2) Precipitation – Most climate model precipitation projections for the state anticipate drier conditions in Southern California, with heavier and warmer winter precipitation in Northern California; and 3) Snowpack – Based on modeling research at Scripps Institution of Oceanography, by the end of the century, the Sierra snowpack may experience a 48-65% loss from the 1961-1990 average. Rising temperatures are expected to increase evapotranspiration from vegetation and increase water loss due to evaporation in reservoirs. Reclamation’s Water Reliability in the West – 2021 SECURE Water Act Report (January 2021) documented similar projections: “Average temperatures are projected to increase across the West and annual precipitation is projected to decline in the Southwest. In most river basins, snowpack is projected to decline as more winter precipitation falls as rain and warmer temperatures melt snow sooner. In some high elevation regions, snowpack may increase due to a projected increase in winter precipitation. Throughout the West, seasonal streamflow is projected to occur earlier in the year. These factors will worsen the imbalance between increasing water demand from rapid population growth and decreasing water supplies from the Colorado River.” This has increased the urgency of local resource development in the District’s service area. Since the District’s potable water supply is 75% imported water from the SWP and CRA systems, water projects to create alternative sources of supply, including the proposed Project, are needed to address future drought conditions.

- **What are the ongoing or potential drought or water scarcity impacts to specific sectors in the project area if no action is taken, and how severe are those impacts? Whether there are public health concerns or social concerns associated with current or potential conditions.**

Public Health Concerns or Social Concerns for DACs:

The Project will provide more reliable local groundwater at a lower cost than imported water to DACs for irrigation uses. From a social equality and environmental justice perspective, affordable water rates are important to provide to members of DACs. During droughts, irrigation water is the first to be reduced, creating more dust and allergens, as well as adding to heat islands, thereby negatively impacting public health. The Project provides more local groundwater to meet public health needs.

Increased Risk of Laguna and Aliso Canyon Wildfires: The frequency, intensity, and size of wildfires has increased due to drought conditions across the state creating dry vegetation. The Project provides a new local source of water available to combat the increasing threat, duration, and severity of wildfires. As identified in Section 3.8 of the 2018 South Orange County IRWMP, changes in hydrological conditions in the South Orange County region due to climate change include drought, damage to trees, and increased risk of wildfire and erosion. The District’s service area includes portions of Laguna Beach and high fire risk areas in Laguna Canyon and Aliso Canyon. The 2019 City of Laguna Beach Wildfire Mitigation and Fire Safety Report describes that nearly all the City of Laguna Beach and its surrounding 16,000 acres of open space are designated by the California Department of Forestry and Fire Protection (CAL FIRE) as a Very High Fire Hazard Severity Zone because of hilly terrain, significant vegetation, hot, dry summer and fall seasons, and high-speed Santa Ana winds. The proposed Project will provide up to 465 AFY of water that reduces potable water demand and increases supply available for fire suppression locally and regionally.

Imported Drinking Water Impacts from Interruptions: The severity of the drought has impacted drinking water supplies in the District by decreasing the reliability of imported water. MWDOC’s 2018 South Orange County Reliability Study highlighted the District’s vulnerability to prolonged interruptions of imported water deliveries and was prompted, in part, by the December 13, 1999 failure of the Allen-McColloch Pipeline, which

interrupted imported water delivery for eight days. The District only has one point of delivery of treated imported water from MWD, which makes it vulnerable to seismic events and droughts that could result in no treated imported water for up to 60 days. Providing system reliability benefits is crucial for combatting frequent drought conditions. Groundwater is a locally produced alternative source which will help diversify the District's water supply and reduce dependence on imported water.

- **Whether there are ongoing or potential environmental impacts.**

Drought decreases water quality for habitats throughout the region. Dry and unusually windy winters and early springs threaten habitat as the fire potential increases. Locally, the proposed Project will ensure irrigation flows make their way to creeks and streams to enhance water quality and support local habitat. By providing additional local water, the Project ensures irrigation upstream of the natural ecosystems will be available to support the natural habitats, including coastal sage scrub. The coastal sage scrub community is designated as threatened by the state of California but is considered as globally imperiled. Coastal sage scrub has been negatively impacted by the extended drought punctuated by intense rainfall (Goldstein, Leah and Suding, Katherine M. *"Intra-annual rainfall regime shifts competitive interactions between coastal sage scrub and invasive grasses"* (2014) the Ecological Society of America). Coastal Sage Scrub, the dominant native plant community in coastal Southern California, supports a great diversity of wildlife. The diversity of plants acts as a foundation for an extensive food web. Of the many animals that live in the coastal sage scrub, 120 are considered rare, threatened or endangered. Of these, the blue-gray gnatcatcher and Stephen's kangaroo rat are federally endangered. Protection of this unique habitat is critical to the survival of a diversity of animals, including the western spadefoot toad, gopher snakes, rosy boas, bobcats, coyotes and nearly 150 different species of birds. The Coastal sage scrub community hosts a great diversity of organisms. It provides habitat for more than 150 different butterfly species (many endangered), 21 species of scorpions, many spiders, reptiles, birds and mammals. Coastal sage scrub attracts the largest diversity of endemic bees in North America. The Project's additional water supply ensures irrigation and runoff support for the local coastal sage scrub habitat in the San Juan Creek Watershed.

- **Whether there are local or economic losses associated with current water conditions that are ongoing, occurred in the past, or could occur in the future.**

The Project alleviates potential economic losses associated with current and anticipated water conditions by providing local groundwater in place of imported water. MWDOC retained the services of the Orange County Business Council and found that the economic impacts of a water shortage for the MWDOC service area ranged up to \$1.7 billion, depending on the shortage scenario. Even a relatively short 10-day, 20% reduction carries a projected impact of over \$60 million, illustrating the tremendous potential cost from water system outages or short-term drought.

