

**From:** Wise, Cindy@Waterboards [<mailto:cindy.wise@waterboards.ca.gov>]

**Subject:** Request for IRWM Preliminary Project Lists by September 30

**Importance:** High

To our Tahoe-Sierra (Lynn) , Inyo-Mono (Mark), Antelope Valley (Aracely) and Mojave (Kirby) IRWM partners:

We understand that your IRWM group is currently in the process of soliciting project concepts to be included in your next IRWM plan update. The purpose of this email is to ask you for a preliminary list of those projects (title and estimated costs only) you have received that you consider to be “shovel-ready” – we understand that the list is very preliminary and still needs to be vetted through your stakeholder evaluation process. Still, we would like your preliminary list by Monday, September 30 and here is why:

The Lahontan Water Board is currently re-evaluating its enforcement program. One item of particular interest is how the Water Board considers and approves Supplemental Environmental Projects (SEPs) as part of penalty settlement negotiations. The Water Board is exploring the possibility of using independent third parties (non-profit organizations, Joint Power Authorities, etc.) to manage SEP Escrow accounts (endowments, operating accounts). The theory is that the independent third party would be a bursar of the funds via agreements with the Water Board. The independent third party would have the ability to enter into contracts/agreements on behalf of the Water Board to fund specific projects. These funds would continue to grow by directing appropriate portions of penalties from future potential enforcement actions. The independent third party would have the added flexibility to use the SEP Escrow Funds to leverage other funding sources.

In order to evaluate if such a process is feasible and to evaluate whether such a process would have region-wide applicability, the Water Board is exploring the development of a pilot project with the Truckee River Watershed Council. The Truckee River Watershed Council was selected because they are a well-established stakeholder-based organization with several shovel-ready projects to be completed. Also, the Water Board has remaining funds in an existing account resulting from a settlement agreement with a discharger for violations that occurred within the Truckee River Watershed.

And here is where you come in.....the Water Board would like to know other potential projects that have been evaluated or will be evaluated by various stakeholder-based groups (such as your IRWM) throughout our region in order to assess whether a need and/or interest exists for expanding this pilot program. As we mentioned above, we are aware that your IRWM Group is currently updating your project list. By submitting a list of potential shovel-ready projects (project title and estimated cost only), you could provide valuable assistance to the Water Board's efforts in determining the feasibility of expanding the pilot program. We would appreciate the submittal of such a list as soon as possible, but no later than Monday, **September 30, 2013**, so that Water Board staff can compile the lists from the various IRWMs and present the information to the Water Board as an informational-only item at its October 11-12 meeting in Barstow, California.

Should you have any questions, please contact me (530-542-5408 or [cwise@waterboards.ca.gov](mailto:cwise@waterboards.ca.gov) ) or Eric Taxer (530-542-5434 or [etaxer@waterboards.ca.gov](mailto:etaxer@waterboards.ca.gov)) Thanks for your assistance,

Cindy