

# Grant Funding Opportunities

## for California Water Utilities, Irrigation Districts, and Sanitation Districts

November 2004

Recent funding opportunities have significantly increased the dollar value of grants available to water and wastewater utilities. These funds are targeted towards projects that will improve the reliability of California's water supply. For example, of 60 urban water efficiency projects that applied for CALFED and Proposition 13 funds in March 2003, 25 were selected to receive \$18 million in grant funds. With the passage of Proposition 50 in 2002, even greater dollar amounts will be awarded during the next several years. This fact sheet describes current grant funding opportunities and presents an overview of Proposition 50.

### Current Grant Opportunities

There are several Proposition 50 funding opportunities currently available, as described below. The reader is cautioned to check the applicable web sites, because grant opportunities do change, especially in terms of schedule.

**Water Use Efficiency.** The applications for the first round of \$30 million in funding for Proposition 50 Agricultural and Urban Water Use Efficiency projects under Chapter 7(g) are expected to be due in early 2005. The application package was released on November 17, 2004 with applications due by January 11, 2005.

**Water Security and Safe Drinking Water.** Department of Health Services (DHS) is responsible for implementing Chapter 3 (Water Security) and Chapter 4 (Safe Drinking Water) and Chapter 6, sections b (pilot and demonstration projects for certain contaminants) and c (ultraviolet [UV] and ozone treatment projects) of Proposition 50. A consolidated grant pre-application for these opportunities is due on December 1, 2004.

**Water Desalination.** Applications for water desalination projects under Chapter 6(a) are due to Department of Water Resources (DWR) by January 18, 2005. This program has \$50 million available.

**Integrated Regional Water Management.** The State Water Resources Control Board (State Board) and DWR are jointly administering the Proposition 50, Chapter 8 grant funds. A total of \$385 million is available for drought, water quality, and water supply reliability projects. Approximately \$160 million will be initially available. Eligible projects must be consistent with an adopted Integrated Regional Water Management Plan. Applications are expected to be available in late 2004 with an early 2005 due date.

**Groundwater.** Applications for groundwater studies and management are due to DWR on December 2, 2004. DWR has \$6 million available from AB 303 and Proposition 50, Chapter 8.

### For assistance with your funding applications, please contact:

<b>Sacramento</b> (916) 444-0123 Paul Selsky Lisa Maddaus Randy Marx	<b>Walnut Creek</b> (925) 937-9010 Bill Faisst Cindy Paulson Tom Pavletic Martin Steinpress	<b>Irvine</b> (714) 730-7600 Ken Harlow Grant Hoag	<b>Oxnard</b> (805) 604-7890 Ruben Zubia
<b>BROWN AND CALDWELL</b>	<b>Los Angeles</b> (310) 309-4331 Michael Drennan	<b>San Diego</b> (858) 514-8822 Michele Taplin Nancy Gardiner	

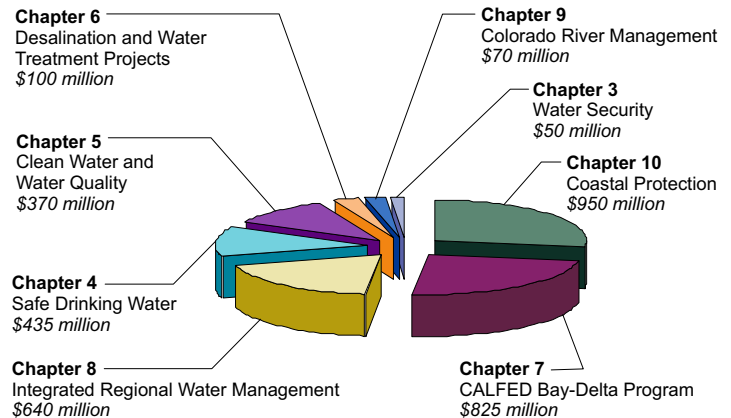


Figure 1. Proposition 50 Use of Bond Funds

**Water Recycling.** The State Board has \$42 million in grant funds available under Chapter 7 for recycling planning and implementation projects. The funding guidelines were adopted on October 21, 2004. Electronic questionnaires are due by December 21, 2004.