- **Whether there are other water-related impacts not identified above (e.g., tensions over water that could result in a water-related crisis or conflict).**

The Project will decrease potential tensions over imported water by increasing local water supply reliability to offset imported supplies. Drought conditions result in a heightened competition for imported water within MWD's service area and limited San Juan Basin groundwater supplies. Southern California's reliance on imported water supplies to meet demands will result in competition for limited water supplies when demands exceed available supply. Locally, the San Juan Basin's groundwater supply is shared among SCWD and SMWD. As described previously, the drought has decreased Basin recharge. Some of the Basin's storage capacity cannot be used because of potential sea water intrusion, economic considerations, and increasingly poor water quality; this has caused tension among local agencies due to the limited local supply. The Project reduces tension because it increases local water supply reliability by offsetting imported water.

Evaluation Criterion D – Presidential and Department of Interior Priorities

- **Please use the White House CEJST to identify the benefit to disadvantaged communities. Describe how the project will serve or benefit a disadvantaged or underserved community.**

The White House Council on Environmental Quality's interactive Climate and Economic Justice Screening Tool (CEJST) was utilized to help identify the DACs that will benefit from the Project. Although **Figure 3** below does not show DACs within the District's service area, there are DACs included within the South Orange County region and DACs included in the District's projections for water use for low-income households. The District's 2020 UWMP includes water use projections for lower income households, defined as a household earning below 80% of the Median Household Income (MHI). Based on the Regional Housing Needs Assessment (RHNA), a low-income percentage can be used to estimate future low income demands. Given that the District's service area covers portions of the cities of Dana Point, Laguna Beach, and San Clemente, a weighted average of the RHNA projection for each city served by the District was calculated based on the proportion of each city within the District. For example, approximately 80% of the District's service area lies within Dana Point. Based on the housing elements of the RHNA, the projected housing need for low-income households is 43.6% of total housing needs. Therefore, the area weighted projected allocation for low-income households for Dana Point is 34.9% (80% times 43.6%). The same procedure is repeated for all cities within the District's service area, which results in an overall projected housing need for low-income households of 44.7% as a percentage of total housing units (Southern California Association of Governments [SCAG], 2021). By applying the percentage of low-income housing from the SCAG report to the total projected residential demand calculated above, low-income demand can be conservatively estimated for both single family and multifamily through 2045. For example, the total low-income single family residential demand is projected to be 1,210 AF in 2025 and 1,156 AF in 2045.

Based on the results above showing that the total low-income demand is projected to be 1,210 AF in 2025, the Project will benefit DACs by adding new water supply throughout the District's service area and region. The Project will provide more reliable water at a lower cost than imported water. During droughts, irrigation water provided from potable supplies is the first to be reduced, creating more dust and allergens, as well as adding to heat islands, thereby negatively impacting public health for underserved communities. The Project provides more local groundwater for irrigation to ensure public health needs are met, positively impacting public health for underserved communities by providing irrigation water in times of drought.

The Project will increase water supply reliability by providing new water supply at an affordable price, compared to much more expensive imported potable water. Currently, the District incurs a total cost of \$1,143/AF for imported potable water via MWD, compared to \$500-\$600/AF for local groundwater. In addition to cost savings, the benefit of potable water saved makes the same amount available for DACs in the region, and will be realized annually, year-round, for the life of the Project. Further, the associated operating costs and energy required to deliver up to 465 AFY of imported water to the District is saved, which results in less financial impact to the District and its ratepayers, lessens the environmental impacts from greenhouse gases and climate change, conserves energy, and reduces operating costs.

The District's service area (**Figure 3**) includes the communities of Dana Point, South Laguna, and areas of San Clemente and San Juan Capistrano, which includes Hispanic and Latino, and Indigenous (Juaneno Band of Mission Indians, Acjachemen Nation) communities defined as underserved communities per the definition in E.O 13985. The Project benefits these communities by ensuring affordable and high-quality water is a reliable resource to the communities for irrigation purposes, thereby making drinking water more available for potable uses throughout the service area.

Figure 3. Climate and Economic Justice Screening Tool Disadvantaged Communities Map



- **Does the proposed project directly serve and/or benefit a Tribe? (i.e., public health and safety - water quality, new water supplies, economic growth, improving water management).**

The Project increases local groundwater supply which benefits the local Juaneno Band of Mission Indians in the District’s service area. Additionally, the proposed Project supports tribal resilience to climate change and drought impacts by making more water available in the Colorado River Basin for tribes that rely on the CRA as a source of water. The Project will increase groundwater supply by up to 465 AFY through development of local water production and will ultimately benefit the Colorado River Basin by reduced demand on this source. The Project will reduce demands on imported supply from the Colorado River Basin and the SWP, as the District receives imported water from MWD via MWDOC, which currently relies on these as its primary sources of water. Reclamation manages the Colorado River system from which MWD imports water. Imported water savings associated with the Project translate to more water remaining in the fragile Colorado River and Bay-Delta systems.

- **Does the proposed project support Reclamation’s Tribal trust responsibilities or a Reclamation activity with a Tribe?**

The proposed Project supports Reclamation’s current efforts, including the May 20, 2019 signing of drought contingency plans for the Colorado River Basin. The plan is designed to reduce risks from ongoing drought or supply line interruptions and protect the most important water source in the western U.S. By reducing the amount of water imported, this water in effect remains in the Colorado River Basin from which it originates or is made available to meet demands in other areas of the State. Any increase in water reliability and greater availability in overall water supply resulting from local water production efforts would also help Reclamation in meeting the Federal Indian trust responsibility, a legally enforceable fiduciary obligation on the part of the U.S. to protect tribal treaty rights, lands, assets, and resources, to the tribes.

