



Santa Clara Valley Water District

File No.: 22-0572

Agenda Date: 5/24/2022

Item No.: 8.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve Fiscal Year 2022 Standard Grants for the Safe, Clean Water and Natural Flood Protection Program.

RECOMMENDATION:

- A. Review and discuss staff's recommendations for Fiscal Year 2022 Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) standard grant awards;
- B. Authorize the Chief Executive Officer to approve and execute agreements for fifteen (15) standard grant projects at one of the following funding levels:
 - i. Scenario 1 for a total amount not-to-exceed \$1,398,608.99; or
 - ii. Scenario 2 for a total amount not-to-exceed \$1,549,321.50 (staff recommendation); and
- C. Authorize the Chief Executive Officer to approve and execute amendments to the recommended standard grant agreements, extending their terms up to twenty-four (24) additional months with no increases to their not-to-exceed grant amounts.

SUMMARY:

In November 2020, voters in Santa Clara County overwhelmingly approved Measure S, a renewal of Santa Clara Valley Water District's (Valley Water) Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program). In this renewed Safe, Clean Water Program, funding for community grants and partnerships was re-organized and consolidated under Project F9: Grants and Partnerships for Safe, Clean Water, Flood Protection and Environmental Stewardship (Project F9). Project F9 includes Key Performance Indicator #1 (KPI #1): Provide a grant and partnership cycle each year for projects related to safe, clean drinking water, flood protection, and environmental stewardship.

FY22 Standard Grants

In the FY22 standard grant cycle, a total of \$1,400,000 in standard grant funding is available for five project types:

- *Water Conservation Research Grants* are for programs to study and test new water conservation activities. This program encourages applicants to undertake research projects of

new and innovative water conservation programs and technologies. The primary goal is to identify water savings devices and strategies that can assist Valley Water with its water conservation efforts.

- *Pollution Prevention Grants* are for programs that reduce contaminants in surface or groundwater, and reduce emerging contaminants, such as public education to prevent pharmaceuticals from entering waterways, technical assistance to help growers protect groundwater and to keep agricultural pollutants away from surface water, and partnerships to reduce litter and graffiti.
- *Support Volunteer Cleanup Efforts and Education Grants* are for creek cleanup, education, outreach, and watershed stewardship activities.
- *Wildlife Habitat Restoration Grants* are for activities that support, restore, and/or conserve native wildlife, such as creating or enhancing wetland, riparian and tidal marsh habitat; protecting special status species; removing fish migration barriers; installing fish ladders; removing non-native, invasive plant species; and planting native species.
- *Access to Trails & Open Space Grants* are for activities that provide and increase access to open space and creekside trails, or to trails that provide a significant link to a creekside trail network.

It should be noted that \$150,000 is unspent in the FY22 budget for partnerships, which is why staff is recommends combining that amount with the existing \$1,400,000 budgeted for standard grants in FY22 for a total budget of \$1,550,000, which would be allocated to the FY22 applicants as described below.

FY22 Standard Grant Schedule and Public Outreach

On December 1, 2021, Valley Water announced the FY22 standard grant cycle with the release of the FY22 Standard Grant Guidelines (Attachment 1). This announcement was made prior to the standard grant application being open, to allow prospective applicants additional time to review the grant guidelines and plan strong applications. The standard grant application was open and available on the Fluxx grants management system on January 3, 2022 and closed on March 4, 2022.

Virtual standard grant informational workshops were held on December 9 and 15, 2021 and January 12 and 25, 2022 for prospective applicants to learn more about the application process and ask questions directly of Valley Water staff.

Outreach efforts included the following:

- Redesign of FY22 Standard Grants webpage to improve the navigation of the information and include more resources to assist with the application process and development.
- FY22 Standard Grants Guidelines email announcement to existing key stakeholders in Santa Clara County and the grant program distribution list of more than 3,000 recipients on December 1, 2021, January 1, 2022 and February 24, 2022 (final reminder)

