
From: Valerie Minton Quinto <VMinton@sonomarc.org>
Sent: Thursday, October 14, 2021 3:19 PM
To: CDFA OEFI@CDFA
Subject: Water Efficiency Technical Assistance Draft Request for Grant Applications
Attachments: 2021-10-14_CDFA_WaterEfficiencyTA_Sonoma RCDCComments.pdf

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Attached, please find our comments. Thank you for this opportunity to provide feedback!

Valerie Minton Quinto, Executive Director

Pronouns: She/Her
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October 14, 2021

Office of Environmental Farming and Innovation
California Department of Food and Agriculture
1120 N Street
Sacramento, CA 95814
CDFA.OEFI@cdfa.ca.gov

Re: Water Efficiency Technical Assistance Draft Request for Grant Applications

To Whom It May Concern:

Thank you for the opportunity to share our comments on the Water Efficiency Technical Assistance grant program.

As you know, the 95 RCDs in the state are a critical part of the network that provides technical assistance to farmers and ranchers. As enthusiastic partners, we want this program to be successful and offer these suggestions to strengthen the implementation of the program. Please call on us to assist in any way we can be useful.

Below is a summary of our requests with additional detail on each point following. Please feel free to reach out to get additional information, examples, or if we can be of assistance in clarifying any of our points.

Summary

Our recommendations for the Water Efficiency Technical Assistance Draft Request for Grant Applications are as follow:

- Indirect cost rates that have been vetted and approved by cognizant agencies (i.e. Negotiated Indirect Cost Rate Agreements, or NICRAs) should be accepted for all grant recipients.
- Grant recipients should be allowed to charge a small fee to cover a portion of the cost of technical assistance.
- Grant recipients should not be required to produce certificates of completion for on-demand trainings.
- Provide further clarification on assistance related to irrigation water management systems that is allowable under this grant program.

Detailed Recommendations

Indirect Costs:

We recommend that all grant recipients, not just the University of California and California State Universities, be allowed to claim their established indirect cost rates.

As currently proposed, the grant program would limit grant recipients (other than UC and CSUs) to an indirect cost reimbursement rate of 20%. Indirect costs are part of the true cost incurred by any grantee to implement a project, and many fiscally prudent organizations have indirect costs that exceed 20%. Indirect costs are organization-wide general costs that are essential for any program to exist and are absolutely necessary for implementing grant-funded projects.

Limiting the indirect costs that can be recovered would discourage some of the most effective organizations in the state from implementing projects funded by this grant, as operating at a loss is not a sustainable option for them. Full recovery of indirect costs is essential to making these grants feasible for many RCDs, NGOs, and tribes who have very little general operating funds.

The recovery of indirect costs is a common and essential accounting practice at federal, state, and local levels. Indirect costs are defined by California's Office of the Controller in the December 2018 Edition of the Special District Uniform Accounting and Reporting Procedures as "those elements of cost necessary in the production of a good or service that are not directly traceable to the product or service. Usually these costs relate to objects of expenditure that do not become an integral part of the finished product or service, such as rent, heat, light, supplies, management and supervision (indirect costs/charges/expenses)." In 2014, the Office of Management and Budget (OMB) published "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." It provides generally accepted, standardized accounting principles and methods for allocating indirect costs to individual projects to provide consistency in the processes and procedures used to manage federal funds. Some other State grant programs have already recognized the robustness and transparency of this process and allowed grantees to be reimbursed using their federally approved indirect rates. We encourage CDFA to follow suit.

Fees to participants:

The draft Request for Grant Applications states that grant recipients may not charge fees to provide technical assistance to farmers and ranchers. While we appreciate and support the desire to make technical assistance accessible to all, we request that CDFA allow grant recipients more latitude to establish fees appropriate to the communities we serve. Sonoma RCD has a policy in place that generally requires a 15% cost share for most services provided by the RCD. This allows us to stretch grant funds further, and more importantly it assures that participating landowners and managers are invested in the services we are providing. Prior to establishing this cost share policy, we sometimes began an activity such as conservation

planning with a landowner only to have them lose interest partway through. This resulted in incomplete plans and meant that the assistance we provided had little impact. With a cost share policy in place, our participants are more engaged and dedicated to working together. Further, we allow cost share reductions or waivers for those who demonstrate need, so that services will not be withheld for lack of funds.

