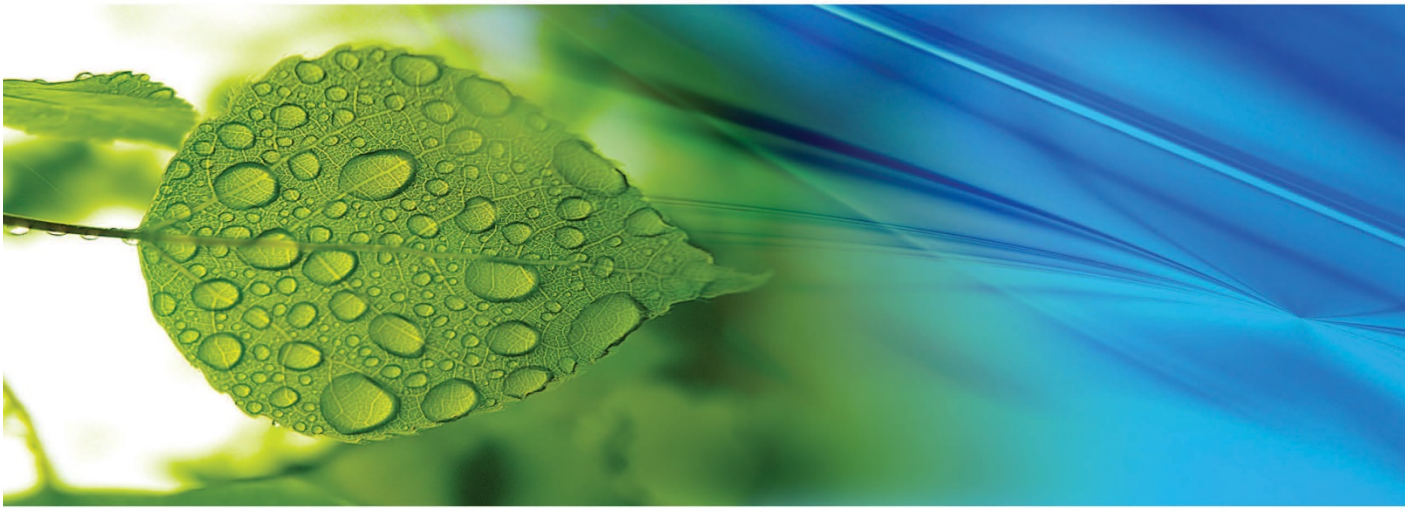
2016 Water-Energy Grant Program

Guidelines and Proposal Solicitation Package



The Natural Resources Agency
Department of Water Resources
Division of Integrated Regional Water Management

September 2016

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Foreword

This document contains the California Department of Water Resources (DWR) 2016 Water-Energy Grant Program Guidelines and Proposal Solicitation Package (2016 Water-Energy Guidelines). The goal of the 2016 Water-Energy Grant solicitation is to reduce greenhouse gas (GHG) emissions and also reduce water and energy use by funding commercial and institutional water-energy efficiency programs or projects and residential water-energy efficiency programs or projects benefiting disadvantaged communities (DACs).

Points of Contact

For questions about the 2016 Water-Energy Grant Program or other technical issues, please contact Ms. Leslie Pierce at leslie.pierce@water.ca.gov or (916) 651-9251.

For questions regarding the online application tool known as Grant Review and Tracking System (GRanTS), please contact GRanTS administration at (888) 907-4267 or by email at GRanTSadmin@water.ca.gov.

For questions regarding urban water management plans (UWMPs), Demand Management Measures, and Water Meter Compliance, please contact Ms. Gwen Huff at (916) 651-9672 or by email at gwen.huff@water.ca.gov.

For questions regarding agricultural water management plans (AWMPs), please contact Mr. Marty Berbach at (916) 651-9216 or by email at martin.berbach@water.ca.gov.

For questions about the Greenhouse Gas Quantification Methodology for the Department of Water Resources Water-Energy Grant Program or the associated GHG calculator, please contact GGRFProgram@arb.ca.gov.

Website

This document as well as other information about the 2016 Water-Energy Grant Program can be found at the following link: http://www.water.ca.gov/waterenergygrant/index.cfm. In addition to the website, DWR will distribute information via the IRWM email contact list. If you are not already on the IRWM contact list and wish to be placed on it to receive information regarding the Water-Energy Grant Program (and other IRWM grant programs) subscribe at the following link: http://www.water.ca.gov/irwm/grants/subscribe.cfm.

Due Date

Complete proposals and all supporting documentation must be submitted via DWR's GRanTS no later than **5 p.m. on November 7, 2016**. Proposals and supporting documentation received after this time will not be reviewed or considered for funding.

Tables and Workbook

The various tables referenced in the document can be found at the following link:

http://www.water.ca.gov/waterenergygrant/templatesforms.cfm.

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Acronyms and Abbreviations

2016 Water-Energy Guidelines	2016 Water-Energy Grant Program Guidelines and Proposal Solicitation Package
AB	Assembly Bill
ARB	Air Resources Board
AWMP	Agriculture Water Management Plan
CalEnviroScreen	California Communities Environmental Health Screening Tool: Version 2.0
Cal/EPA	California Environmental Protection Agency
CASGEM	California Statewide Groundwater Elevation Monitoring
CEQA	California Environmental Quality Act
DAC	Disadvantaged Community
DWR	California Department of Water Resources
EO	Executive Order
GHG	Greenhouse Gas
GRanTS	Grants Review and Tracking System
GGRF	Greenhouse Gas Reduction Fund
IRWM	Integrated Regional Water Management
MB	Megabytes
$MTCO_2e$	Metric Tons of Carbon Dioxide Equivalent
NEPA	National Environmental Policy Act
PSP	Proposal Solicitation Package
QM	Greenhouse Gas Quantification Methodology for the Department of Water Resources Water-Energy Grant Program
SB	Senate Bill
SB 101	Senate Bill 101, 3860-101-3228 Section 13
SWRCB	State Water Resources Control Board
UWMP	Urban Water Management Plan

2016 Water-Energy Grant Program Guidelines and Proposal Solicitation Package

I. INTRODUCTION

The purpose of the 2016 Water-Energy Guidelines is to establish the processes that DWR will use to solicit and evaluate proposals and award grants, and to assist applicants that apply for grant funding to support the implementation of:

- Commercial and institutional water-energy efficiency programs or projects
- Residential water-energy efficiency programs or projects benefiting DACs.

Limitations of Methodology

The calculation methodologies and monitoring requirements presented in this document are specific to this solicitation and shall not be considered binding precedents for any other solicitations utilizing the Greenhouse Gas Reduction Fund (GGRF).