Evaluation Criterion E – Readiness to Proceed and Project Implementation

- **Describe the project implementation plan. Include an estimated project schedule with work stages and duration, including major tasks, milestones, and dates. Milestones may include: design, environmental and cultural resources compliance, permitting, construction/installation.**

The Project can proceed immediately after execution of the agreement with Reclamation. **Table 3** shows the Project schedule with a start date of November 2024, construction beginning August 2025, and completion of the Project in October 2026. The tasks outlined below demonstrate the Project implementation plan.

Task 1: Project Management. The District will prepare documentation relating to Project funding, manage internal/external forces responsible for the preparation of necessary reports and contract documents, manage interface between various Project stakeholders, including the City of Dana Point, administer the construction contract, coordinate necessary testing, and monitor Project progress.

Task 2: Reporting. With the support of District personnel, the District's consultant, Soto Resources will prepare progress reports detailing work completed during each reporting period. Reporting will be performed on a semiannual basis, including submittal of Financial Reports and Interim and Final Performance reports, as well as Financial Reimbursement Requests using the online Automated Standard Application for Payments (ASAP) system. Interim Performance and Final Performance Reports, including final Project evaluation, will be in accordance with requirements included in the financial assistance agreement.

Task 3: CEQA/NEPA Compliance. California Environmental Quality Act (CEQA) compliance for the Project will be performed, and environmental and cultural compliance will be performed to meet CEQA Plus (Federal cross cutter) requirements to comply with the National Environmental Policy Act (NEPA) if the Project receives Federal funding.

Task 4: Permitting. An encroachment permit from the City of Dana Point will be required for work in the public right-of-way. Due to the Project's location within the Coastal Zone, a California Coastal Commission permit will also be required. This new source of water will have to be added to the District's existing SWRCB Drinking Water Permit (Permit CA 3010042). Final approval of the construction contract by the District Board of Directors will be required prior to construction.

Task 5: Design. Final design will include completing 100% plans and specifications that will be used to bid the Project to contractors.

Task 6: Contract Services. Activities necessary to secure a contractor and award the contract include development of bid documents, preparation of advertisement and contract documents for construction contract bidding, conducting of pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Task 7: Construction Administration. The District will administer the construction contract. The District will provide and coordinate engineering support services and information or clarification as requested by the contractor and inspect the construction.

Task 8: Construction. Construction activities include: 1) Mobilization; 2) Construction - installation of the proposed improvements to equip the existing well and connect to the District's groundwater treatment and water distribution systems; and 3) Testing and Demobilization. Demobilization will occur after facilities pass final testing requirements and includes removal of material and equipment, and site cleanup.

Table 3 on the following page presents the Project schedule and shows the stages and duration of the proposed work, including major tasks, milestones, and start and end dates.

- **Describe any permits or approvals that will be required. For permits and approvals that need to be obtained, describe the process, including estimated timelines for obtaining such permits.**

It is anticipated that an encroachment permit from the City of Dana Point will be required for work that will take place within the public right-of-way. The Project contractor would secure the encroachment permit early in the construction period prior to work in the public right-of-way. Due to the Project being located within the Coastal Zone, permitting through the California Coastal Commission will also be required. The Coastal

Commission permitting would occur prior to construction. This new source of water will have to be added to the District’s existing SWRCB Drinking Water Permit; this permitting would occur during construction. Final approval of the construction contract by the District Board of Directors will be required prior to construction.

Table 3. Project Schedule with Dates

Task/Milestone/Activity	Planned Start Date	Planned End Date
Anticipated Award Timeframe	October 31, 2024	
Task 1: Project Management	November 2024	October 2026
Task 2: Reporting	November 2024	October 2026
Task 3: CEQA/NEPA Compliance	November 2024	April 2025
Task 4: Permitting	November 2024	October 2025
Task 5: Design	November 2024	April 2025
Task 6: Contract Services	May 2025	July 2025
Task 7: Construction Administration	August 2025	July 2026
Task 8: Construction	August 2025	July 2026

- **Identify and describe engineering or design work performed specifically to support the project.**

Previous preliminary engineering design work to the support the Project was performed as follows:

- ❖ Electrical engineering was performed to size the feeder circuit, utility transformer, and utility metering equipment that will provide, measure, and monitor power for the on-site facilities. Additional electrical engineering was performed to design the site electrical, signal, control wiring and control strategy.
- ❖ Mechanical engineering was performed to design the above-grade piping, pipe supports, select the various valves, and various instrumentation.
- ❖ Civil engineering was performed to design the site grading, paving, and drainage facilities.
- ❖ Landscape design was performed to select and layout the vegetation and irrigation system.

- **Describe any land purchases that must occur before the project can be implemented.**

No land purchases are required to implement the Project.

- **Describe any new policies or administrative actions required to implement the project.** No new policies or administrative actions are required to implement the Project.

Evaluation Criterion F – Nexus to Reclamation

- **Does the applicant have a water service, repayment, or O&M contract with Reclamation?**

No, the District does not have a water service, repayment, or operations and maintenance (O&M) contract with Reclamation.

- **If the applicant is not a Reclamation contractor, does the applicant receive Reclamation water through a Reclamation contractor or by any other contractual means?**

Yes, the District receives Reclamation water from MWD via MWDOC, which currently relies on the CRA and the SWP as its primary sources of water. Reclamation manages the Colorado River system from which MWD imports water as a Reclamation contractor.