In addition, when paired with limitations on indirect cost recovery, disallowing such cost share/fees further limits the grant recipient's options for recovering all costs, as fees could potentially be used to cover indirect costs above those recoverable through the grant program.

Certificates of Completion:

The draft Request for Grant Applications states that all trainings should produce a certificate of completion which will be provided to individuals who completed the training in full. While we support this requirement for in-person or live virtual trainings, we believe requiring this for on-demand trainings will severely limit the pool of grant applicants who can provide the service. Sonoma RCD has experience delivering virtual trainings and converting recordings into on-demand content. This content has been well-received and we believe it has been valuable to both live and on-demand participants. That said, we do not have the technological capacity to verify who viewed the trainings on demand, and are concerned that other qualified technical assistance providers would be in the same situation. If certificates of completion are essential for on-demand trainings, we recommend that CDFA provide a platform where grant recipients can upload content and rely on that platform to produce certificates of completion.

Irrigation Water Management Systems:

The draft Request for Grant Applications mentions assistance with irrigation water management systems within the objectives and allowable costs of the program. Is this limited to assistance with existing irrigation water management systems, or could assistance include assessing the scope of activities related to water use at the agricultural operation and making recommendations for ways to conserve or use water more efficiently, which could include recommending systems such as flow meters, soil moisture sensors, or ET sensors? We understand that grant recipients may not require farmers and ranchers to adopt specific proprietary products but believe there could still be space to provide information on the range of options available and make recommendations about where and how within the agricultural operation new irrigation water management elements may be beneficial. Please clarify whether these types of recommendations would be an allowable activity under the grant program.

Summary

In conclusion, we recommend that:

- Indirect cost rates that have been vetted and approved by cognizant agencies (i.e. Negotiated Indirect Cost Rate Agreements, or NICRAs) should be accepted for all grant recipients.

- Grant recipients should be allowed to charge a small fee to cover a portion of the cost of technical assistance.
- Grant recipients should not be required to produce certificates of completion for on-demand trainings.
- Provide further clarification on assistance related to irrigation water management systems that is allowable under this grant program.

Thank you for your thoughtful consideration of our recommendations. Please feel free to reach out for additional clarification, examples, or if we can be of assistance.

Sincerely,

A handwritten signature in blue ink that reads "Valerie Quinto". The signature is fluid and cursive, with the first name being the most prominent.

Valerie Quinto
Executive Director

Sonoma Resource Conservation District

vminton@sonomarc.d.org

From: Anna Larson <anna@calclimateag.org>
Sent: Friday, October 15, 2021 3:22 PM
To: CDFA OEFI@CDFA
Cc: Brian Shobe; Jeanne Merrill
Subject: Water Efficiency Technical Assistance RGA public comment
Attachments: WETA Comment Letter - CalCAN - 10.15.21.pdf

CAUTION: [External Email] - This email originated from outside of our CDFA organization. Do not click links or open attachments unless you recognize the sender and know the content is expected and is safe.

Dear CDFA staff,

I am writing to submit CalCAN's comments regarding the Water Efficiency Technical Assistance draft RGA. Thank you for your time and consideration.

Sincerely,
Anna Larson

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Anna Larson (she/her/hers)
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October 15, 2021

Office of Environmental Farming and Innovation (OEFI)
California Department of Food and Agriculture (CDFA)
1220 N Street
Sacramento, CA 95814

Re: Comments on the Water Efficiency Technical Assistance Program

Dear OEFI staff:

I write on behalf of the California Climate and Agriculture Network (CalCAN).¹ Thank you for the opportunity to provide comments on the Water Efficiency Technical Assistance Program (WETA). Our coalition is thrilled by the legislature's timely investment of \$5 million from the General Fund in FY 21-22. WETA is an important complement to SWEEP in providing on-farm water efficiency and drought resilience, and critically, providing integrated training on nutrient management practices and the use of new irrigation technology.