### Proposition 50

In November 2002, California voters approved Proposition 50, which authorizes the State of California to sell \$3.44 billion in general obligation bonds to support a variety of water projects. The primary intent of these programs is to fund local activities that will enhance water supply reliability and increase the beneficial use of existing supplies. These funds will be made available in stages over the next three years. The various uses of the bond funds are shown on Figure 1 and described below.

**Chapter 3. Water Security.** Funds projects for the purpose of protecting drinking water systems from deliberate acts of destruction. There is \$50 million is available for water security projects with priority given to disadvantaged communities.

**Chapter 4. Safe Drinking Water.** Finance grants and loans for treatment and distribution infrastructure improvements to meet safe drinking water standards. Sixty percent of the funding is reserved for projects that reduce Colorado River use. There is \$90 million is available for the Drinking Water State Revolving Fund and \$70 million is available for five grant programs (\$14 million each program). The five programs include (1) small community system/treatment upgrades, (2) development and demonstration of new treatment for contaminant removal and treatment, (3) community water quality monitoring facilities and equipment, (4) drinking water source protection, and (5) treatment facilities necessary to meet disinfectant by-product (DBP) standards.

**Chapter 5. Clean Water and Water Quality.** Funding through the State Board for water pollution prevention, water reclamation, water quality improvement, drinking source water protection, coastal waters restoration, Sierra Nevada and Cascade Mountain Ranges land acquisition, and river parkway projects.

**Chapter 6. Contaminant and Salt Removal Technologies.**

Grants for desalination projects and MTBE and other contaminant pilot treatment projects.

**Chapter 7. CALFED Bay-Delta Program.**

Funding to implement the CALFED Bay-Delta Program for water supply reliability projects that realize near-term benefits, including groundwater management and storage, water transfers, acquisition of environmental water, delta levee restoration, surface water storage, water conveyance, ecosystem restoration, watershed program, and water use efficiency projects.

**Chapter 8. Integrated Regional Water Management.**

Funding to be administered by the State Board and DWR. Grants for projects to protect communities from drought, improve water quality, and reduce dependence on imported water. Funded

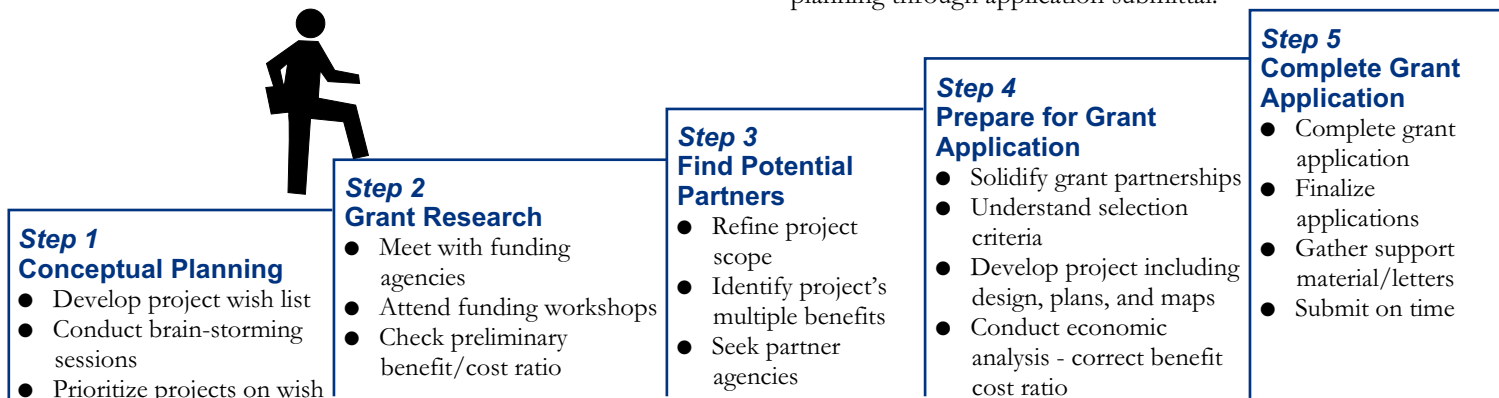
projects may include water conservation, storm water capture, removal of invasive plants, wetlands creation, non-point source pollution reduction, groundwater management and recharge contaminant and salt removal water banking, and watershed management elements.