- Valley Water Newsletter in December 2021, January 2022, and February 2022
- Nextdoor posts to all Board Districts on December 1, 2021 and January 3, 2022
- Ten (10) social media posts and boosted posts, including a promotional video and grant project highlight stories
- CEO Bulletin during the weeks of January 7-January 20, 2022
- Press release on January 12, 2022
- Valley Water blog post on January 12, 2022
- Announcement during the South County Stormwater Coordination Committee and Environmental and Water Resources Committee, respectively, at their meetings on January 24, 2022
- Announcement during the Water Commission quarterly meeting on January 26, 2022
- Univision News media interview on January 12, 2022
- Morgan Hill Times media coverage on January 13, 2022
- Gilroy Dispatch media coverage on January 14, 2022
- Almaden Times media coverage on January 21, 2022
- Telemundo News coverage on January 26, 2022
- Email notification sent to Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) Management Committee on January 28, 2022
- Email notification sent to Water Conservation Subcommittee on February 2, 2022
- Notifications sent to elected officials, city managers, and executive leaders in the County
- Notifications sent to countywide neighborhood associations, community leaders, civic organizations, environmental groups, and local non-profits
- Notification sent to Valley Water staff via News You Can Use on January 13, 2022
- Other direct outreach through various programs, including Creek Stewardship, Recycled and Purified Water, the Office of Government Relations, Education Outreach, and the Office of Racial Equity, Diversity & Inclusion (REDI)
- Email announcement to the Water Ambassadors, Youth Commission, and Employee Resource Groups (ERG) organizations
- In partnership with the Office of REDI, reached out to tribal communities

FY22 Standard Grant Application Review Process and Evaluation Criteria

A total of twenty-one (21) applications were submitted by fifteen (15) applicants-nine of whom are new and have never received a prior standard grant before--for the FY22 grant opportunities:

- Zero (0) applications for Water Conservation Research Grants
- Seven (7) applications for Pollution Prevention Grants
- Eight (8) applications for Support Volunteer Cleanup Efforts and Education Grants
- Five (5) applications for Wildlife Habitat Restoration Grants
- One (1) application for Access to Trails & Open Space Grants

The project summaries for all applications are shown in Attachment 3.

Staff formed an evaluation panel for each of the grant types to evaluate the applications. The

evaluation panels consisted of internal subject matter experts on pollution prevention, volunteer creek cleanups, environmental stewardship and education, habitat restoration, trails, open space, and permits and regulations. The subject matter experts spanned across several units and divisions in the agency. The evaluators scored the proposals based on the evaluation criteria that were approved by the Board on February 26, 2019 and identified in the FY22 Standard Grant Guidelines.

FY22 Standard Grant Funding Recommendations

Staff determined the recommended funding amounts based on the grant allocation matrix process that was approved by the Board on February 26, 2019 and identified in the FY22 Standard Grant Guidelines. According to the approved grant funding allocation matrix process, the recommended funding amount for each application is based on the average scores from the evaluation panelists.

The grant funding allocation matrix that determined funding recommendations for Pollution Prevention Grants, Support Volunteer Cleanup Efforts and Education Grants, and Access to Trails & Open Space Grants includes:

- **Tier 1:** Proposals with an average score between 85-100 points will receive between 70-100% of the requested funding.
- **Tier 2:** Proposals with an average score between 70-84 points will receive between 30-69% of the requested funding.

The grant funding allocation matrix that determined funding recommendations for Wildlife Habitat Restoration Grants includes:

- **Tier 1:** Proposals with an average score between 140-200 points will receive between 70-100% of the requested funding.
- **Tier 2:** Proposals with an average score between 110-139 points will receive between 30-69% of the requested funding.

Based on the grant funding allocation matrices, 15 of the 21 submitted applications are recommended for funding for their clear objectives and anticipated outcomes that strongly meet the project type criteria.

Tier 1 Recommendations

Ten (10) applications are recommended for Tier 1 funding:

- Six (6) Volunteer Cleanups and Education applications:
 - Saved By Nature for the Headwaters to the Bay project
 - Guadalupe River Park Conservancy for the Environmental Stewardship through Education & Program Scaffolding project
 - Marshmallow Minds for the Safe Birds, Safe Waters project
 - IISME, dba Ignited for the Santa Clara Water Weeks: Environmental Justice
 - Downtown Streets Team for the Upper Penitencia Creek Cleanup, Outreach, and Revitalization
 - South County Compassion Center (Gilroy Compassion Center) for the Unhoused Creek Cleanup

- Two (2) Wildlife Habitat and Restoration applications:
 - Grassroots Ecology for the Mountain View Tidal Marsh Restoration project
 - Grassroots Ecology for the Arastradero Creek Floodplain Restoration Project
- Two (2) Pollution Prevention applications:
 - Guadalupe River Park Conservancy for the Preventing Litter to Restore the River Initiative
 - ReScape California for the ReScape/Earth Foundries Bioswale Biochar Installation & Training Project