This document provides a framework for grant applicants and DWR to ensure that the grant solicitation and award process is fair and transparent. It also contains detailed information on the proposal requirements. The proposal solicitation, review, and selection process is a single-step process.

The following terms are used throughout this document:

- A **Project** is a collection of planned activities performed in a sequence to construct a physical facility or implement a non-structural solution that reduces both water and energy use and GHG emissions.
- **Commercial** means light industry and light or non-manufacturing business establishments that provide or distribute a product or service, including food processing plants, retail services, office buildings, restaurants, dry cleaners, and other consumer-oriented services or businesses. This also includes employee uses and recreational facilities (temporary lodging) and may include institutional or governmental use, as well.
- **Institutional** means any water-using establishments dedicated to public service. This could be higher education institutions, schools, courts, hospitals, homeless or transitional housing facilities, senior centers, food banks or kitchens that serve low-income communities, government facilities, and nonprofit research institutions.
- **Residential** means indoor water used in single family or multifamily dwelling unit(s).
- **Water-Energy Project** reduces GHG emissions and energy use in a water conservation project. DWR will only fund projects where the energy use reduction is directly linked or connected to the reduction in water use at the project's location.
- **Project Benefit(s)** refers to measurable benefit(s) in addition to water and energy savings and GHG emission reductions that result from project implementation. Examples of additional project benefits include, but are not limited to, increased water supply reliability, reduction in utility cost; or increasing employment in or job training in a DAC.

The following types of projects are not eligible for funding:

- Water conservation projects that provide energy savings and GHG emissions reductions by adding on a completely separate, unconnected energy savings component; an example of this would be where the water conservation project is the installation of low flow toilets and the energy savings component is the installation of LED light bulbs
- Projects where the GHG emission reduction comes from ancillary activities such as reducing vehicle miles traveled

II. FUNDING

The funding for this solicitation of the Water-Energy grant program was approved by the Governor on September 22, 2015 through Senate Bill 101, 3860-101-3228 Section 13 (SB 101), which appropriated $19 million in funding from the GGRF (Health and Safety Code §39710 *et seq*.) to DWR to continue this grant program.

The maximum grant award is $3 million per proposal, and DWR will not award more than $6 million per applicant.

For the 2016 Water-Energy grant solicitation, there is no mandated cost-share. However, if the total proposal costs exceed the maximum grant amount, then the applicants are required to document all costs and funding sources necessary to complete the scope of work, and must track the cost share on the DWR invoice form. Proposals that include a cost share may be provided a tie breaker advantage when preparing funding recommendations.

Costs incurred after the date of grant award which meet the reimbursable costs definition (Appendix B) will be eligible for reimbursement. Cost share eligibility will be held to the same definition.

III. ELIGIBILITY REQUIREMENTS

Eligible Grant Applicants

Eligible applicants are local agencies, joint powers authorities, or nonprofit organizations, as defined in Appendix B.

Eligibility Compliance Criteria

Applicants and all parties that receive funds from the 2016 Water-Energy Grant Program must meet all relevant compliance requirements listed below to be considered eligible for funding. In addition, continued compliance with eligibility requirements will be an obligation of the grant agreement. Compliance information and certification forms may be found at the websites listed in Appendix A.

Urban & Agricultural Water Suppliers

Urban and Agricultural Water Suppliers – In accordance with Water Code §10608.56, an agricultural water supplier or an urban water supplier is ineligible for funding unless it complies with the requirements of Part 2.55 (commencing with §10608) of Division 6 of the Water Code.

Water Code §529.5 Compliance – Water Code §529.5 requires any urban water supplier applying for State grant funds for wastewater treatment projects, water use efficiency projects, drinking water treatment projects, or for a permit for a new or expanded water supply, shall demonstrate that they meet the water meter requirements in Water Code §525 *et seq*.

Senate Bill (SB) X7-7 (November 2009) – Requires all water suppliers to increase water use efficiency and sets an overall goal of reducing per capita urban water use by 20 percent by December 31, 2020. In order to be consistent with the Governor's Executive Order (EO) B-37-16, all water suppliers who are grantees and their partners that receive funds shall be responsible for meeting the EO requirements to maintain eligibility. Draft requirements will be released after January 2017, and will establish the dates for meeting the EO requirements. The current requirements for two sectors, Urban Water Conservation and Agricultural Water Conservation are described below:

- Urban water suppliers shall prepare and adopt Urban Water Management Plans (UWMP). The 2015 UWMPs were due to DWR by July 1, 2016. In order to execute a grant agreement under the 2016 Water Energy Grant Program, urban water suppliers must have a UWMP that has been reviewed by DWR and found to have addressed the requirements of the UWMP Act. In addition, urban retail water suppliers UWMPs must document compliance with their 2015 interim water use target.
- Agricultural water suppliers shall prepare and adopt Agricultural Water Management Plans (AWMP). The 2015 AWMPs were due to DWR by December 31, 2015. Agricultural water suppliers are required to measure the volume of water delivered to customers, adopt a pricing structure for water customers based at least in part on quantity delivered, and implement additional efficient management practices. Executive

Order (EO) B29-15 also required suppliers to include detailed drought management plans. Additionally, EO B29-15 requires agricultural water suppliers that supply water to 10,000 to 25,000 acres of irrigated lands to have submitted AWMPs to DWR by July 1, 2016. In order to receive a 2016 Water-Energy grant, agricultural water suppliers must submit their plan within 30 days of adoption and have received a letter from DWR stating that their plan meets the necessary requirements.

Groundwater Management Compliance

For projects that directly affect groundwater levels, the applicant must demonstrate that the project and the applicant are consistent with the following:

Groundwater Management Compliance – Grant eligibility related to groundwater management is changing with the passage of the Sustainable Groundwater Management Act (SGMA) (§10720 *et seq*.). When fully implemented, Groundwater Sustainability Agencies (GSA) and Groundwater Sustainability Plans (GSP) will supplant groundwater management plans (GWMP). However, timelines for fully implementing SGMA creates a transition period, for high and medium priority groundwater basins, between GWMPs and GSPs. During this transition period, grant program eligibility will have to consider both GWMP eligibility and GSA/GSP progress. The following information discusses applicable pieces of legislation for both GSPs and GWMPs.

