

STATE WATER RESOURCES CONTROL BOARD

RECYCLED WATER FUNDING FOR FISCAL YEAR 2020/21



July 16, 2020

Presented by:
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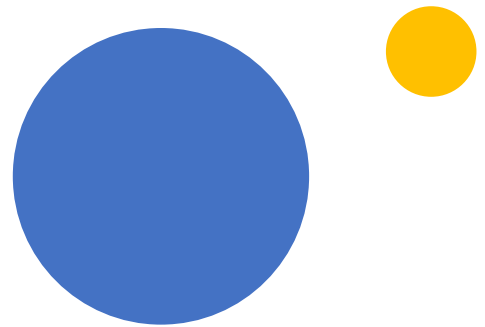
Division of Financial Assistance (DFA)



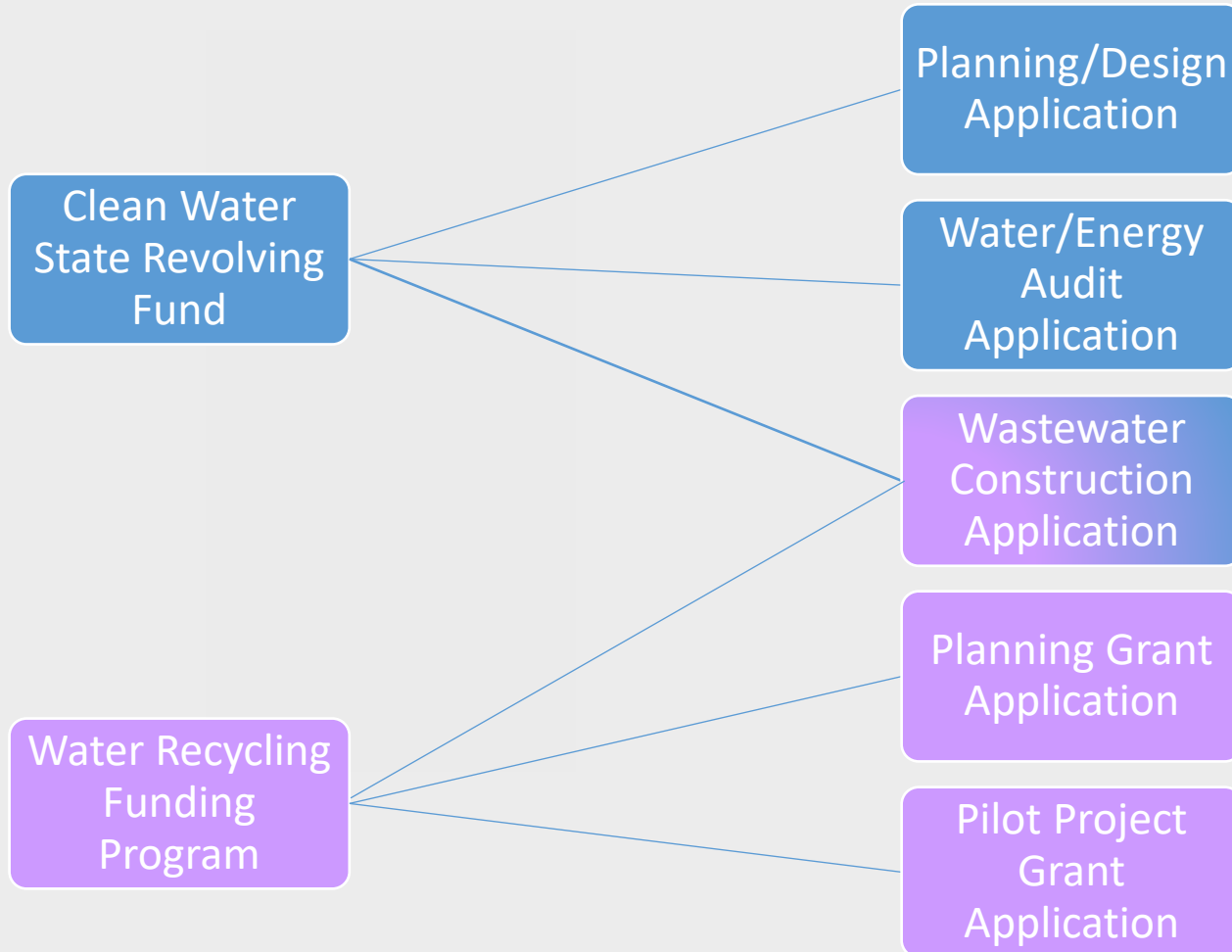
Overview

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- Funding Sources
 - Prop 1
 - Prop 68
 - Clean Water SRF
- How to Apply
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 - General Application Process
 - Fundable List
 - Helpful Tips

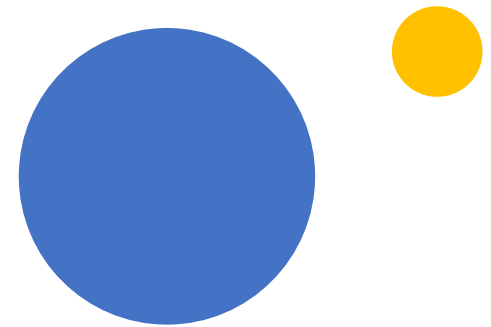
Funding Programs

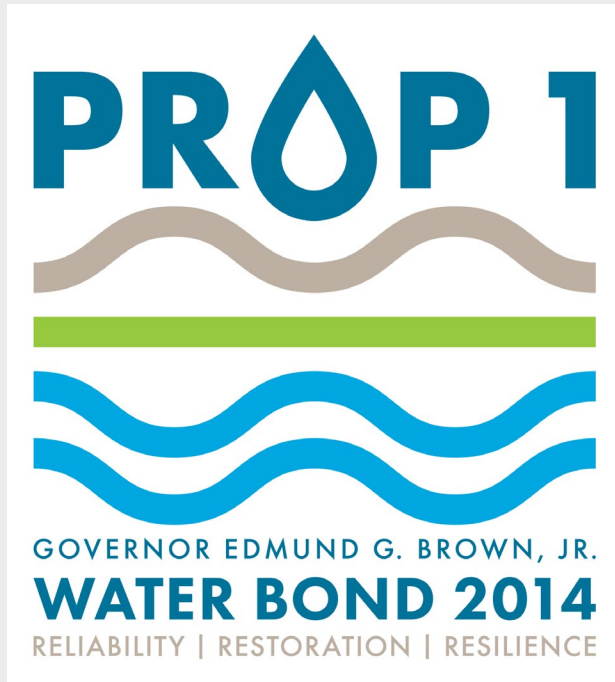


Funding Programs & Applications



WRFP Funding Sources





Initial Allowance:

- Construction Grant - \$312.5 million
- Construction Loan - \$256 million
- Research & Development - \$12.5 million

Current Balance:

- Available grant funding has been committed