- **Will the proposed work benefit a Reclamation project area or activity?**

The Project will benefit Reclamation's water supply in the Colorado River through its nexus with the Santa Ana Watershed Basin Study and Reclamation's Colorado River Basin Study by making up to 465 AFY of potable water available through reducing imported water demands. The Project directly supports adaptation strategies in the Santa Ana Watershed Basin Study (a partnership between the Santa Ana Watershed Project Authority and Reclamation) by reducing demand on imported water and promoting ongoing implementation of the state's 20x2020 Water Conservation Plan. The Colorado River Basin Plan includes goals to resolve the supply and demand imbalance. The Project will increase the availability of Reclamation's water supply in the Colorado River Basin, as the District receives approximately 80% of its supply from MWD via MWDOC, which relies on the CRA and the SWP as its primary water sources. The Project's imported water savings translate to more water remaining in these fragile systems. The Project benefits Reclamation by reducing imported water supplies from the Colorado River and northern California, allowing water to remain in the originating basin or making it available to meet other demands.

- **Is the applicant a Tribe?**

The District is not a Tribe.

Evaluation Criterion G – Stakeholder Support for Proposed Project

- **Describe the level of stakeholder support for the proposed project. Are letters of support from stakeholders provided? Are any stakeholders providing support for the project through cost-share contributions or through other types of contributions to the project?**

The Project has strong stakeholder support. Letters of support are provided by Congressman Mike Levin, U.S. Representative for California's 49th Congressional District, Katrina Foley, Orange County Board of Supervisors, 5th District, Director Megan Yoo Schneider, M.S. P.E. Municipal Water District of Orange County, Board President, and Matthew Kunk, Principal Engineer, City of Dana Point Public Works Department. The District is funding the entire portion of the non-Federal cost share for the Project; there are no other entities providing cost-share contributions. Letters of support for the Project are presented in **Appendix C**.

- **Explain whether the project is supported by a diverse set of stakeholders.**

The Project is supported by a diverse set of stakeholders, as documented by the Project's inclusion in several drought planning documents, including the District's 2020 UWMP, the District's Capital Improvement Projects list, and the regional South Orange County IRWMP. Through a stakeholder lead process, the South Orange County region accepted and ranked the Project for funding through an IRWM solicitation process where proponents submit Project Score Sheets for regional benefits. The projects that rank the highest are selected for further review by the IRWMP Management Committee, and once vetted, project rankings and recommendations are provided to stakeholders for review. At a public workshop, project proponents for the top ranked projects interested in applying for the targeted grant program present to stakeholders the project merits, costs, funding requested, etc. This stakeholder process determines the final ranking of the top projects for funding and provides open communication with the IRWM Group on the list of selected projects. The selected projects were recommended for final approval based on ranking. The list of selected projects, including the Project, was communicated to stakeholders through the approval process at a publicly posted stakeholder-based workshops. Stakeholders in the area are comprised of residents, businesses, water agencies/cities, DACs, Tribes, public and other local, State, and Federal agencies in the region. This diverse set of stakeholders showed support for the Project by ranking it as a top priority in the region.

Project Budget

The Project budget includes: The Funding Plan and Letters of Commitment, Budget Proposal and Budget Narrative.

Funding Plan and Letters of Commitment

Describe how the non-Federal share of project costs will be obtained.

The District has the capacity to fund the non-Federal Project costs in the Project budget. District-acquired bonds or cash on hand will provide the non-Federal source to fund the proposed Project.

Please identify the sources of the non-Federal cost share contribution for the project:

- **Any monetary contributions by the applicant for the cost-share requirement and fund source:**

The District will provide its total non-Federal cost share from the District bond funding or cash on hand in the amount of \$1,535,250.

- **Any costs that will be contributed by the applicant.** District bond funding or cash on hand.
- **Any third-party in-kind costs (i.e., goods and services provided by a third party).** None
- **Any cash requested or received from other non-Federal entities.** None.
- **Any pending funding requests (i.e., grants or loans) that have not yet been approved and explain how the project will be affected if such funding is denied.** The District is committed to using its bond funding or cash on hand to provide the total non-Federal cost share if needed.
- There are no funding partners.

Please identify whether the budget proposal includes any project costs that have been or may be incurred prior to award. The budget proposal does not include any Project costs incurred prior to award.

Budget Proposal

The District will fund 55% (\$1,535,250) of the Project costs, and the District is requesting the remaining 45% (\$1,250,000) of the Project costs as shown in **Table 4**. **Table 5** provides a summary of funding sources.

Table 4. Total Project Cost Summary

Source	Amount
Costs to be reimbursed with the requested Federal funding	\$1,250,000
Costs to be paid by the applicant	\$1,535,250
Value of third-party contributions	\$0
TOTAL PROJECT COST	\$2,785,250

Table 5. Summary of Non-Federal and Federal Funding Sources

Funding Sources	Amount
Non-Federal Entities	
1.SCWD Bond Funding or Cash on Hand	\$1,535,250
Non-Federal Subtotal	\$1,535,250
REQUESTED RECLAMATION FUNDING	\$1,250,000

Table 6 provides the Budget Detail by cost categories (Budget Item Description). No in-kind funding is proposed or included. Contractual costs are shown in **Table 7**, and construction costs are shown in **Table 8**.

