

STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF FINANCIAL ASSISTANCE (DFA)



***Providing Financial Assistance for Projects  
that Serve the Water Boards' Mission:  
Preserve, Enhance, and Restore California's  
Water Resources***

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# PRESENTATION TOPICS

- Clean Water State Revolving Fund
- Drinking Water State Revolving Fund
- Storm Water Grant Program
- Cleanup and Abatement Account
- 319(h) Nonpoint Source Grant Program
- Discretionary Contract Funds
- Proposition 1 Funding Programs through other Agencies
- Note – Funding a coordinated/comprehensive HAB program with existing funding resources is not straightforward; requires re-direction from other priority efforts

# CLEAN WATER STATE REVOLVING FUND (CWSRF) PROGRAM

- Low interest financing for water quality projects
- Fund over \$400 million/year
- Applications accepted on a continuous basis
- Funding for:
  - Wastewater and Water Recycling Projects
    - Wastewater treatment
    - Local sewers
    - Sewer interceptors
    - Water reclamation facilities
  - Expanded Use Projects
    - Nonpoint source (NPS) projects identified in CA's NPS Plan
    - Estuary projects
    - Stormwater reduction and treatment facilities, etc

# CWSRF PROGRAM: FINANCING TERMS

- Interest Rate:  $\frac{1}{2}$  most recent General Obligation Bond Sale at time of funding commitment (typical range: 2 - 3%)
- Financing Term: Up to 30 years or the useful life of the project
- Repayment: Annual payments begin 1 year after completion of construction
- **Principal Forgiveness (PF)\*** available to municipalities

# DRINKING WATER STATE REVOLVING FUND (DWSRF) PROGRAM

- Low interest financing for drinking water projects
- Fund over \$400 million/year
- Applications accepted on a continuous basis
- Funding for:
  - Projects that return public water systems to compliance with drinking water standards
  - Consolidation
  - Water meters
  - Treatment projects
  - Replacement of aged water transmission or distribution mains, groundwater wells, or other infrastructure

# DWSRF PROGRAM: FINANCING TERMS

- Interest Rate:  $\frac{1}{2}$  most recent General Obligation Bond Sale at time of funding commitment (typical range: 2 - 3%)
- Financing Term: Up to 20 years / 30 years for Disadvantaged Communities
- Repayment: Annual payments begin 1 year after completion of construction
- **“Set-aside”\*** - part of capitalization grant from US EPA that funds various activities (could fund source water assessment);
- Also, Principal Forgiveness loans available

# CLEANUP & ABATEMENT ACCOUNT (CAA)

- Grants for the cleanup of waste or abate the effects of a waste
- The CAA is supported by court judgments and administrative civil liabilities assessed by State Water Board the Regional Water Boards
- Many different types of monitoring, planning, and implementation projects have been funded by the CAA
- Only drought emergency drinking water projects and emergency cleanup projects are currently being funded

# **CLEANUP & ABATEMENT ACCOUNT (CAA) - Interim Emergency Drinking Water Program**

- \$19 million from CAA for interim emergency drinking water
  - \$4 million - contaminated water supply (DACs only)
  - \$15 million - drought-related drinking water emergencies or threatened emergencies

# CAA- Interim Emergency Drinking Water

- Eligible Entities

- Public Agencies
- *Not-for-Profit Organizations*
- *Tribal Governments*
- *Community Water Systems*

*servicing  
a DAC*



- Eligible Project Examples

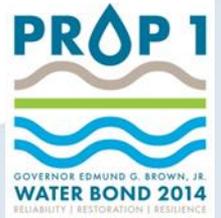
- Bottled, Hauled Water
- Well Repair/Rehabilitation, Well Replacement
- Emergency Interties, Consolidation
- Vending Machines
- Treatment Systems



# Proposition 1

## STORM WATER GRANT PROGRAM

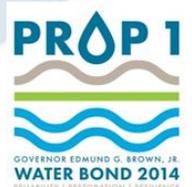
- \$200 million for grants for multi-benefit (water quality/ supply, flood control, open space) storm water management projects
- **Eligible Applicants:** public agencies, 501(c)(3) non-profit organizations, public utilities, tribes, and mutual water companies
- 50% local match requirement
  - Cannot be state grant funds
  - May waive or reduce for DACs