- Water Code §10720 *et seq*. – SGMA specifies actions for critically overdrafted groundwater basins, high and medium priority basins, and low and very low priority basins. Groundwater project proponents must describe that they are aware of or involved in SGMA efforts in the basin including, but not limited to, formation of a GSA and development of a GSP. In addition, project proponents must demonstrate that their project is consistent with the SGMA provisions.
- Groundwater Management Plan Compliance – For groundwater projects or for other projects that directly affect groundwater levels or quality, the applicant must demonstrate one of the following conditions has been met (Water Code § 10753.7(b)(1)):
    - The project will be operated in accordance to the requirements of an adjudication of water rights in the subject groundwater basin.
    - The project is located in a groundwater basin which has a GWMP that was adopted before January 1, 2015, and complies with Water Code §10753.7. If a project is located in a groundwater basin designated high or medium priority by DWR, and a GWMP was not adopted by January 1, 2015, then the project is not eligible to receive funding (Water Code §10750.1(a)).
    - The applicant will participate or consent to be subject to a GWMP, basin-wide management plan, or other program or plan that meets the requirements of Water Code §10753.7.
    - For projects located in low or very low priority groundwater basins, as designated by DWR, without an existing GWMP, the applicant must commit to adopting, within 1-year of the grant application submittal date, a GWMP that meets the requirements of Water Code §10753.7.
- Water Code §10920 Compliance – Water Code §10920 *et seq.* establishes a groundwater monitoring program designed to monitor and report groundwater elevations in all or part of a basin or sub-basin. Information on the requirements of the California Statewide Groundwater Elevation Monitoring (CASGEM) Program can be found at the Groundwater Information Center link listed in Appendix A. For those high and medium priority basins that do not have a CASGEM monitoring entity, the grant applicant that matches the list of potential monitoring entities identified in Water Code §10927, along with counties whose jurisdictions include unmonitored high and medium priority basins, will not be eligible for grant funding pursuant to Water Code §10933.7(a). Consistent with Water Code §10933.7(b), if the entire service area of the grant applicant's service area is demonstrated to be a DAC, as defined in Appendix B, the project will be considered eligible for grant funding notwithstanding CASGEM compliance.

Surface Water Diversion

A diverter of surface water is not eligible for a water grant or loan awarded or administered by the State unless it complies with surface water diversion reporting requirements outlined in Part 5.1 (commencing with §5100) of Division 2 of the Water Code.

Eligible Project Types

To be eligible for 2016 Water-Energy grant funding, proposals must implement the following actions:

- Commercial or institutional water-energy efficiency programs or projects
- Residential water-energy efficiency programs or projects benefiting DACs

Residential water-energy efficiency programs or projects that do not benefit DACs are not eligible. Each water-efficiency measure within a proposal must demonstrate that it will directly reduce GHG emissions AND also reduce water and energy use. DWR will only fund projects where the energy use reduction is directly linked or connected to the reduction in water use at the project's location.

For this solicitation only the project measures listed below will be considered for funding:

- Commercial Dishwashers
- Commercial Ice Machines
- Commercial Steam Cookers
- Commercial Clothes Washers
- Boiler-less Combination Ovens
- Pre-Rinse Spray Valves
- Faucets
- Showerheads
- Residential Clothes Washers
- Residential Dishwashers

IV. Program Requirements

Conflict of Interest

All applicants are subject to State and federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the proposal being rejected and any subsequent grant agreement being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code §1090 and Public Contract Code §10410 and §10411.

Waiver of Confidentiality

Once the proposal has been submitted to DWR, any privacy rights, as well as other confidentiality protections afforded by law with respect to the application package will be waived.

Labor Code Compliance

Compliance with applicable laws, including Labor Code provisions, will become an obligation of the grant recipient under the terms of the grant agreement between the grant recipient and DWR.

California Environmental Quality Act Compliance

Activities performed under the Water-Energy Grant Program must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 *et seq*.) including the lead agency requirements of Assembly Bill (AB)-52 (Native Americans: California Environmental Quality Act). If applicable, grantees must also demonstrate that they have complied with requirements of the National Environmental Policy Act (NEPA). See Appendix A for Web links to CEQA, AB-52, and the State Clearinghouse Handbook.

Monitoring Requirements

Monitoring and reporting of water, energy, and GHG emission reductions, as well as DAC benefits will be required to verify claimed savings and benefits. Grantees will be required to provide, on a regular and consistent basis, project/program specific information regarding the proposal's water-energy savings, GHG emission reduction, benefits, and project location by zip code, census tract, assembly district, and senate district.

GHG emission reductions must be determined in accordance with ARB's *Greenhouse Gas Quantification Methodology for the Department of Water Resources Water-Energy Grant Program* (QM) at the link listed in

Appendix A. Project reporting requirement details can be found in ARB's Funding Guidelines, Appendix 3.A, Table 3.A-9; see Appendix A for a link to that document also.

Projects that affect surface water quality shall include a monitoring component that allows the integration of data into the California Environmental Data Exchange Network. For more information, follow the State Water Resources Control Board's (SWRCB's) website link provided in Appendix A.

Water Code §10927 requires various entities, including local agencies managing all or part of the groundwater basin pursuant to Water Code §10750, to assume responsibilities for groundwater elevation monitoring and reporting, as required by Water Code §10920 *et seq* (CASGEM monitoring). For more information, follow the CASGEM link provided in Appendix A.

V. Program Preferences

Disadvantaged Communities – Funding priority may be given to proposals that provide direct, meaningful, and assured benefits to DAC census tracts as identified by CalEnviroScreen 2.0. Projects may be located within or outside the DAC, but they must provide direct, meaningful, and assured benefits to one or more DAC and provide a benefit that meaningfully addresses an important community need. Examples of benefits provided to DACs include, but are not limited to, increased water supply reliability, increased DAC employment, or water service rate reductions. The CalEnviroScreen2.0 tool can be found at the link provided in Appendix A.

Regional Projects – Funding priority may be given to proposals that implement a regional project or program as defined under the IRWM Planning Act, Water Code § 10544.

VI. Proposal Process

Solicitation Notice

A solicitation notice will be e-mailed to all interested parties via DWR's IRWM distribution list. Potential applicants should review the 2016 Water-Energy Guidelines in detail prior to beginning application preparation because it provides detailed instructions on the mechanics of submitting proposals and specific information on submittal requirements.

Applicant Assistance Workshops

Informational workshops will be conducted to address applicant questions and to provide general assistance to applicants in preparing grant proposals. The workshops will be held at the locations listed in Table 1.

Schedule

Table 1 shows the program timeline from release of the 2016 Water-Energy Guidelines through the awarding of grants. Any updates to the schedule will be posted on DWR's Water-Energy Grant Program website. Updates may also be publicized through e-mail announcements and news releases.