Table 6. Project Budget Estimate

Budget Item Description	Computation		Quantity Type	Total Cost
	\$/Unit	Quantity		
a. Salaries and Wages				
Not included in this application				\$0
b. Fringe Benefits				
Not included in this application				\$0
c. Travel				
None				\$0
d. Equipment				
None – included in Contractor costs				\$0
e. Supplies				
None – included in Contractor costs				\$0
f. Contractual				
Consultant A – Grant Reporting	\$185	54	Hours	\$9,990
Consultant B – CEQA/NEPA Compliance	\$250	180	Hours	\$45,000
Consultant C – Design Engineer (Permitting)	\$250	120	Hours	\$30,000
Consultant C – Design Engineer (Design)	\$250	1,500	Hours	\$375,000
Consultant D – Construction Manager/Inspector	\$240 \$200	750 1,500	Hours	\$480,000
Consultant E – Construction Monitor	\$160	220	Hours	35,000
Subtotal				\$974,990
g. Construction				
Construction Contractor	\$1,810,260	1	Lump Sum	\$1,810,260
h. Other Direct Costs				
Not applicable				\$0
TOTAL DIRECT COSTS				\$2,785,250
j. Indirect Costs				
Not applicable				\$0
TOTAL ESTIMATED PROJECT COSTS				\$2,785,250

Budget Narrative

The budget narrative is also presented in the Budget Detail and Narrative spreadsheet in the Budget Detail Attachment Form.

a. Salaries and Wages

Although District time will be dedicated to the Project to oversee consultants and manage the Project, as well as time for compliance with reporting requirements and the final Project evaluation, District time has not been included in the Project Budget because the minimum 50% required non-federal funding match is already exceeded with the construction and contractual costs.

The budget proposal and narrative should include estimated hours for compliance with reporting requirements, including final project and evaluation.

Reporting activities will be completed in Task 2 by Consultant A, Soto Resources. Estimated hours for reporting are based on the approximate Project schedule as shown in **Table 3** and the level of effort on similar District projects. Reporting hours and costs are shown in **Table 7** and include execution and management of the financial assistance agreement with Reclamation, semiannual submission of Federal Financial Reports and Project Performance Reports, and Final Project evaluation.

Generally, salaries of administrative and/or clerical personnel will be included as a portion of the stated indirect costs. If these salaries can be adequately documented as direct costs, they should be included in this section; however, a justification should be included in the budget narrative.

District personnel hours are not included in the Project budget.

b. Fringe Benefits

Fringe benefits for District personnel hours are not included in the Project budget.

c. Travel

Travel costs are not included in the Project budget.

d. Equipment

All equipment will be the responsibility of the contractor and will not be purchased separately by the District. Therefore, no equipment costs are included separately for the Project.

e. Supplies

No costs for supplies are included separately for the Project; supplies will be provided by the contractor, as needed.

f. Contractual

Contractual activities by consultants are shown in **Table 7**. Contractual activities to be performed by the selected consultants will include Task 2: Reporting, Task 3: CEQA/NEPA Compliance, Task 5: Design, and Task 8: Construction. Please refer to the “Evaluation Criterion E – Readiness to Proceed and Project Implementation” section of this application for a description of each task.

Consultant A – Grant Management. Soto Resources will provide grant management and reporting for the duration of the grant term under Task 2 to maintain compliance with reporting requirements, including final Project reporting and evaluation. Grant management and reporting is estimated at \$9,990, which is approximately 54 hours at an average rate of \$185 per hour.

Consultant B – Environmental. A CEQA/NEPA Consultant will be hired to provide Environmental Compliance Services for the Project. Services will be included in Task 3: CEQA/NEPA Compliance and a total cost of \$45,000 is included in the Project budget based on the District’s and consultant’s experience. The District has conducted a preliminary price analysis and found average fees for facilitation consultants in the area are \$250 per hour. The estimate would provide 180 consultant hours focused on the development of the environmental compliance documentation. The District will select a qualified consultant from their on-call list that was developed based on a competitive bid process.

Consultant C – Design. The Design Engineer’s budget includes estimated costs of \$30,000 for permitting and \$375,000 for design. A design engineering consultant will be hired to provide design and construction support services for the Project. Services will be included in Task 5: Design and Task 8: Construction. The District has conducted a preliminary price analysis and found average fees for engineering consultants in the area are on the order of \$250 per hour. The estimate provides 120 hours for permitting and 1,500 hours for the development of the design documentation and providing support to the District during construction, which is consistent with District and consultant experience with similar projects. The District will select a qualified consultant from their on-call list that was developed based on a competitive bid process.

Consultant D – Construction Manager/Inspector. The Construction Manager/Inspector will provide inspection during construction. The construction inspection budget of \$480,000. The estimate is based on the District’s and consultant experience with similar projects. A Construction Management Consultant will be hired to provide construction management and inspections services for the Project. Services will be included in Task 8: Construction. The District has conducted preliminary analysis and found average fees for facilitation consultants in the area are \$240 per hour for a construction manager and \$200 per hour for a construction inspector. The estimate provides 750 hours focused on construction management and 1,500 hours for construction inspection. The District will select a qualified consultant from their on-call list that was developed based on a competitive bid process.

Consultant E – Construction Monitor. The Construction Monitor will provide required environmental inspections during construction (i.e., paleological, archeological, biological). The construction inspection budget of \$35,000 is based on the District’s experience with similar projects. A Construction Management Consultant will be hired to provide construction management and inspections services for the Project. Services will be included in Task 8: Construction. The District has conducted preliminary analysis and found average fees for environmental monitors in the area are approximately \$160 per hour. The estimate provides 220 hours for environmental monitoring. The District will select a qualified consultant from their on-call list that was developed based on a competitive bid process.

Table 7. Project Contractual Cost Estimate

Consultant	Task	Activity	Rate	Hours	Total Costs
Consultant A - Soto Resources Grant Management	Task 2	Reporting	\$185	54	\$9,990
Consultant B – Environmental	Task 3	CEQA/NEPA Compliance	\$250	180	\$45,000
Consultant C – Design	Task 4	Permitting	\$250	120	\$30,000
	Task 5	Design	\$250	1,250	\$312,500
	Task 8	Construction	\$250	250	\$62,500
Consultant D – Construction Manager/Inspector	Task 8	Construction	\$240	750	\$480,000
			\$200	1,500	
Consultant E – Construction Monitor	Task 8	Construction	\$160	220	\$35,000
TOTAL CONTRACTUAL					\$974,990

g. Construction

The District prepared a total Project construction cost estimate based on preliminary engineering analyses and District experience with similar projects. The lump sum values included in this cost estimate are based on District’s costs for implementation of other recent and ongoing construction projects. **Table 8** summarizes the construction cost estimate. Construction activities to be performed by the selected contractor will include Task 8: Construction. Please refer to the “Evaluation Criterion E – Project Implementation and Readiness” section for a description of this task. The District will select a qualified contractor from the District’s pre-approved construction contractors list that was developed through a competitive bid process. The total construction cost is estimated at \$1,810,260, and is approximately 65% of the total Project cost.