Tier 2 Recommendations

Five (5) applications are recommended for Tier 2 funding:

- Two (2) Volunteer Cleanups and Education applications:
 - Rural California Broadcasting Corp KRCB-TV Channel 22 for the “Refreshing the Watershed: Steps You Can Take to Make a Difference,” a series of short-form educational videos that outline the whys and hows for individuals to support Santa Clara Valley Watershed stewardship and organizations engaged in that stewardship project
 - Grassroots Ecology for the California Naturalist Watershed Education Project
- Two (2) Pollution Prevention applications:
 - County of Santa Clara for the Green Business Program project
 - Grassroots Ecology for the McClellan Ranch Community Garden Hedgerow Project
- One (1) Wildlife Habitat Restoration application:
 - Talon Ecological Research Group for the Fisher Creek Enhancement Project

Projects Not Recommended for Funding

Three (3) applications are not recommended for funding, with rationale following each:

- Downtown Streets Team for the Saratoga Creek Pollution Prevention project (Pollution Prevention)

The evaluation panel determined that this application lacked detail on key information on the measurable outcomes and schedule of work that aligned with the Pollution Prevention criteria. The application may have been a better fit if submitted as a Volunteer Cleanup and Education project, so staff will discuss that with the applicant, for future grant rounds.

- Downtown Streets Team for the Guadalupe River Pollution Prevention project (Pollution Prevention)

The evaluation panel determined that this application lacked detail on key information on the measurable outcomes and schedule of work that aligned with the Pollution Prevention criteria. The application may have been a better fit if submitted as a Volunteer Cleanup and Education project, so staff will discuss that with the applicant, for future grant rounds.

- Town of Los Gatos for the Los Gatos Creek Trail to Highway 9 Trailhead Connector (Access to Trails and Open Space)

The evaluation panel determined that this application lacked in demonstrating project readiness including status of CEQA compliance and obtaining necessary permits. The application may be a better fit in the future, once these items are completed and it is “shovel ready,” and staff will discuss that with the applicant.

Two (2) applications are not eligible:

- The Regents of the University of California, Santa Cruz for the Identifying and quantifying atmospheric mercury inputs to Valley Water reservoirs using lichen bioindicators project (Pollution Prevention)

This application proposes a feasibility study which is an ineligible project type as described in the FY22 Standard Grant Guidelines.

- Leading Youth for Ecology for the LYFE Fund project (Wildlife Habitat Restoration)

This application is not eligible because the applicant organization did not meet the minimum eligibility requirements as described in the FY22 Standard Grant Guidelines. Staff reached out to the ineligible applicant to discuss the eligibility criteria and other available grant funding opportunities. The applicant has since begun a mini-grant application.

FY22 Grant Funding Level Options for Board Consideration

Due to the high volume of applications that are eligible for Tier 1 and Tier 2 funding levels, staff developed two funding scenarios for consideration (Attachment 2). Both funding scenarios achieve the Project F9 KPI #1, but staff recommends Scenario 2 because no eligible project would be awarded less than 50% of the amount requested, and the total amount awarded is budgeted using existing FY22 standard grant and partnership funds and would not impact future year funding allocations.

1. **Scenario 1** - In this scenario, the total amount awarded will not exceed \$1,398,608.99. Tier 1 projects receive 82% of the amount requested, and Tier 2 projects receive 30% of the amount requested. The total amount awarded is within the \$1,400,000.00 budgeted in FY22 for standard grants. While the total award amount is within the budgeted amount, the low 30% funding award for Tier 2 projects may not be enough for applicants to move forward with a reduced scope that still meets the original project outcomes and benefits.
2. **Scenario 2 (Staff Recommendation)** - In this scenario, the total amount awarded will not exceed \$1,549,321.50. Tier 1 projects will receive 80% of the amount requested, and Tier 2 projects receive 50% of the amount requested. The total amount awarded exceeds the FY22 budget for standard grants, but the \$150,000 unspent for partnership funds in the FY22 budget would be able to cover the difference, and would be well used to provide a higher funding award amount for the grant applications and allow those projects to achieve more of the scope in their applications. This scenario provides a balance of funding between Tier 1 and Tier 2 projects, with projects receiving no less than half of the requested amount. Additionally, the

total award amount does not exceed the standard grants and partnerships budget in FY22 and achieves the Project F9 KPI #1.

Standard Grant Agreement Provisions Highlights

The agreement terms for all grant types will be five (5) years from the agreement effective date. Grant agreements will include provisions to allow for no-cost term extensions, if necessary and appropriate, to achieve project outcomes.

