

California Department of Water Resources NEWS

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State Loans Are Available For Local Water Conservation Projects

SACRAMENTO---State water officials today issued a reminder that local water agencies can qualify for low-interest loans to help fund water conservation construction projects and feasibility studies.

Funds are available also for groundwater recharge and local water supply projects.

The current program was created under the Safe, Clean, Reliable Water Supply Act (Proposition 204) which authorized \$30 million in General Obligation bonds for water conservation or groundwater recharge construction projects and feasibility studies and \$25 million in General Obligation bonds for local water supply construction projects.

Under Proposition 204---approved by the voters in 1996---loans for water conservation, groundwater recharge and local water supply construction projects, and water conservation or groundwater recharge feasibility studies are made at half the interest rate the State pays on the bonds. Grants are available for local water supply feasibility studies only.

Also, under Proposition 82---passed by the voters in 1988---loans for local water supply projects and feasibility studies are made at the full bond interest rate.

"These forms of assistance can help smaller public water agencies build projects to improve their water conservation efforts and enhance their water management through the construction of

recharge or local water supply facilities," said William Bennett, Chief of DWR's Division of Planning and Local Assistance.

To date, 29 projects and feasibility studies have qualified for assistance under the Proposition 82 and Proposition 204 programs.

"Eligible water conservation projects may include lining or piping canals or ditches, replacing leaking water mains or tanks, installing new water meters and ultra low-flow toilets, and improving on-farm irrigation systems," said Bennett.

Projects are evaluated for loans on a first-come, first-served basis, using criteria of cost effectiveness, water savings, and engineering and hydrological feasibility.

Proposition 82 local water supply loans and Proposition 204 water conservation and groundwater recharge loans are available to local agencies throughout California. Proposition 204 local water supply loans, however, are limited to public agencies in counties of smaller population. (To be eligible, counties must rank 22nd or below in population among California's 58 counties. Contact DWR at the address listed below for a county list.)

All construction loans have a \$5 million cap per project.

Water conservation or groundwater recharge feasibility study loans may not exceed \$100,000 per study.

Local water supply feasibility loans or grants may not exceed \$500,000 per study.

Interested local agencies are encouraged to apply. Agencies wishing application packages or more information on these programs should contact David A. Rolph of DWR's Division of Planning and Local Assistance, Financial Assistance Unit, 1020 Ninth Street, 3rd floor, Sacramento, CA 95814-3515. Rolph's phone number is (916) 445-8259. The FAX number is: (916) 327-1648. E-mail address: drolph@water.ca.gov

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The Department of Water Resources operates and maintains the State Water Project, provides dam safety and flood control and inspection services, assists local water districts in water management and water conservation planning, and plans for future statewide water needs. The State Water Project provides water to two-thirds of California's population.

For more on-line information, see [Find DWR Info](#) or return to the [DWR California Water Page](#)