Table 8. Project Construction Cost Estimate

Item	Description	Unit	Unit Cost	Quantity	Cost
1	Mobilization/Demobilization	LS	\$ 70,150	1	\$ 70,150
2	Allowance for Permit Fees	LS	\$ 43,130	1	\$ 43,130
3	BMP Implementation and Erosion Control/Compliance w/ SWPPP	LS	\$ 25,160	1	\$ 25,160
4	Traffic Control	LS	\$ 15,810	1	\$ 15,810
5	Site Demolition Work	LS	\$ 42,480	1	\$ 42,480
6	Well Head Foundation and Appurtenances	LS	\$ 15,090	1	\$ 15,090
7	Well Pump	EA	\$ 163,520	1	\$ 163,520
8	Electrical Service Conduit (San Diego Gas & Electric [SDG&E])	LF	\$ 320	760	\$ 243,200
9	Electrical Service Transformer and Utility Meter (SDG&E)	LS	\$ 43,130	1	\$ 43,130
10	Electrical Distribution Panels (480V & 120/240V)	LS	\$ 64,690	1	\$ 64,690
11	Pump Control Panel w/Variable Frequency Drive (incl. AC)	LS	\$ 82,660	1	\$ 82,660
12	SCADA/Telemetry Panel and Programming	LS	\$ 115,000	1	\$ 115,000
13	Electrical Panels near Well Head	LS	\$ 25,880	1	\$ 25,880
14	Site Electrical Wiring & Conduit	LS	\$ 138,000	1	\$ 138,000
15	Misc. Electrical (Site Lighting, Outlets, etc.)	LS	\$ 20,840	1	\$ 20,840
16	4-Inch Pump Control Valve	EA	\$ 20,130	1	\$ 20,130
17	6-Inch Magnetic Flow Meter	EA	\$ 10,350	1	\$ 10,350
18	Well Site Piping, Fittings, and Supports	LS	\$ 37,380	1	\$ 37,380
19	6-Inch Gate Valve	EA	\$ 6,040	1	\$ 6,040
20	Air/Vac Assembly	EA	\$ 5,030	2	\$ 10,060
21	Pressure Transmitter Assembly	EA	\$ 8,630	1	\$ 8,630
22	Site Asphalt Paving	SF	\$ 20	3,250	\$ 65,000
23	Concrete Sidewalks	SF	\$ 40	1,800	\$ 72,000
24	Drive Approach	LS	\$ 15,090	1	\$ 15,090
25	Storm Drain Facilities	LS	\$ 37,730	1	\$ 37,730
26	Irrigation and Landscaping	LS	\$ 147,860	1	\$ 147,860
27	2" Water Service	LS	\$ 10,780	1	\$ 10,780
28	2" Copper Water Piping	LF	\$ 250	365	\$ 91,250
29	Automatic Rolling Gate (Including Site Access Amenities)	LS	\$ 57,500	1	\$ 57,500
30	Site Fencing	LF	\$ 200	210	\$ 42,000
31	Groundwater Recovery Facility (GRF) Piping	LS	\$ 45,280	1	\$ 45,280
32	GRF Above Grade Piping, Appurtenances & Gooseneck	LS	\$ 12,940	1	\$ 12,940
33	GRF Pavement Repair	LS	\$ 11,500	1	\$ 11,500
Total					\$ 1,810,260

h. Other Direct Costs

The Project budget does not include other direct costs.

j. Indirect Costs

The Project Budget does not include third-party indirect costs.

Environmental and Cultural Resources Compliance

As presented in **Table 7**, the CEQA/NEPA Compliance (Task 3) includes consultant effort for Project CEQA compliance, and environmental and cultural compliance to meet CEQA Plus (Federal cross cutter) requirements to comply with NEPA if the Project receives Federal funding and to coordinate Reclamation's Environmental Compliance.

To allow Reclamation to assess the probable environmental and cultural resources impacts and costs associated with each application, all applicants must respond to the following list of questions.

(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 Project will not impact the surrounding environment. The proposed Project includes equipping an existing groundwater well and connecting it to existing water treatment and distribution infrastructure. The proposed Project will not cause soil erosion or the loss of topsoil. Soil that is excavated and not reused on site will be disposed of off-site in a legal manner.

Since the immediate surrounding area is already developed and has existing water related improvements (including the existing well), the impacts caused by construction of the Project will be mitigated by typical dust control, runoff containment, traffic control, cultural resources protection measures, noise and air emissions controls. Storm water pollution prevention protection plans will be enforced. Animal habitat will not be impacted. Construction impacts are expected to be limited in nature and controlled.

The proposed Project will improve water supply reliability. Therefore, the proposed Project is considered consistent with the region's Air Quality Management Plan. Minimal temporary air quality impacts may occur during construction phase only; however, no long-term air quality impacts would occur, and no mitigation is expected to be required.