Table 1. Schedule

Milestone or Activity	Schedule
Applicant Assistance Workshops: California EPA Building 1001 I Street, Sierra Hearing Room Sacramento, CA 95812 This meeting will be web broadcast at https://video.calepa.ca.gov/ Meeting contact: Cory.Saltsman@water.ca.gov	September 29 at 3:00 pm
California Tower 3737 Main Street, Alvarado Room # 207 Riverside, CA 92501	October 3 at 10:00 am
Proposals Due to DWR by 5:00 p.m.	November 7, 2016
Draft Awards	*Mid-January 2017*
Public Comment Period on Draft Awards	*Late January 2017*
Final Awards	*March 2017*

Italics denote approximate dates.

VII. Review and Evaluation Process

Process Overview

All proposals will undergo an eligibility and completeness review for the required and applicable items listed in this document. If a proposal is determined to be ineligible or incomplete, the proposal will not be reviewed or considered for funding.

At least two DWR technical reviewers will be assigned to each eligible proposal. The group of technical reviewers for each proposal will include representatives from DWR and possibly technical reviewers from other agencies. The technical reviewers will individually evaluate the proposals in accordance with established review criteria.

Technical reviewers will confirm claims of benefits provided to DACs, assess sufficiency of the proposal agreement components (work plan, schedule, budget, and project monitoring plan), as well as assess the calculations and supporting information used for the water savings, energy savings and GHG emission reductions.

The proposal will not be considered for funding if technical reviewers cannot confirm, verify, or recreate the water savings and GHG emission reductions claimed in Attachment 2a based on the backup documentation provided in Attachment 2b. Applicants must provide backup documentation for all input values for the proposed project. This includes default value(s) even if they are unaltered.

Technical reviewers may adjust water, energy, and GHG emission calculations if unit conversion errors, inconsistent use of coefficients, mathematical errors, or other problems are found. If the applicant does not provide adequate justification for the values provided or the values provided are inaccurate, the technical reviewers may adjust them to match the level of justification provided in the Attachment 2b documentation. The adjusted values will be used in the ranking and funding recommendation development processes.

Following completion of the technical review, DWR will convene a Selection Panel comprised of supervisory/management level staff to review the technical evaluations and to generate a preliminary funding recommendation.

When developing the funding recommendation, the Selection Panel will consider the following items:

- Funding Priority and DAC Status (See Tables 2 and 3)
- Sufficiency of Agreement Components (See Table 2)
- Attachments 2a and 2b review and ranking
- Amount of funds available

The Selection Panel may recommend reducing grant amounts from those requested in order to equitably distribute funding and stay within available funding limitations.

Technical Review

After eligibility completeness review, technical reviewers will review proposal content as depicted in Table 2.

Table 2. Review Criteria			
Subject	Attachment	Criteria	Metric
Calculation Review	Attachments 2a and 2b	If reviewers cannot understand or replicate the methods used by the applicant to estimate the GHG emission reductions and water-savings, then the application will be deemed ineligible.	GHG emission reductions in $MTCO_2e$/Total Project Cost, Water savings in gallons/Total Project Cost *Numbers may be adjusted as necessary*
Agreement Components	Attachments 3, 4, 5, and 6	Work Plan, Budget, Schedule, and Monitoring Plan will be scored (one point each) on the thirteen (13) following conditions. A score of nine (9) or greater will be required to be deemed "Sufficient": • Does the Work Plan include a detailed map(s) depicting the applicant's jurisdiction and the project location? • Does the applicant provide an adequate project description that includes the need for the project and the intended objective(s)? • Is it clear that the tasks in the Work Plan will result in a completed project? • Does the Work Plan define the main activities, including the level of effort necessary to complete the task? • Do the Work Plan tasks identify appropriate deliverables resulting from the activities described? • Does the Work plan address CEQA compliance and any necessary permits? • Is the proposed project monitoring plan expected to track progress towards meeting the claimed benefits? • Does the monitoring plan report all the ARB metrics requested in ARB's Funding Guidelines, Appendix 3.A, Table 3.A-9 available at the link in Appendix A? • Is there sufficient detail in the Work Plan to demonstrate the proposed schedule can be met? • Will the project be completed by June 30, 2019? • Does the Budget estimate contain hours and rates as appropriate? • Are the costs presented in the Budget reasonably supported? • Are the Budget, Schedule, and Work Plan all consistent with each other?	Sufficient (a score of $\geq$9) Not Sufficient (a score <9)
DAC status	Attachment 7	If reviewers cannot understand the description provided or verify benefits to DAC, based on the information provided by the applicant, then the proposal will not be considered as benefitting a DAC. For projects claiming DAC Program preference, all of the following conditions must be met: • Does the applicant identify which criterion in Part A of Table 9 of this document that the project meets and is the explanation why the project meets that criterion reasonable? • Does the applicant provide a map that shows at least 75% of grant funding allocated to DAC census tracts as identified by CalEnviroScreen 2.0? • Does the applicant explain how they will track the funding allocation for DAC and non DAC areas? • Does the applicant provide a reasonable explanation of how the benefit addresses an important community need and how the community need was identified?	Meets DAC Program preference/Does not meet DAC Program preference

Proposal Ranking

DWR will rank proposals according to the following procedures:

- All complete and eligible proposals will be reviewed and assessed according to the criteria in Table 2.
- The GHG emission reduction value ($MTCO_2e$/Total Project Cost), will be ranked highest to lowest. The Selection Panel will assign a "high," "medium," or "low" ranking to each proposal for the GHG category. Generally, high GHG emission reduction values will correspond to the upper third of the ordered values, medium GHG emission reduction values will correspond to the middle third of ordered values, and low GHG emission reduction values will correspond to the lower third of ordered values. DWR may also consider alternative classification methods to rank proposals, such as "natural breaks", when assigning the high, medium, or low groupings.
- Separately, an equivalent process will be used to rank water savings (gallons/total project cost).
- The determination of DAC Program preference, GHG emission reduction rank, water savings rank, and Agreement Component sufficiency will be entered into a ranking matrix.

Funding Recommendation Development

The Selection Panel will rank the proposals by applying the Funding Priority shown in Table 3. Funding will be allocated to proposals in each priority class until all proposals have been funded in that priority class or funding is fully allotted. If funds remain, the next priority class will be considered for funding. When developing the funding recommendations, the Selection Panel will consider the amount of funding requested and the amount of funding available. DWR may partially fund proposals based on available funding and proposal specifics. In the case of a tie, preference will be given to proposals that include a cost share or regional projects that are consistent with an IRWM Plan (Water Code §10544).

If funds remain after allocating funds to the listed priorities, DWR may consider funding proposals not contained on the priority list. If so, additional information may be needed from applicants prior to DWR awarding funds. Such applicants will be given a finite amount of time to provide additional materials.

