

**Workshop Summary**  
**Drinking Water PSP Workshop**  
**June 8, 2001**  
**Resources Building Auditorium**  
**1416 Ninth Street**  
**Sacramento, CA**

There were two main workshop segments; CALFED staff presentations and a question-and-answer session.

Presentations

John Andrew introduced CALFED staff and the purpose of the workshop, discussed the agenda, and gave his presentation of the CALFED Drinking Water Quality Program Proposal Solicitation Package (PSP).

PSP Presentation [[PowerPoint Slide](#)]

Important Points:

- Cost share requirements are for treatment technology projects only. Other category projects don't require cost share.
- Follow directions. A proposal could be rejected on threshold review because of failure to follow directions.
- Be concise.
- Read the CALFED Water Quality Program Plan.
- Review the selection criteria.
- Show a clear connection to one or more CALFED goals.

Rod Johnson gave a presentation on environmental review as it relates to the Drinking Water Quality PSP process.

Environmental Review presentation [[PowerPoint Slide](#)]

Advice on NEPA/CEQA compliance:

- A common mistake is to underestimate time and cost of NEPA/CEQA compliance.
- Tier from CALFED
- Use the analysis and information in the CALFED PEIS/EIR
- Consider the mitigation strategies, the CALFED mitigation monitoring plan, Environmental Justice, and Indian Trust Assets;

Important Note: There is a mistake on p. 21 of the PSP. **Projects must consider Indian Trust Assets with or without Federal funding.**

## Questions & Answers

This is not a verbatim transcript. CALFED staff has tried to capture the meaning and intent of the questions and answers. In some cases additional information is provided that was not conveyed in the meeting.

**Question** - *Why is there only one workshop? (From phone questions previous to workshop)*

**Answer** - The CALFED Drinking Water Quality Program has limited staff and no consulting resources at this time. Also, based on the results of previous CALFED proposal solicitations, we decided that the additional workshops probably would not be worth the additional effort relative to other pressing program needs.

**Question** - *How much funding is available for this proposal solicitation? (also an advance question)*

**Answer** - [Overhead Transparency] - year 1: SB 23 \$13.5 million, year 2: State General Fund \$13.5 million, Prop 13 \$2.1 million, SWRCB \$10 million, Requested - \$52 million from the federal government, Prop 13 \$10 M comes with strings. There are restrictions on who can receive funds. Federal funds, if they happen, will go to ROD commitments (directed actions) and the PSP.

**Question** – *You said something about cost share, is cost sharing required?*

**Answer** – Cost sharing is required for proposals in the Treatment Technology category. For all other proposal categories, cost sharing is recommended but not required.

**Question** - *Could we get a copy of Rod Johnson's overheads?*

**Answer** - Yes. We will make copies available.

**Question** - *About the timing for awarding of funding, is this fall still realistic? When will directed actions be awarded?*

**Answer** - The proposals are due July 3, 2001 and will be reviewed this summer. The rest of the timeline is optimistic due to staff and budget constraints. Recommendations for funding should go to the CALFED Management Group and then to the funding agency sometime this fall. Directed actions must go through a similar process but may go faster.

**Question** - *Regarding the proposal review process, What is the makeup of the panels going to be? The PSP covers a broad range of subjects. How will you make sure you have proper expertise on the review panels?*

**Answer** – The proposal review process is not set in stone at this point. The science review panels will be made up of recognized advanced degree level experts. A lot will depend on the number and types of proposals received. Other

CALFED science panels have tapped a pool of scientists from throughout the United States. After the Science review, a general selection panel will look at additional factors such as cost effectiveness, experience, resources, and adherence to CALFED principles and commitments. The general review panel will then make its recommendations to CALFED.

**Question** – *You said that most of the \$13.5 million now available will go to PSP projects. How will this money be broken down into the different project categories?*

**Answer** - We haven't made those decisions yet. We have a rough outline based on the ROD and “Framework for Action” but a lot depends on the kinds and quality of proposals received. We want to have a program that is balanced across the listed program areas and fulfills the ROD commitments.

**Question** – *The maximum duration of a contract is three years. However, some projects, including some directed actions, are projected to take much longer than three years. Should proposals cover all of the project but just indicate what portion the request is for?*

**Answer** - Yes that's a good way to do it. It is helpful and appropriate to describe what the entire project entails to set the context for reviewers.

**Question** – *We will be submitting a treatment technology proposal. Is there a definition for what size project constitutes a demonstration project vs an actual implementation project? What is meant by “projects addressing regulatory compliance”?*

**Answer** - Demonstration projects are the step between the lab and implementation. [reply by Bob Hultquist, DHS – There is no set size for a demonstration project. It depends on the type of technology.] You should justify the scale of the project in the proposal. In answer to the second question, we do not want to be in the business of funding compliance with regulatory requirements. For example, we do not want to fund tertiary treatment if it's a permit requirement. Research projects with broad applicability are good. We want to be providing startup funds. The most value added comes from new and innovative ideas.

**Question** – *Some projects will provide benefits in multiple CALFED program areas. Is there a mechanism to bring in funds from other CALFED programs where there is crossover?*

**Answer** - That's possible. There is no formal mechanism for this but it can be addressed internally among CALFED program managers. We may do this where it is appropriate. Proposals for one CALFED program are sometimes passed to another program if they seem to fit better there.

**Question** – *What is the current CALFED priority on health effects studies?*

**Answer** - Health effects studies are not spelled out in PSP but they are eligible for funding. They are in the ROD as a directed action. At a minimum, some money will be directed to DHS for health effects studies outside of the PSP process.