- Available loan (~\$20 million) will be committed this fiscal year (FY 20/21)
- Research & Development (R&D) committed



Initial Allowance:

- \$2 million for planning grant
- \$2.4 million for research grant
- \$24 million for construction grant
- \$29.6 million for construction loan
- \$16 million for SDAC

Current Balance:

- All available construction grant and loan will be committed this fiscal year (20/21)
- Have not identified Projects for SDAC
 - < 60% of Statewide avg. MHI (\$42,737)
 - Automatically fundable



Annual Funding Target:

- \$586 million

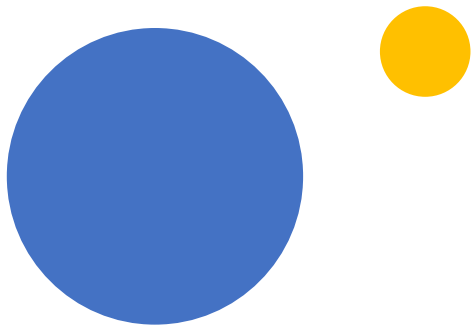
Principal Forgiveness (PF) available for:

- Small Disadvantaged Communities

Loan Terms

- 1.4% interest rate (currently)
- 30-year loan
- No maximum requested funding amount
 - Large projects subject to partial funding

How to Apply



Eligibility

WRFP provides funding for projects that offset or augment state or local fresh water supplies and water recycling research.