Table 3. Funding Priority

Priority	DAC	GHG Emission Reductions	Water Savings	Agreement Component
1	Yes	High	High	Sufficient
2	No	High	High	Sufficient
3	Yes	High	Medium	Sufficient
4	Yes	High	High	Not Sufficient
5	No	High	Medium	Sufficient
6	Yes	High	Medium	Not Sufficient
7	Yes	Medium	High	Sufficient
8	No	Medium	High	Sufficient

VIII. Award Notification and Agreement Process

Applicant Award Notification and Public Meeting

The list of all applications received and draft funding recommendations will be posted on the DWR Water-Energy website and the applicants will be notified by email of the release of the draft funding recommendations. The draft funding recommendation will be presented at a public meeting held by DWR to solicit public comments. Interested parties will be notified of the public meeting by email and a news release informing the public of the date, time, and location of the meeting will be placed on the Water-Energy website.

Final Awards

Based on the draft funding recommendations and the comments received during the public comment period, DWR's Director will make final awards. The final awards will be posted on the Water-Energy Program website. Following approval of the final awards, the selected grant recipients will receive a commitment letter officially notifying them of their selection and the grant amount, including any conditions that must be met in order to execute a grant agreement with DWR. Grant recipients will need to furnish information outlined in the commitment letter in order to progress towards execution of a grant agreement.

Grant Agreement

Following award of funds, DWR will execute a grant agreement with the grant recipient. Grant agreements are not executed until signed by the authorized representative of the grant recipient and DWR.

The agreement template will be posted on the Water-Energy Grant Program website no later than September 6, 2016. Applicants are encouraged to review the Agreement template for an understanding of responsibilities assumed by the grant recipient. The grant agreement will include reporting requirements, consistent with requirements contained in ARB's Funding Guidelines, Appendix 3.A, Table 3.A-9 (See link in Appendix A).

Appendix E provides applicants with a summary of the minimum materials that will need to be maintained during the life of the grant agreement for State auditing purposes.

IX. How to Submit a Proposal

This section explains how to submit a proposal for the 2016 Water-Energy Grant Program. A complete proposal consists of an electronic submittal of the proposal and all relevant attachments in the format specified in this document and the QM (See link in Appendix A).

Electronic Submittal – GRanTS Online Tool

Applicants must submit a complete proposal online by using DWR's GRanTS. GRanTS can only be accessed via the Internet Explorer or Google Chrome browsers. The online application will be available in GRanTS no later than September 6, 2016, and can be found at the following link: http://www.water.ca.gov/grants/.

The name of the proposal solicitation for the 2016 Water-Energy Grant Program in GRanTS online tool is "Water-Energy 2016."

Applicants are encouraged to watch the "How to Register" and the "How to Complete a Grant Application" videos, and read the GRanTS Public User Guide and Frequently Asked Questions, available at the link above, prior to completing the online application. For questions regarding the GRanTS online tool, please use the GRanTS contact listed in the Foreword. For applicants that do not have internet access, please contact Leslie Pierce at (916) 651-9251.

The application in GRanTS consists of multiple sections. Pull down menus, text boxes, or multiple-choice selections will be used to receive answers to the questions. GRanTS will allow applicants to type text or cut and paste information from other documents directly into a GRanTS submittal screen, but applicants should verify the cut and paste activity to be sure the field character limit has not been exceeded and text truncated.

When uploading an attachment in GRanTS, the following attachment-title naming convention must be used:

- "Att#_WE16_Agency_AttachmentName_#ofTotal#"

Per the naming convention:

- "Att#" is the attachment number.
- "WE16" is the code for this grant solicitation.
- "Agency" is an abbreviation for the applicant agency.
- "AttachmentName" is the name of the attachment as specified in Section X.

- "#ofTotal#" identifies the number of files that make up an attachment, where "#" is the number of a file and "Total#" is the total number of files submitted in the attachment.

For example, if the Attachment 3, Work Plan, for applicant Hometown Water Agency is made up of three files, the second file in the set would be named "Att3_WE16_HWA_WorkPlan_2of3."

File size for each attachment submitted via GRanTS is limited to 50 megabytes (MB). Breaking documents into logical components so that files are less than 50 MB will aid in uploading the files. Acceptable file formats are Microsoft (MS) Word, MS Excel, MS Project, or PDF. PDF files should be generated, if possible, from the electronic proposal file rather than scanned hard copy. The Attachment 2a spreadsheet(s) must be submitted as an Excel file(s).

All portions of the application must be received in GRanTS by the application deadline. **Late submittals will not be reviewed or considered for funding.**

What to Submit — Required Proposal Attachments

This section presents the required elements of a proposal for grants funded by the 2016 Water-Energy Grant Program. The GRanTS application consists of three sections, or "Tabs," as outlined in Table 4, Grant Application Checklist. All attachments must be submitted via GRanTS. Attachments 1-6 are mandatory; Attachment 7 is required only if the applicant is demonstrating that the proposal has benefits to DAC(s). This checklist is intended to help the applicant ensure that the proper information is submitted in GRanTS for the proposal. A discussion of each of these attachments is provided below.

Table 4. Grant Application Checklist	
APPLICANT INFO TAB *The following information is general and applies to the applicant and the overall proposal.* *Specific project information should be detailed on separate project tabs provided in the GRanTS application.*	
APPLICANT INFORMATION	
☐	Organization Name: Provide the name of the Agency/Organization responsible for submitting the proposal. Should the Proposal be successful, this Agency/Organization will be the Grantee.
☐	Tax ID: Tax ID is automatically displayed for registered organizations. Verify the applicant's federal tax ID number.
☐	Point of Contact: This must be a member of the applicant organization. Select "Existing Register Users" to select the registered user associated with the organization specified above. The rest of the contact information (Division, Address, e-mail, etc.) are auto-populated once the above registered user is selected. Select "Add New User" to add an unregistered user. Please select Division (address will be auto populated) and type the First Name, Last Name, Phone (Direct), and E-mail of the new user. The e-mail address will be the new user's login name.
☐	Point of Contact Position Title: Enter position title.
☐	Proposal Name: Provide the title of the proposal (maximum character limit: 150).
☐	Proposal Objective: Describe the proposal objectives(s) (maximum character limit: 500).
PROPOSAL BUDGET *The following budget items should be taken from Attachment 5, where applicable.*	
☐	Other Contribution: Provide the amount of other funds not included in the categories as listed below. If there is no other contribution, enter zero.
☐	Local Contribution (Cost Share): Provide the total cost share that will be committed to the Proposal. If none, enter zeroes.
☐	Federal Contribution: Enter federal funds being used. If none, enter zeroes.