**Question** - *Do we anticipate another PSP next year?*

**Answer** - No, we do not. This is our pool of money for fiscal years 00/01 and 01/02. We do not anticipate having additional funding available until after June 30, 2002. This could change depending on how many high quality proposals are received.

**Question** - *Is there a proposal coming in for the Bay Area Blending and Exchange (BAB/E) project?*

**Answer** - No, BAB/E is a special case. CALFED staff is working with the Bay Area stakeholders to do this on a tight schedule. In the ROD, the second phase of the BAB/E project is scheduled to begin next month. Nonetheless, it has been suggested that the BAB/E project go through the same type of science review as other CALFED projects.

**Question** - *You said that scientific integrity is one of the primary selection criteria? Could you give us more direction on what that means?*

**Answer** - In accordance with the CALFED Science Program, scientific principles, scientific integrity, and scientific review are essential elements of all projects and programs. For example, what is the scientific hypothesis to be tested in the proposed project? Is there a conceptual model? How will scientific questions be answered? Performance measures are another CALFED theme. How will success be measured? How will we know whether actual improvements occur as a result of the project?

**Question** - *Can you talk a little more about environmental justice?*

**Answer** - Environmental justice (EJ) is a clear ROD commitment. There will be an EJ committee under the new BDAC when it is formed. There is a part-time EJ staff person now and we are looking for a full-time EJ coordinator. We do not want impacts from CALFED actions to disproportionately affect the disadvantaged. We want projects that improve EJ conditions throughout the CALFED solution area. It also depends on the type of proposal. For example: Watershed protection projects must address the entire community. Dan Wermeil, (916) 657-3649, is the current CALFED EJ person.

**Question** - *When will funding for selected projects actually become available for starting work?*

**Answer** - We plan on completing the review process this summer, get recommendations to our management group this fall, and hope to get money out the door by the first of 2002. Again, it depends on the staff available to work on this effort.

**Question** – *Within the 12 page limit, items A-D (or A-E) are due immediately. Do figures charts and tables count?*

**Answer** - The Cover sheet and any resumes don't count as part of the 12 page limit but figures and charts do. To clarify what must be submitted as part of the proposal due July 3, only A-D are required, E will be required only for selected proposals.

**Question** – *Does the project schedule count as part of the 12 pages?*

**Answer** – A project schedule does not count against the 12 pages. The schedule will be worked-out in the contracting process for selected projects.

**Question** - *Is the detailed budget summary and breakdown discussion subject to the 12 page limit?*

**Answer** - The answers to the budget justification questions in the PSP do not have to be detailed. You need only explain how the numbers were developed. The budget justification and benefit summary do count as part of the 12 pages. Any discussion supporting the costs and benefits numbers presented counts as part of the 12 pages.

**Question** - *Does a cover count as a page?*

**Answer** - No.

**Question** – *About the conflict of interest condition, how is conflict of interest defined?*

**Answer** - There can be no legal conflict of interest as defined by State and federal conflict of interest laws but CALFED would also like to avoid the appearance of conflict of interest. The last sentence of the conflict of interest paragraph is important. Applicants or anyone closely associated with an applicant will not be on our selection panel. For some subject areas, CALFED may have to look outside of the solution area for panel members.

**Question** - *So, that means that a Delta Drinking Water Council member would recuse himself?*

**Answer** - Yes, but, at this time, the Delta Drinking Water Council technically doesn't exist. However, when the new Delta Drinking Water Council or its successor convenes, an applicant or associate would have to recuse themselves from discussions about the PSP.

**Question** - *Treatment technology proposals require matching funds but treatment is discussed in other project categories. How will the decision about which category a project falls in be made?*

**Answer** – The burden is on the applicant to identify the category for the project. The applicant must justify why it is in the indicated category. The selection panel could disagree with the applicant and decide that the project is in the treatment category and thus needs cost sharing. The panel will make that decision and we don't know at this time how they may interpret this issue.

**Question** – *The contract terms and conditions section has an indemnification clause. If an applicant decides that they need some kind of indemnification, does that disqualify proposal?*

**Answer** - Not necessarily, this would be part of the contract negotiations. The text in the PSP is an example of typical clauses in CALFED contracts but they are not necessarily set in stone.

## Workshop Participants

NAME	AFFILIATION
G. Fred Lee	G. Fred Lee & Associates
Mary McClanahan	California Water Institute
Bob Murdoch	City of Stockton
Lynda Smith	Metropolitan Water District of Southern California
Randy Jamison	CA State Parks
Tryg Lundquist	UC Berkeley
Karen Wahl	City of Brentwood
Chris Eacock	USBR-Fresno
Kurum Perera	
Helen Ling	Morrison & Associates/Zone 7
Dennis Gambs	Zone 7
Yung-Hsin Sun	Montgomery Watson
Miranda Fram	USGS
Julie Maclay	Santa Clara Valley WD
Howard Mann	DWR-Central District
Bob Nozuka	DWR-Central District
David Briggs	CCWD
Helene Baribeau	Carollo Engineers
Elaine Archibald	CUWA
Philip Bachand	Wetlands & Water Resources
Gus Steppen	Panoche Creek CRMP
Scott Humphrey	
Bob Hultquist	Department of Health Services
Terry Macaulay	Department of Health Services
John Andrew	CALFED Bay-Delta Program
Rod Johnson	CALFED Bay-Delta Program
Sam Harader	CALFED Bay-Delta Program