The Project site will not create an adverse effect, either directly or through habitat modifications, on species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulation, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service. Due to the location of the site, no impacts on wetlands or wildlife will occur. No conflicts with local policies, ordinances or provisions of adopted biological resource plans will occur due to the Project being located within existing developed areas and paved streets. There are no riparian or wetland areas that may be directly impacted. Due to its location, the Project will not interfere with the movement of wildlife or impede native wildlife nursery sites. The Project is in conformance with the local policies instituted to protect the area's biological resources. The Project does not create conflicts with the provisions of local and/or regional habitat conservation plans.

(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 have been identified within the Project area.

(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 Project boundaries that potentially fall under Clean Water Act (CWA) jurisdiction as "Waters of the United States." No associated impacts would occur and no mitigation is required.

(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 Project 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.

No, there are no buildings, structures, or features listed or eligible for listing on the National Register of Historic Places within the Project site.

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

No known archeological sites have been identified within the Project area.

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

No, the Project will not have a disproportionately high and adverse effect on low income or minority populations. The Project will benefit low income and minority populations by increasing regional water supply reliability.

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

No, it is not anticipated that the Project will limit access to and ceremonial use of Indian sacred sites or results in other impacts on tribal lands; Per Assembly Bill 52, tribal cultural resources will be researched and addressed during CEQA and NEPA compliance. The Project is located within already disturbed areas such as Creekside Park and in existing paved streets.

(10) Will the proposed 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 Project 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

As identified in the “Evaluation Criterion E – Readiness to Proceed and Project Implementation” section of this application, it is anticipated that a permit from the California Coastal Commission and an encroachment permit from the City of Dana Point will be needed. This new source of water will have to be added to the District’s existing SWRCB Drinking Water Permit. Final approval from the District Board of Directors will also be required to approve the contract for the construction contractor.

Overlap or Duplication of Efforts Statement

There is no anticipated overlap between the proposed Project and any other active or anticipated District proposals or projects in terms of activities, costs, or commitment of key personnel that would adversely impact

the Project. In addition, the proposal submitted for consideration under this grant program is not currently in any way duplicative of any proposal or project that has been or will be submitted for funding consideration to any other potential Federal or non-Federal funding source.

Conflict of Interest Disclosure Statement

No actual or potential conflict of interest exists at the time of submission of this application.

Uniform Audit Reporting Statement

All U.S. states, local governments, Federally recognized Indian Tribal governments, and non-profit organizations expending \$750,000 in U.S. dollars or more in Federal award funds in the applicant's fiscal year must submit a Single Audit report for that year through the Federal Audit Clearinghouse Internet Data Entry System in accordance with 2 CFR §200 subpart F. The District was not required to submit a Single Audit report for the most recently closed fiscal year (FY 2022-2023) but did submit a Single Audit report for FY 2021-2022.

Disclosure of Lobbying Activities

Since this application is requesting more than \$100,000 in Federal funds, to comply with the requirement that Applicants requesting more than \$100,000 in Federal funding must certify the statements in 43 CFR Part 18, Appendix A - Certification Regarding Lobbying, the Authorized Official's signature on the appropriate SF-424, Application for Federal Assistance form represents the District's certification of the statements in 43 CFR Part 18, Appendix A.

Letters of Support

Letters of Project support have been provided by Congressman Mike Levin, U.S. Representative for California's 49th Congressional District, Katrina Foley, Orange County Board of Supervisors, 5th District, Director Megan Yoo Schneider, M.S. P.E. Municipal Water District of Orange County, Board President, and Matthew Kunk, Principal Engineer, City of Dana Point Public Works Department. Copies of these letters are included in **Appendix C**.

Official Resolution

A draft of the official resolution of the SCWD Board of Directors is included in **Appendix D**. This resolution is planned for adoption at the November 16, 2023, SCWD Board of Directors meeting. The resolution will verify the District's legal authority to enter into an agreement, that 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

Appendix A – Well Information

Appendix B – Drought Plan

Appendix C – Letters of Support

Appendix D – Draft Resolution

Appendix E – Signed Federal Forms



HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

October 19, 2023

Commissioner Camille Calimlim Touton
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton,

I write to request full and fair consideration of the South Coast Water District's (SCWD) Creekside Well Groundwater Recovery Project (Project) and its application for grant funding through the U.S. Bureau of Reclamation's (USBR) WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2024. The Project aligns with SCWD's goal of expanding groundwater usage and local water supply reliability to reduce dependence on imported water supplies. Furthermore, the Project contributes to the long-term resilience of South Orange County's water supply, which is of the utmost importance for the well-being of residents and the overall health of the community.

The Project will equip an existing well to expand SCWD's pumping capacity to supply local groundwater in place of imported potable water within the City of Dana Point and enable SCWD to deliver an additional up to 500-acre feet per year of groundwater. SCWD has been providing reliable safe drinking water to its customers since 1932 and shown a commitment to sustainability as well as a proven track record in managing water resources. The Project demonstrates the potential to improve the supply of groundwater to customers throughout SCWD's service area and to reduce the need for imported potable water.

I appreciate your full and fair consideration of this application. Please contact me or my staff if you have any further questions.

Sincerely,

A handwritten signature in blue ink that reads "Mike Levin".

Mike Levin
Member of Congress



KATRINA FOLEY

ORANGE COUNTY BOARD OF SUPERVISORS
FIFTH DISTRICT

COUNTY ADMINISTRATION NORTH
400 W. CIVIC CENTER DR., SIXTH FLOOR
SANTA ANA, CA 92701
(714) 834-3550
Katrina.Foley@ocgov.com

October 26, 2023

Camille Calimlim Touton
Commissioner, Bureau of Reclamation
United States Department of the Interior
1849 C Street NW
Washington DC 20240-0001

Re: SUPPORT- South Coast Water District's Creekside Well Groundwater Recovery Project Grant Application - WaterSMART Drought Response Program: Drought Resiliency Projects for FY 2024

Dear Commissioner Touton:

I write in support of South Coast Water District (SCWD)'s application for grant funding through the USBR WaterSMART Drought Response Program, which will provide funding for its Creekside Well Groundwater Recovery Project (Project). This grant funding will expand groundwater usage, reduce dependence on imported water supplies, and ultimately protect the health and well-being of residents by contributing to the long term resilience of south Orange County's water supply.