Table 4. Grant Application Checklist	
☐	In-kind Contribution: Provide the total amount of in-kind services in dollars. In-kind contribution refers to work performed by the grantee and may be considered as cost share. If there is no in-kind contribution, then enter zeroes in this field.
☐	Amount Requested (Grant Funds Requested): Provide the amount of total grant funds requested.
☐	Total Proposal Cost: Total proposal cost in dollars is automatically calculated based on the contribution amounts entered above. This amount must agree with the total proposal cost shown in Attachment 4.
PROPOSAL GEOGRAPHIC INFORMATION *GRanTS requests latitude and longitude in degrees, minutes, and seconds.* *You may use converters on the Web, such as http://transition.fcc.gov/mb/audio/bickel/DDDMMSS-decimal.html.*	
☐	Latitude: Enter the latitude at the location that best represents the center of the benefit area.
☐	Longitude: Enter the longitude at the location that best represents the center of the benefit area.
☐	Longitude/Latitude Clarification: Only use if necessary (maximum character limit: 250).
☐	Location: Provide a short description of the benefit area, if needed (maximum character limit: 100).
☐	County(ies): Provide the county in which the project(s) is located. If the project covers multiple counties hold the control key down and select all that apply.
☐	Groundwater Basins: Provide the groundwater basin(s) as listed in the current version of DWR Bulletin 118 (http://www.water.ca.gov/groundwater/bulletin118/gwbasins.cfm), in which your project is located. For proposals covering multiple groundwater basins, hold down the Ctrl key and select all that apply.
☐	Hydrologic Region(s): Provide the hydrologic region in which your project(s) is/are located. For proposals covering multiple hydrologic regions, hold down the Ctrl key and select all that apply.
☐	Watershed(s): Provide the name of the watershed in which the project is located (maximum character limit: 250). A map of California watersheds can be found at the following link: http://www.conservation.ca.gov/dlrp/wp/Documents/CALFED_Watershed_Map[1].pdf. If your Proposal covers multiple watersheds, you may only provide one "Unique Watershed Number" as listed on the watershed map.
LEGISLATIVE INFORMATION	
☐	Enter the State Assembly, State Senate, and U.S. Congressional Districts in which the project(s) is/are located (use district numbers only, not the name of the Legislator). For project(s) that include more than one district, hold down the Ctrl key and select all that apply.
PROJECTS TAB *This section contains information about the projects contained in the proposal.* *Each project in the proposal should be detailed on a separate Project Tab. Applicants may generate as many project tabs as are necessary.* *The following questions will be used to gather information on each specific project.*	
PROJECT INFORMATION	
☐	Project Name: Provide the project name (maximum character limit: 125 characters).
☐	Implementing Organization: Select the implementing organization.
☐	Secondary Implementing Organization: (maximum character limit: 125 characters).
☐	Proposed Start Date: Enter the date the project will begin.

Table 4. Grant Application Checklist	
☐	Proposed End Date: Enter the date the project will be completed.
☐	Scope Of Work: Leave blank.
☐	Project Description: Leave bank.
☐	Project Objective: Leave blank.
PROJECT BENEFIT INFORMATION *Please do not enter any information into GRanTS for the following Project Benefit questions.* *They are standard GRanTS questions and cannot be removed, but are unnecessary for this Grant Application.*	
☐	Benefit Level: Leave blank.
☐	Benefit Type: Leave blank.
☐	Description: Leave blank.
☐	Measurement: Leave blank.
PROJECT BUDGET *The following budget items should be taken from Attachment 4.*	
☐	Use the "Copy Budget data from Applicant Info" feature to populate previously entered data. The sum of the budget items must agree with the total project budget.
PROJECT GEOGRAPHIC INFORMATION	
☐	Enter the geographical information for each project (latitude and longitude in degrees, minutes, and seconds).
LEGISLATIVE INFORMATION	
☐	If only one project is being proposed, use the "Copy Legislative data from Applicant Info" feature to populate previously entered data. Otherwise, enter the legislative information for each project in the same manner as described for the Applicant Information Tab. For projects covering more than one district, hold down the Ctrl key and select all that apply.
ADDITIONAL INFORMATION TAB *The answers to these questions will be used in processing the application.*	
☐	Q1. Project Representative: Provide the name and contact information of the person authorized to execute the grant agreement for the applicant. Persons that are subcontractors to be paid by the grant cannot be listed as the Project Representative.
☐	Q2. Project Manager: Provide the name and contact information of the Project Manager from the applicant agency or organization that will be the day-to-day contact on this proposal.
☐	Q3. Applicant Information: Provide the agency name, address, city, state and zip code of the applicant submitting the proposal.
☐	Q4. Benefits a Disadvantaged Community: Select "Yes" if the applicant is claiming that the proposal provides sufficient benefit to a DAC, such that the DAC program preference should be applied. If yes, Attachment 7 must be submitted.
☐	Q5. DAC Census Tract(s): If the project benefits a DAC provide the census tract number(s) that are benefitting.
☐	Q6. DAC Zip Code(s): If the project benefits a DAC provide the zip code(s) that are benefitting.
☐	Q7. Eligibility: List the urban and agricultural water suppliers that will receive funding from the proposed grant. Please provide the agency name, a contact phone number and email address. If there are none, enter "not applicable."

Table 4. Grant Application Checklist	
☐	Q8. Eligibility: Is the applicant a surface water diverter? If yes, has the applicant submitted to the SWRCB their surface water diversion reports in compliance with requirements outlined in Parts 5.1 (commencing with §5100) of Division 2 of the Water Code? If not, explain and provide the anticipated date for meeting the requirements. If the applicant is not a surface water diverter, please enter "not applicable.".
☐	Q9. Water Savings (gallons) over Total Cost ($): Provide Water Savings in Gallons/Total Project Cost (Attachment 2a Workbook, Program Summary tab, Cell C31).
☐	Q10. Total Energy Savings (kWh) over Total Cost ($): Provide Energy Savings in kWh/Total Project Cost (Attachment 2a Workbook, Program Summary tab, Cell C28).
☐	Q11. Total GHG Emission Reductions (MTCO2e) over Total Cost ($): Provide Grand Total GHG Emission Reductions in $MTCO_2e$/Total Project Cost (Attachment 2a Workbook, Program Summary tab, Cell C29).

APPLICATION ATTACHMENTS TAB

Provide the attachments listed below by attaching files to the GRanTS application.

When attaching files, please use the naming convention found in Section X.

Requirements for information to be included in these attachments are found in the Attachment Instructions below.

For instructions on attaching files, please refer to the GRanTS User Manual.