# Proposition 1

## STORM WATER GRANT PROGRAM

- ~\$25 million available from older bonds in addition to Prop 1
- **Areas of Special Biological Significance (ASBS) Funding\*\***
  - Approximately \$15 million for projects benefiting ASBS
  - Projects must be eligible types consistent with Prop 1 Guidelines and included in an ASBS Compliance Plan
- **Clean Beaches Funding**
  - Approximately \$10 million for projects benefiting Clean beaches and coastal waters
  - Projects must be eligible types consistent with Prop 1 Guidelines and included in an SWRP
- Submit an application through the Prop 1 Storm water program for ASBS or Clean Beaches funding



# Proposition 1

## STORM WATER GRANT PROGRAM

- Implementation Grants
  - 2 solicitations: \$250,000 - \$10 million per project
    - Round 1 (\$80 million + \$25 million ASBS/Clean Beaches): Closes July 8, 2016, awards Fall 2016
    - Round 2 (\$86 million): Tentatively scheduled for 2018
  - Eligible projects must
    - Be included in a SWRP submitted to the IRWM Region
      - SWRP due within 90 days of SWGP implementation grant award
      - If SWRP not required (small DAC), project must be in IRWM Plan
    - Respond to climate change, contribute to regional water security, contain multiple benefits, and be designed to infiltrate, filter, store, evaporate, treat, or retain storm water or dry weather runoff

# Clean Water Act section 319(h) Nonpoint Source funds

- Approximately \$8 million / year
- 50% of funds must be used for implementation of watershed-based plans in watersheds with impaired waters\*\* (Watershed Project Funds)
- Remaining 50% may be spent on planning, assessment, management, and statewide NPS programs and projects (NPS Program Funds)
- State generally relies on NPS Program Funds to support NPS staff

# Clean Water Act section 319(h) Nonpoint Source funds

- Watershed project funds can be used for following types of monitoring to assess:
  - Water quality in National Water Quality Initiative (NWQI) watersheds
  - Effectiveness of on-the-ground activities to improve water quality
- NPS program funds must be used for following types of monitoring:
  - To identify nonpoint sources of pollution,
  - To support the development of a Watershed-based Plan or acceptable alternative plan, or a NPS or mixed source Total Maximum Daily Load (TMDL)
  - To evaluate restoration of NPS-impaired waters following implementation of NPS pollution control project(s) funded by § 319 or other sources

# Clean Water Act section 319(h) Nonpoint Source funds

- Other funding considerations for implementation and/or monitoring projects:
  - Must be related to initiatives in 2014-2020 NPS Program Implementation Plan
  - Must address a program preference, which are identified by regions prior to each round of proposals
  - Must address a targeted waterbody and targeted pollutant identified in the 2014-2020 NPS Program Implementation Plan

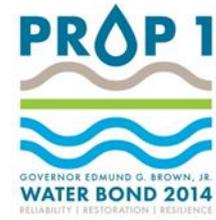
# Discretionary Contract Funds

- State Water Board has about \$4 million in discretionary funds for contracts
- Annual process by State Water Board and Regional Water Boards to identify priority projects
  - One HAB related project may be funded this year

# Proposition 1

## Other Funding Agencies

- Department of Water Resources
  - \$510 million to projects identified in Integrated Regional Water Management Plans (12 Funding regions) (Chapter 7 of Prop 1)
  - Funds projects associated with risks to water supply and water infrastructure arising from climate change
  - Contributes to regional water security
- Multiple Conservancies
  - \$327.5 million for multibenefit water quality, water supply, and watershed protection and restoration projects
- Also see Resources Agency web site:  
[http://resources.ca.gov/docs/bonds\\_and\\_grants/Agency\\_Grants\\_and\\_Loans\\_November\\_2015.pdf](http://resources.ca.gov/docs/bonds_and_grants/Agency_Grants_and_Loans_November_2015.pdf)





# Questions