SCWD's Project demonstrates a comprehensive, intentional plan for boosting the efficient supply of groundwater to customers throughout the District's service area, reducing the need for imported potable water. The Project will equip an existing well to expand SCWD's pumping capacity to supply local groundwater in place of imported potable water within the City of Dana Point, California and enable SCWD to deliver up to an additional 500-acre feet per year (AFY) of groundwater. The financial support from the USBR grant program would be a significant boost towards successful implementation of this Project.

For these reasons, I strongly support project application, which will increase local groundwater use and water supply reliability in south Orange County, California. SCWD has been providing reliable, safe drinking water to its customers since 1932. The district's commitment to sustainability and proven track record managing water resources make them an excellent candidate for this competitive funding. If you have any questions or need additional information regarding my support of this project, please contact Jonathan Davis, a Policy Advisor in my office, at (714) 834-3550 or Jonathan.Davis@ocgov.com. Thank you for your consideration.

Respectfully submitted,

Katrina Foley
Orange County Supervisor, Fifth District

Proudly serving the cities of Aliso Viejo, Costa Mesa, Dana Point, Irvine, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Newport Beach, San Clemente, San Juan Capistrano and the unincorporated areas of Coto de Caza, Emerald Bay, Ladera Ranch, Las Flores, Rancho Mission Viejo, Stonecliffe, and Wagon Wheel



October 20, 2023

Street Address:
18700 Ward Street
Fountain Valley, California 92708

Mailing Address:
P.O. Box 20895
Fountain Valley, CA 92728-0895

(714) 963-3058
Fax: (714) 964-9389
www.mwdoc.com

Megan Yoo Schneider, P.E.
President

Bob McVicker, P.E., D.WRE
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Director

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Director

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Director

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South Coast Water District
Trabuco Canyon Water District
City of Tustin
City of Westminster
Yorba Linda Water District

Camille Calimlim Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Re: Letter of Support for Funding South Coast Water District's **Creekside Well Groundwater Recovery Project** Grant Application for the U.S. Department of the Interior, Bureau of Reclamation's WaterSMART Drought Response Program: Drought Resiliency Projects for FY 2024

Dear Commissioner Touton:

On behalf of the Municipal Water District of Orange County (MWD OC), we are pleased to express our strong support for South Coast Water District (SCWD)'s Creekside Well Groundwater Recovery Project (Project) and its application for grant funding through the USBR WaterSMART Drought Response Program for consideration for Fiscal Year 2024. This grant would help fund SCWD's Project as part of its goal of expanding groundwater usage and local water supply reliability to reduce dependence on imported water supplies. Furthermore, it contributes to the long-term resilience of South Orange County's water supply, which is of utmost importance for the well-being of our residents and the overall health of our community. The Project will equip an existing well to expand SCWD's pumping capacity to supply local groundwater in place of imported potable water within the City of Dana Point, California, and enable SCWD to deliver up to an additional 500-acre feet per year (AFY) of groundwater. The financial support from the USBR grant program would be a significant boost to ensure the successful implementation of this Project.

We believe that the SCWD Project demonstrates a comprehensive and well-thought-out plan for the efficient supply of groundwater to customers throughout the District's service area and to reduce the need for imported potable water. We also recognize that securing such funding is highly competitive, but firmly believe that SCWD's commitment to sustainability and their proven track record in managing water resources make them an excellent candidate for this grant.

We respectfully request that SCWD's application be given favorable review, which would support the region in improving water supply reliability and drought resilience.

Sincerely,

A handwritten signature in blue ink that reads "Megan Yoo Schneider". The signature is written in a cursive style with a large, stylized 'M' and 'S'.

Megan Yoo Schneider, M.S., P.E.
Board President



October 26, 2023

Camille Calimlim Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Re: Letter of Support for Funding South Coast Water District's **Creekside Well Groundwater Recovery Project** Grant Application for the U.S. Department of the Interior, Bureau of Reclamation's WaterSMART Drought Response Program: Drought Resiliency Projects for FY 2024

Dear Commissioner Touton:

The City of Dana Point would like to express our strong support for the South Coast Water District (SCWD) **Creekside Well Groundwater Recovery Project** (Project) and its application for grant funding through the USBR WaterSMART Drought Response Program for consideration for Fiscal Year 2024. This grant would help fund SCWD's Project and meet its goal of expanding groundwater usage and increasing local water supply reliability to reduce dependence on imported water supplies. The project contributes to the long-term resilience of south Orange County's water supply, which is of utmost importance for the well-being of our residents and the overall health of our community. The Project will equip an existing well to expand SCWD's pumping capacity to supply local groundwater in place of imported potable water within the City of Dana Point, California and enable SCWD to deliver up to an additional 500- acre feet per year (AFY) of groundwater. The financial support from the USBR grant program would be a significant boost to ensure the successful implementation of this Project.

SCWD has been providing reliable, safe drinking water to its customers since 1932. We believe that the SCWD Project demonstrates a comprehensive and well-thought-out plan for the efficient supply of groundwater to customers throughout the District's service area and reducing the need for imported potable water. We also recognize that securing such funding is highly competitive, but firmly believe that SCWD's commitment to sustainability and their proven track record in managing water resources make them an excellent candidate for this grant.

If you have any questions, please do not hesitate to contact me by email at mkunk@danapoint.org or via telephone at 949-248-3562.

Respectfully,

Matthew Kunk, Principal Engineer
City of Dana Point Public Works