Attachment #		Attachment Title	Requirements
☐	Attachment 1	Authorization and Eligibility Requirements	Mandatory
☐	Attachment 2a	Water and Energy Savings and Greenhouse Gas Calculations (MS Excel files only.)	Mandatory
☐	Attachment 2b	Attachment 2 Documentation (Files can be MS Excel, MS Word, PDF format)	Mandatory
☐	Attachment 3	Work Plan/Project Map(s)	Mandatory
☐	Attachment 4	Budget	Mandatory
☐	Attachment 5	Schedule	Mandatory
☐	Attachment 6	Project Monitoring	Mandatory
☐	Attachment 7	Benefits a Disadvantaged Community	Include only if proposal claims DAC Program preference.

X. Attachment Instructions

Within the instructions for each attachment there may be reference to external forms, worksheets, or tools. All external items can be accessed from the Water-Energy website referenced in the Foreword. A discussion of the contents for each attachment is provided below.

Attachment 1. Authorization and Eligibility Requirements

Attachment 1 consists of authorization and eligibility documentation in multiple files. For the "AttachmentName" in the naming convention of GRanTS, see Table 5.

Table 5. Attachment 1 Documents and AttachmentName	
Documents	**AttachmentName**
Authorizing Documentation	AuthDoc
Eligible Applicant Documentation	EligDoc
Groundwater Management	GWM
Surface Water Diversion	SWD
Certification for Compliance with Water Metering Requirements	WMC

Authorizing Documentation

The applicant must provide a copy of documentation, such as a resolution adopted by the applicant's governing body, designating an authorized representative to (1) submit a proposal for the 2016 Water-Energy Grant, (2) enter into an agreement with the State of California, and (3) sign invoices. Note that the authorized representative may not be a consultant or subcontractor. The following text box provides an example resolution.

RESOLUTION NO. _____

Resolved by the *<Insert name of governing body, city council, organization, or other>* of the *<Insert name of agency, city council, organization, or other>*, that application be made to the California Department of Water Resources to obtain a 2016 Water-Energy Grant pursuant to **Senate Bill (SB) 101, 3860-101-3228 Section 13**, and to enter into an agreement to receive a grant for the: *<Insert name of Proposal>*. The *<Insert title – Presiding Officer, President, Agency Manager, or other officer>* of the *<Insert name of agency , city, county, organization, or other>*, or designee, is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, execute a grant agreement and any amendments thereto, and sign invoices with California Department of Water Resources.

Passed and adopted at a meeting of the *<Insert name of agency, city, county, organization, or other>* on *<Insert date>*.

Authorized Original Signature: _____

Printed Name: _____

Title: _____

Clerk/Secretary: _____

If the authorizing documentation is not available by the application due date, list the anticipated date the documentation will be submitted to DWR. The authorizing documentation must be submitted to the following address no later than December 15, 2016:

Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236-0001
Attn: IRWM Financial Assistance Branch
Water-Energy Grant Program

Eligible Applicant Documentation

Eligible applicants are local agencies, joint powers authorities, or nonprofit organizations. The applicant must provide a written statement (and additional information if needed) containing the appropriate information, as follows:

- Is the applicant a local agency, joint powers authorities, or nonprofit organization, as defined in Appendix B? Please explain.
- What is the statutory or other legal authority under which the applicant was formed and is authorized to operate?
- Does the applicant have legal authority to enter into a grant agreement with the State of California?
- Describe any legal agreements among partner agencies and/or organizations that ensure performance of the project and tracking of funds.

Eligibility Documentation

Urban and Agricultural Water Management Compliance

DWR will confirm that urban and agricultural water suppliers have submitted the applicable water management plans and that DWR has verified that the plans meet the relevant requirements.

Groundwater Management Compliance

Upload the following documents to GRanTS for projects that directly affect groundwater levels:

- Provide the agency name and contact information responsible for project implementation.

- Project location and the implementing agency's service area boundary. Project latitude and longitude coordinates and a service area boundary GIS shape file must be provided.
- Name of groundwater basin that each project overlies. State the basin priority as determined by the CASGEM Program.
- Applicant or their subcontractor water supplier must describe that they are aware of or involved in SGMA efforts in the groundwater basin, and must provide a description or demonstration that their project is consistent with the SGMA provisions.
- Applicant or their subcontractor water supplier must demonstrate that they meet one of the following conditions (Water Code §10753.7(b)(1)):
  - → The project will be operated in accordance to the requirements of an adjudication of water rights in the subject groundwater basin.
  - → The project is located in a groundwater basin which has a GWMP that was adopted before January 1, 2015 and compiles with Water Code §10753.7. If a project is located in a groundwater basin designated high or medium priority by DWR, and a GWMP was not adopted by January 1, 2015, then the project is not eligible to receive funding (Water Code §10750.1(a)).
  - → The applicant or their subcontractor water supplier will participate or consent to be subject to a GWMP, basin-wide management plan, or other IRWM program or plan that meets the requirements of Water Code §10753.7.
  - → For projects located in low or very low priority groundwater basins, as designated by DWR, without an existing GWMP, the applicant or their subcontractor water supplier must commit to adopting, within 1-year of the grant application submittal date, a GWMP that meets the requirements of Water Code §10753.7.
- Applicant or their subcontractor water supplier must demonstrate that they are compliant with CASGEM, Water Code §10920.
- If the basin is a high- or medium-priority basin, please specify the name(s) of the organization(s) that is the designated monitoring entity(ies).
- If there is no monitoring entity, please indicate whether the implementing agency is an eligible monitoring entity per Water Code §10927.
- If the implementing agency is in the process of becoming a monitoring entity, please discuss the current status and list any issues that need to be resolved for it to become a monitoring entity.

Surface Water Diverters Compliance

If the answer to "Q8. Eligibility: Is the applicant a surface water diverter?" in GRanTS is yes, upload a file(s) called "SWD" that provides SWRCB verification.

Water Metering Requirement Compliance

For the "AttachmentName" in the naming convention of GRanTS, use "WMC" for this attachment. Applicants, who are urban water suppliers, must provide documentation that they are in compliance with Water Meter (Water Code §525 et seq.) requirements. The Water Meter Compliance Self Certification form and instructions can be found at the link provided in Appendix A. The Water Meter Compliance Self Certification form must be filled out, signed, and uploaded to GRanTS.

Attachments 2a & 2b. Greenhouse Gas Quantification Methodology

Use "WEGHG-A" and "WEGHG-B" for the "AttachmentName" in the naming convention of GRanTS for this attachment.

GHG emission reductions must be determined in accordance with the QM. To complete Attachments 2a and 2b, applicants must use the QM and accompanying calculator which may be found at the ARB links listed in Appendix A.

Attachment 3. Work Plan

For the "AttachmentName" in the naming convention of GRanTS, use "Work Plan" for this attachment.

