



**SOUTHERN CALIFORNIA COASTAL WATER RESEARCH PROJECT**  
*A Public Agency for Environmental Research*

October 12, 2015

Jeanine Townsend, Clerk of the Board  
State Water Resources Control Board  
1001 I Street, 24 Floor  
Sacramento, CA 95814



RE: Comment Letter – Storm Water Resource Plan and Proposition 1 Funding Guidelines

Dear Ms. Townsend:

The Southern California Coastal Water Research Project (SCCWRP) has a long-standing, mutually beneficial partnership with the State Water Resources Control Board (State Board). SCCWRP has produced much of the scientific foundation on which many State Board policies and management approaches are based. However, we have concern that the cost reimbursement restrictions proposed in the draft Proposition 1 guidelines for the Storm Water Resource Plan will limit our ability to bid for future work and reduce our ability to continue supporting State Board programs and priorities.

The draft Proposition 1 guidelines specifically exclude the reimbursement of facilities costs and salaries for support services that are integral parts of all projects. In conducting its work for the State Board, SCCWRP incurs costs for rent, utilities, contract and subcontract management, project accounting and invoicing, and computer network maintenance for its projects. These activities are all necessary elements for any organization to function. Without the ability to support these activities we would not be able to complete the work we perform for the State Board. The explicit exclusion of these costs would require SCCWRP to substantially subsidize the cost of performing work done in partnership with the State Board. Requiring such subsidies would inhibit us from bidding on projects that could be legitimately funded by Proposition 1 consistent with State Board priorities.

We are confused by the inclusion of these cost prohibitions in the draft RFP. Historically, the State Board has allowed reimbursement of project support costs for bond-funded projects, provided these were billed as direct project costs rather than as a general indirect cost. Final Proposition 1 guidelines issued by other agencies (Watershed Restoration & Delta Water Quality and Ecosystem Restoration Guidelines from the Department of Fish and Wildlife) allow for such cost reimbursements to a specified level (e.g. 20% of project cost), which is consistent with past State Board practices. SCCWRP recommends the State Board remain consistent with past and current grant cost reimbursement practices funded by state propositions by reimbursing for facility costs and wages of support staff associated with the project. We hope you will reconsider the proposed restrictions and adjust them to allow us (and other agencies) to continue to pursue funds for critical technical partnerships with the State Board.

If you have any questions, please do not hesitate to contact me at (714) 755-3203.

Sincerely,

  
Stephen B. Weisberg, Ph.D.  
Executive Director