

**PROPOSITION 1
WATER QUALITY, SUPPLY, AND
INFRASTRUCTURE IMPROVEMENT ACT OF 2014
(ASSEMBLY BILL 1471, RENDON)**

- Authorized \$7.545 billion in general obligation bonds for water projects
- The State Water Resources Control Board (State Water Board) will administer five programs:
 - Wastewater
 - Water Recycling
 - Drinking Water
 - Stormwater
 - Groundwater



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**PROPOSITION 1
FUNDING GUIDELINES**

- Section 79706 requires creation of funding guidelines
 - Three public meetings through the state
 - Draft guidelines posted on internet at least 30 days prior
- Draft guidelines for Small Community Wastewater posted February 20, 2015
- For other programs, draft guidelines will be available at a later date, with additional workshops to come
- For more information, and to sign up for email notifications go to:
http://www.waterboards.ca.gov/water_issues/programs/grants_loans/proposition1.shtml

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TOPICS FOR TODAY

- Small Community Wastewater
 - Review of and feedback on Draft Funding Guidelines
- Short Introduction to Funding Opportunities for:
 - Water Recycling
 - Stormwater
 - Groundwater
- Clean, Safe, and Accessible Drinking Water
 - Scoping Session for input on Draft Funding Guidelines

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**SMALL COMMUNITY WASTEWATER
PROPOSITION 1, CHAPTER 5, SECTION 79723**

- \$260 million to the Clean Water State Revolving Fund (CWSRF) Small Community Grant (SCG) Fund
- Governor's proposed budget includes \$77 million for State Fiscal Year (SFY) 2015/16
- State Water Board's Division of Financial Assistance (Division) is proposing to use existing procedures for administering these grant funds

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**SMALL COMMUNITY WASTEWATER
PROPOSED PROCESS**

- Utilize the CWSRF application and approval process, as described in the CWSRF Policy and CWSRF Intended Use Plan (IUP)
- Simplifies the funding process and allows grants to be easily combined with low-interest financing available through the CWSRF Program
- Applications accepted continuously
- Eligible projects are funded in the order applications are completed and approved

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**SMALL COMMUNITY WASTEWATER
PROPOSED PROCESS**

- CWSRF IUP is generally updated on an annual basis
- The Draft SFY 2015/16 CWSRF IUP includes information regarding implementation of Section 79723 of Proposition 1
 - Grant eligibility and funding maximums outlined in Table 4
 - Written comments due Friday April 3, 2015, at noon
 - State Water Board consideration anticipated June 2015
- Following slides outline the proposed funding approach, as outlined in the Draft SFY 2015/16 CWSRF IUP

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**DRAFT SFY 2015/16 CWSRF IUP
TABLE 4: ELIGIBILITIES AND FUNDING MAXIMUMS**

Eligible Applicants: Public agencies, 501(c)(3) non-profit organizations, and tribes.
Project Types: CWSRF-eligible wastewater projects.

Population	Affordability Criteria		Grant Amount	
	Community Median Household Income (MHI)	Wastewater Rates as Percent of MHI	Percentage of Total Project Cost	Up to a Maximum of (\$ million)
<20,000	ANY	≥4.0%	50	6
	Disadvantaged Community (DAC) with MHI <80% of Statewide MHI	≥1.5%	50	4
		≥2.0%	50	6
	Severely Disadvantaged Community (SDAC) with MHI <60% of Statewide MHI	≥1.5%	75	4
		≥2.0%	75	6

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**SMALL COMMUNITY WASTEWATER
ELIGIBILITY AND FUNDING MAXIMUMS**

- Grant funds for small (<20,000 persons), disadvantaged (median household income [MHI] <80% of statewide MHI) communities (small DACs)
- Eligible Applicants:
 - Public agencies, 501(c)(3) non-profits, and tribes (including federally recognized and state tribes on the Native American Heritage Commission consult list)
- Eligible Projects
 - CWSRF-eligible wastewater projects
 - Typically planning, design, construction of publicly-owned wastewater conveyance, treatment, and disposal facilities

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**SMALL COMMUNITY WASTEWATER
ELIGIBILITY AND FUNDING MAXIMUMS**

- Planning Projects
 - Wastewater planning activities, such as:
 - Feasibility/engineering studies
 - Environmental studies
 - Rate studies
 - Any small DAC (regardless of wastewater rates) may receive 100% of eligible planning costs as a grant, not to exceed \$500,000
 - Planning grant disbursements will reduce the maximum construction grant amount accordingly

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**SMALL COMMUNITY WASTEWATER
ELIGIBILITY AND FUNDING MAXIMUMS**

- Construction Grants
 - For small DACs with wastewater rates ≥ 1.5% of community's MHI *
 - Standard grant is 50% of project costs up to \$4 million
 - Small severely DACs (MHI < 60% of statewide MHI) start at 75% of projects costs up to \$4 million
 - For small DACs with wastewater rates ≥ 2.0% of community's MHI:
 - Maximum grant amount increases to \$6 million and
 - Division may increase grant percentage to 100%, if community can't afford loan repayment

* Special exception to allow grants for small non-disadvantaged communities with rates > 4% MHI

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**SMALL COMMUNITY WASTEWATER
ELIGIBILITY AND FUNDING MAXIMUMS**

- Construction Grants, continued
 - Maximum grant amount may increase to \$8 million for projects that either:
 - Connect previously unsewered areas
 - Regionalize wastewater treatment works,
 - Reduce or prevent contamination of drinking water supplies

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**SMALL COMMUNITY WASTEWATER
SPECIAL CONDITIONS/NOTES**

- Only for projects approved after July 1, 2015
- At least 10 percent of funds available per Section 79723 will be provided to severely disadvantaged communities
- Public schools may be eligible for 100% grant
- With the exception of schools, projects must address primarily residential needs and at least 50% must be primary residents (not for second home communities)

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SMALL COMMUNITY WASTEWATER SPECIAL CONDITIONS/NOTES

- If the cost per household exceeds \$25,000, construction funding is subject to State Water Board approval
- If components for water or energy efficiency result in higher capital costs, the Division may approve the incremental increase in capital costs as additional grant
- A single community may not receive cumulatively more than \$8 million in grants in any given five year period

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PROPOSITION 1 TECHNICAL ASSISTANCE

- Up to 15% of the Proposition 1 funds available for drinking water and wastewater may be directed to a multi-disciplinary technical assistance program for small DACs and SDACs
 - Division is working with stakeholders to determine the process for awarding and administering these funds
 - Input or suggestions regarding the approach can be provided to the contact person provided on Slide 16

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HOW TO APPLY

Applications accepted online through Financial Assistance Application Submittal Tool (FAAST):
<https://faast.waterboards.ca.gov/>

- If this creates a hardship, technical assistance providers may be available to assist with electronic submittal
- FAAST tutorials are available online:
<http://www.waterboards.ca.gov/videos/faast.shtml>
- Help Desk: 1-866-434-1083 or
FAAST_ADMIN@waterboards.ca.gov

Apply Now!

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SMALL COMMUNITY WASTEWATER: PROGRAM CONTACT

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http://www.waterboards.ca.gov/water_issues/programs/grants_loans/small_community_wastewater_grant/projects.shtml

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QUESTIONS/COMMENTS



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