**Chapter 9. Colorado River.** Grants for canal lining and similar projects to reduce Colorado River water use.

**Chapter 10. Coastal Watershed and Wetland Protection.** Funding for the protection of coastal watersheds and wetlands.

**Successful Grant Application Planning**

A step-by-step description of the steps an agency should follow in preparing a grant application is shown below on Figure 2. Brown and Caldwell can work with you from conceptual planning through application submittal.

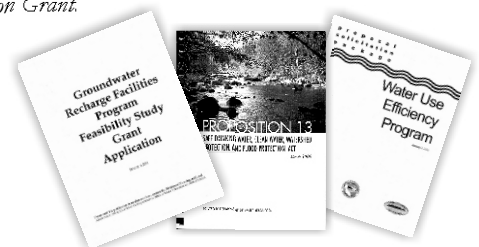


**Figure 2. Steps to a Successful Grant Application**  
(all elements may not be applicable to all grant programs)

**Brown and Caldwell Funding Award Achievements**

Examples of past grant applications prepared by Brown and Caldwell selected for over \$8 million in funding are as follows:

- ❑ Auburn System Leak Repair, Placer County Water Agency. \$679,560 (2002), Prop. 13 Urban Water Conservation Capital Outlay Grant.
- ❑ Canal and Reservoir Efficiency Feasibility Study, Placer County Water Agency. \$100,000 (2002), Prop. 13 Agricultural Water Conservation Capital Outlay Feasibility Study Grant.
- ❑ Regional Efficient Clothes Washer Rebate Program, Consortium of northern California water agencies led by City of Davis. \$1,750,875 (2000), CALFED Water Use Efficiency Grant.
- ❑ Large Landscape Irrigation System Incentive Program, Regional Water Authority, Sacramento, California. \$322,500 (2002), \$975,000 (2003), Props. 13 and 50 Urban Water Conservation Capital Outlay Grant.
- ❑ Leak Detection and Repair Program, Regional Water Authority, Sacramento, California. \$386,750 (2002), Prop. 13 Urban Water Conservation Capital Outlay Grant.
- ❑ Metering of El Macero, City of Davis. \$365,250 (2002), Prop. 13 Water Conservation Capital Outlay Loan.
- ❑ Regional Efficient Clothes Washer Rebate Program, Consortium of northern California water agencies led by East Bay Municipal Utility District. \$2,190,375 (2002), Prop. 13 Urban Water Conservation Capital Outlay Grant.
- ❑ Phase II Southern Yolo County Deep Aquifer Investigation, City of Davis and UC Davis. \$250,000 (2002), Local Groundwater Assistance (AB 303) Grant.
- ❑ Canal Lining, Placer County Water Agency. \$528,008 (2002), Prop. 13 Urban Water Conservation Grant.
- ❑ West Placer County Groundwater Storage Feasibility Study, Placer County Water Agency. \$59,800 (2002), Prop. 13 Groundwater Storage Program Feasibility Studies Grant.
- ❑ Real-Time Canal Flow Monitoring System and Canal Lining, Placer County Water Agency. \$662,744 (2001), Prop. 13 Agricultural Water Conservation Grant.



**Useful Web Sites**

California Bay-Delta Authority <http://www.calwater.ca.gov>  
 Department of Water Resources <http://www.water.ca.gov>

Department of Health Services <http://www.dhs.ca.gov/ps/ddwem/Prop50>  
 State Water Resources Control Board <http://www.swrcb.ca.gov>