Staff recommends that the Board delegate authority to the CEO to extend grant agreement terms for up to twenty-four (24) additional months due to the uncertainties of the evolving COVID-19 guidance and directives. This would help provide flexibility as well as expediency in facilitating a shorter amendment process for agreements that do not require revisions to the not-to-exceed grant agreements. However, any amendments resulting in changes in scope of work or not-to-exceed funding would continue to require Board approval.

The grant agreements will contain the standard provisions related to communications including:

- inclusion of Safe, Clean Water Program logo on all project materials presented to the public;
- all materials that include Safe, Clean Water Program logo are subject to review and approval by Valley Water;
- mention of “Safe, Clean Water and Natural Flood Protection Program” as appropriate when funding sources for the project are printed or presented;
- early notification to and invitations provided to Valley Water for any project related events; and
- invitation with speaking roles for members of the Board of Directors at project groundbreaking and opening ceremonies.

The grant agreements will also contain standard provisions requiring grantees provide a web posting of their final report, prepare a project fact sheet, and make a presentation to the Board or at an event hosted by Valley Water when the project is completed, and upon request.

Additionally, grantees will be required to report project data, such as demographics of participants (if such data is available), and measurable outcomes of all activities that involve community engagement, education, or outreach for staff to assess impacts of the grant funding.

Other provisions will include clear success measures, adherence to the project schedule, and guidelines regarding when contract revisions are necessary for changes in the project scope, schedule, and budget. Finally, the CEO will only execute grant agreements for the projects awarded by the Board of Directors, after they comply with CEQA requirements.

ENVIRONMENTAL JUSTICE IMPACT:

Staff identified the following potential impacts and benefits of the FY22 standard grant funding recommendations: Of the fifteen (15) applications that are recommended for funding in Tier 1 and Tier 2, twelve (12) applications met the Environmental Justice criteria and received bonus points. This means that the scope of work in the application included serving/impacting a Disadvantaged

Community, as defined by Valley Water.

Valley Water defines a Disadvantaged Community as an area whose residents are disproportionately impacted by a combination of economic, health, and environmental burdens, such as poverty, high unemployment, environmental pollution, the presence of hazardous waste, or environmental degradation. These communities often are comprised of people who have suffered historical discrimination based on race, color, national origin, tribe, culture, income, immigration status, or English language proficiency.

For the purposes of Valley Water policies, projects, services, and programs, disadvantaged communities include any of the following:

- Low income households (Household incomes below 80 percent of the Area Median Income (AMI) in Santa Clara County), as of 2020 AMI for average household of three is \$100,950; however, AMI is updated annually.
- Low income census tracts (Census tracts where aggregated household incomes are less than 80 percent of the Area Median Income for Santa Clara County), as of 2020 AMI for average household of three is \$100,950; however, AMI is updated annually; and/or
- An area defined by California Environmental Protection Agency (pursuant to Section 39711 of the California Health and Safety Code), using the CalEnviroScreen tool, which was developed to determine communities most burdened by environmental, socioeconomic, and health factors.

FINANCIAL IMPACT:

Financial impact associated with this item is limited to the proposals approved for funding per Board action. If the Board awards funding at the Scenario 1 or Scenario 2 levels, the FY22 budget includes up to \$1,550,000 for standard grants and partnerships agreements under project 26061021.

CEQA:

The recommended action does not constitute a project under CEQA (per CEQA Guidelines Section 15378(a)) because it does not commit the Valley Water to a definite course of action, and therefore has no potential to result in a direct or reasonably foreseeable indirect environmental impact. Specifically, it is a government fiscal activity which is not a project because it does not involve commitment to any specific project that may result in a potentially significant environmental impact, per CEQA Guidelines Section 15378(b)(4).

The Board action is approval of staff recommendations to fund projects following project-specific CEQA compliance, if required, and is not a commitment to fund those projects. It does not foreclose Valley Water's exercise of discretion with respect to a project, including but not limited to considering other feasible alternatives or mitigation measures to avoid or minimize a project's impacts, requiring a grantee to make such modifications deemed necessary to reduce a project's impacts, or determining not to proceed with one or more components of a project.

ATTACHMENTS:

Attachment 1: FY22 Standard Grant Guidelines

Attachment 2: FY22 Grant Funding Scenarios

Attachment 3: FY22 Grant Application Summaries

UNCLASSIFIED MANAGER:

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