Our coalition was pleased to see that this new program aligns with recommendations from our 2018 SWEEP Policy Brief and from the SWEEP ad hoc advisory group regarding the need for one-on-one water efficiency and nutrient management technical assistance for small farmers and Socially Disadvantaged Farmers and Ranchers (SDFRs).²

Specifically, WETA's on-farm technical assistance aligns with our recommendation to increase funding for this type of training to help farmers maximize the benefits of new irrigation technology and systems.³ This technical assistance will provide much-needed training and education to accompany new irrigation technology and ensure farmers understand how to use new equipment to implement water efficiency strategies, a need that was identified in a 2017 Fresno State Irrigation Center report.⁴

Additionally, WETA meets an important need by supporting the coordination or provision of pump efficiency testing for farmers. The SWEEP ad hoc advisory group has identified pump tests as a barrier to SWEEP due to the upfront costs they entail (with no guarantee of grant

¹ CalCAN is a statewide coalition of farmers and ranchers, allied organizations, ag professionals, scientists and advocates that advances policy to realize the powerful climate solutions offered by sustainable and organic agriculture.

² Climate Smart: Saving Water and Energy on California Farms. Available at: calclimateag.org/wp-content/uploads/2018/09/SWEEP-Policy-Brief-CalCAN-9-11-18.pdf; Recommendations of the Ad Hoc Advisory Group on the State Water Efficiency and Enhancement Program. Available at: https://www.cdfa.ca.gov/oefi/sweep/docs/SWEEPAAGReport_final.pdf

³ Climate Smart: Saving Water and Energy on California Farms, p. 11.

⁴ Management of Agricultural Energy and Water Use with Access to Improved Data, available at: <http://www.californiawater.org/californiawater/management-of-agricultural-energy-and-water-use-with-access-to-improved-data/>, p. 60.

funding), as well as delays due to limited pump test service providers in some regions.⁵ CalCAN has found that the SWEEP pump efficiency testing is a particular barrier for small farms and for SDFRs. For example, in 2019, several Chinese-American growers with small greenhouse operations in Gilroy and Morgan Hill were interested in participating in SWEEP, but in order to comply with the grant requirements, they needed to obtain three or more pump tests at \$300+ per test. This cost is burdensome for small growers, does not provide any benefit to the grower, and does not guarantee their participation in the program. WETA can provide a critical role in facilitating SWEEP access for small growers and socially disadvantaged farmers like the Gilroy and Morgan Hill greenhouse growers.

WETA will not only address pump efficiency testing barriers for small farmers and socially disadvantaged farmers, but will also play a crucial role in providing technical assistance around water efficiency and nutrient management to these populations. WETA's requirement that grant recipients must prioritize assistance to SDFRs and farms that are 500 acres or less aligns with the SWEEP ad hoc advisory group's recommendations around priority populations in compliance with the Farmer Equity Act of 2017.⁶ CalCAN was pleased to see that the WETA program objectives identify the development of training materials for non-English speakers as a crucial need, which is another priority identified by the SWEEP ad hoc advisory group.⁷ WETA's technical assistance and pump efficiency testing are a key step in improving access to water efficiency and nutrient management tools for small farmers and SDFRs.

The WETA draft Request for Grant Applications designates "assisting farmers or ranchers as they apply for or implement CDFA Climate Smart Agriculture grant projects (SWEEP, HSP, or AMMP)" as an unallowable cost.⁸ CDFA should clarify that paying for pump efficiency tests through the WETA program does not constitute assisting farmers who apply to SWEEP, even if farmers use that pump efficiency test as part of a SWEEP application. Assistance with the costs of pump efficiency tests should be considered distinct from technical assistance focused on completing the SWEEP program application. This clarification aligns with the SWEEP ad hoc advisory group's recommendation that pump efficiency tests should not be required to apply for SWEEP, but that if CDFA continues to require them, other entities should be allowed to cover the cost of pump tests.⁹

Aside from this point of clarification, we would like to reiterate our support for WETA's addressing of the burdensome cost of pump efficiency tests, and crucial provision of water efficiency and nutrient management technical assistance for small farmers and SDFRs, which aligns with SWEEP ad hoc advisory group recommendations and the Farmer Equity Act of 2017's directive. We look forward to promoting this program.

Thank you for your consideration.

⁵ Recommendations of the Ad Hoc Advisory Group on the State Water Efficiency and Enhancement Program, p. 25, p. 30.

⁶ Recommendations of the Ad Hoc Advisory Group on the State Water Efficiency and Enhancement Program, p. 29.

⁷ Recommendations of the Ad Hoc Advisory Group on the State Water Efficiency and Enhancement Program, p. 24.

⁸ Water Efficiency Technical Assistance Request for Grant Applications, p. 7.

⁹ Recommendations of the Ad Hoc Advisory Group on the State Water Efficiency and Enhancement Program, p. 25, p. 30.

Sincerely,



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