Eligibility - Costs

Funding Type	Eligible Project Costs	Percentage of Total Eligible Project Cost		Maximum Grant Amount Per Project
		DAC	Non-DAC	
Planning Grant	Planning	100%	50%	\$150,000
Construction Grant	Construction, not including construction allowances	35%	35%	\$5,000,000
Construction Loan (WRFP)	Planning, Design, and Construction	100%	50%	N/A

General Application Process

1. Submit all applications via FFAST-
<https://faast.waterboards.ca.gov/>
2. Project Number and Project Manager (PM) assigned
3. PM reviews application and completes Priority Scoring
4. If application scores high enough - Fundable List
5. PM requests reviews for all application packages
 - Environmental, Financial, & Legal
 - PM reviews Technical Package
6. PM routes project file through Staff for initial agreement

Fundable List

- Only projects on the Fundable List will be eligible for financing
- Applications must be submitted by Dec. 31st to be considered for following FY Fundable List
- All applications will be scored - complete or incomplete
- Small SDAC and Small DAC are automatically on Fundable List
 - All other applications will be ranked by “Priority Score”
- Planning Grant and Research & Development Projects are not subject to Fundable List or Priority Scoring

Fundable List - Goal

Execute agreements for all fundable applications by end of FY

- Applications roll over if not funded

Fundable List - Scoring System

- Priority Score will be the sum of three components:
 1. Primary Score - (2 to 9 points)
 2. Secondary Score - (0 to 3 points)
 3. Readiness Score - (0 to 4 points)
- Maximum Priority Score = 16

1. Primary Score

	Purpose		
Resource	Corrective	Preventive	Improvement
Drinking Water Source	9	8	7
Delta Water Quality	8	7	7
Water Recycling	--	--	7
Impaired Water Body	8	6	4
Water Quality Control Plan or Permit	8	6	4

- All applications receive a Primary Score
- One number is selected from the table
- Applications that do not fit into any category will receive a Primary Score of “2”

2. Secondary Score

Secondary Characteristic	Score
Applicant has adopted a “climate change” action plan or policy, and the plan or policy is applicable to the system being financed or the project will help implement the plan or policy actions.	3
Project addresses multiple water quality impairments, eliminates or reduces multiple sources of water pollution, or eliminates a discharge of waste regulated by a Regional Water Board or the State Water Board.	3
Project is cited in a multi-agency regional environmental management plan, increases the local supply of drinking water, or has multi-media environmental benefits.	2
The applicant agrees to provide funds to match federal capitalization grants by agreeing to the match financing option.	2

- May receive Secondary Score
- One number is selected from the table
- If no criteria are met, Secondary Score = “0”

3. Readiness Score

Application or Design Status	Score
Complete Application Received by the Division	2
Plans and Specifications as verified by Division staff	If > 49% = 1, or if > 89% = 2

- All applications receive Readiness Score
- Add the two parts together
- If application incomplete, Application Readiness = 0
- If P&S < 50 %, Construction Readiness = 0
- Design-build or similar construction procurement will be counted as 100% P & S

NOTE: Fundable applications that had an incomplete application and P & S < 49% may be subject to deadlines for submitting the complete application and substantial P & S to remain on the Fundable List.

Helpful Tips

1. Water Recycling projects are given 7 points for Primary Score- Great Shape!
2. Secondary Score & Readiness Score are KEY!
3. Submit sooner than December (General Information Package gets you a PM)
4. Once PM assigned ask for a preliminary review

Questions

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State Water Resources Control Board
Division of Financial Assistance
Water Recycling Funding Program

CWSRF Policy

https://www.waterboards.ca.gov/drinking_water/services/funding/documents/srf/dwsrf_policy/final_policy_1219.pdf

WRFP Guidelines

https://www.waterboards.ca.gov/water_issues/programs/grants_loans/water_recycling/docs/wrfp_guidelines.pdf