The work plan must be consistent with the schedule and support the budget. The level of detail must be sufficient for the work plan to function as the scope of work for the agreement. It must also allow reviewers to understand the level of the work effort being performed and substantiate the cost estimates in the budget. The work plan should include, at a minimum the items described in Table 2 (Review Criteria) and a map that shows the project location(s) and jurisdictional/service boundary.

Use the template in Appendix D as the basis for developing the Proposal Work Plan.

Attachment 4. Budget

For the "AttachmentName" in the naming convention of GRanTS, use "Budget" for this attachment.

The budget must be based on and support the work plan. The budget attachment consists of a budget table (Table 8) and a basis of estimate that briefly explains how the budget estimate was developed. This includes supporting information, such as Personnel Services labor categories, hourly rates, labor time estimates, and Professional and Consultant Services subcontractor quotes. While subcontractor quotes may include hourly rates and hour estimates, other forms of cost estimation may be appropriate; however, applicants must substantiate the reasonableness and logic for using a particular form of estimate.

The sources for Cost Share funding must be provided. Applicants are encouraged to limit direct project administrative expenses to 5 percent of the total proposal costs.

Table 8. Budget Table Example

Line Item	Requested Grant Funding	Cost Share	Total
Personnel Services These individuals must be employed by the Grantee. If CEQA, construction services, or other work is done by Grantee's employee, costs are incurred in this category.	$	$	**$**
Land/Easement Acquisition	$	$	**$**
Grantee Expenses All Grantee expenses directly associated with the project. Examples: Document Reproduction, Office Supplies, Office Expenses, Permit Fees, materials, equipment. If an item is described as "Equipment" it must be followed by "less than $5,000" in this category.	$	$	**$**
Equipment Itemize each piece of equipment over $5,000	$	$	**$**
Professional and Consultant Services List type of services contracted out. Examples: Pre-Design Services, CEQA/NEPA, Site Survey, Design Plans and Specifications, Report Preparation, etc.	$	$	**$**
Construction/Implementation Costs	$	$	**$**
TOTAL	**$**	**$**	**$**

Attachment 5. Schedule

For the "AttachmentName" in the naming convention of GRanTS, use "Schedule" for this attachment.

Provide a detailed realistic schedule showing the timeline for each task shown on the work plan. Assume a realistic start date for your proposed project of March 2017. All work must be completed by June 30, 2019. The work plan and schedule must be consistent throughout the proposal. Explain how the proposed work will be ready to proceed when funding is secured, including time to obtain environmental and other permits and complete any CEQA documentation. For multi-project proposals, please submit a schedule for each project and a summary schedule for the proposal.

Attachment 6. Proposal Monitoring

For the "AttachmentName" in the naming convention of GRanTS, use "Monitor" for this attachment.

This attachment is limited to 3,000 characters. Please describe how the project(s) will be monitored to provide the data required to meet the reporting requirements in ARB's Funding Guidelines, Appendix 3.A, Table 3.A-9 (See Appendix A). These data must be reported by zip code, census tract, assembly district, and senate district and include, but are not limited to, water savings, energy savings, GHG emission reductions, and benefits to a DAC resulting from the project. The parameters that will be monitored need to be quantifiable. Only a general methodology for monitoring is needed for this attachment. Post-construction reporting may be a requirement for successful applications. Details of the monitoring program will be finalized through the grant agreement process.

Attachment 7. Disadvantaged Community

For the "AttachmentName" in the naming convention of GRanTS, use "DAC" for this attachment. Attachment 7 is required only for applicants claiming DAC Program Preference.

For projects claiming DAC Program preference, the projects must meet the following three conditions:

- The benefit(s) must be direct, meaningful, and assured for the DAC.
- The benefit(s) must address an important community need.
- At least 75% of the grant funding within a proposal must be allocated to projects providing benefits to DAC residents

For a project claiming DAC Program Preference, the project must meet the DAC criteria as shown in Table 9.

Table 9. Disadvantaged Communities Criteria
If your project will provide a benefit to a disadvantaged community, you must: *Answer "Yes" to one of the Questions in Part A* ***AND*** *Answer the Questions in Part B.*
Part A – Project Location
Question 1. Does the project provide water and energy use efficiency incentives or other services that reduce energy use to water users located with a physical address in a DAC census tract? *If the answer is yes, go to Part B. If the answer is no, go to Question 2.*
Question 2. If the answer to Question 1 is no, will the project improve, repair, or replace water system infrastructure for water and energy savings within a DAC? *If the answer is yes, go to Part B. If the answer is no, go to Question 3.*
Question 3. If the answer to Question 2 is no, does the project includes recruitment, agreements, policies or other approaches that result in at least 25% of project work hours performed by residents of a DAC? *If the answer is yes, go to Part B. If the answer is no, go to Question 4.*
Question 4. Does the project include recruitment, agreements, policies or other approaches that result in at least 10% of project work hours performed by residents of a DAC participating in job training programs which lead to industry-recognized credentials or certifications? *If the answer is yes, go to Part B. If the answer is no, your project does not qualify for DAC Program preference.*
Part B – Meaningfully Address An Important Community Need
Question 5. What is the community need your project addresses?
Question 6. How did you identify the community need? Choose one from the list below.
A. Considered the factors in CalEnviroScreen that caused an area to be defined as a disadvantaged community.
B. Hosted community meetings to solicit local input from a disadvantaged community.
C. Received documentation of disadvantaged community support (e.g., letters or emails).
D. Referred to the list of common needs in Table 2-2 as outlined in ARB's Funding Guidelines[1].
Question 7. Describe how your project and the resulting benefit will address the community need.

[1] California Air Resources Board. December 2015. *Funding Guidelines for Agencies that Administer California Climate Investments.* Volume 2, Table 2-2, pages 2-13 and 2-14.

In order to demonstrate that the Proposal should be given DAC Program Preference an applicant must describe how the benefit(s) the project provides is direct, meaningful, and assured for the DAC; and how the benefit(s) meaningfully addresses an important community need. To determine a community need applicants can use a variety of approaches, such as: looking at the factors in CalEnviroScreen that caused an area to be defined as a DAC; hosting community meetings to get local input; or receiving documentation of community support (e.g., letters or emails). Applicants may also refer to the list of common needs in Table 2-2 of ARB's Funding Guidelines for Agencies that Administer California Climate Investments, which can be found at the link listed in Appendix A.

If the project(s) occurs in census tracts that are not designated DAC, at least 75% of the grant funds for that proposal need to be allocated to the project(s) providing benefits to DAC residents to receive DAC Program Preference.

In addition, the applicant must provide a map that includes project locations in relation to DAC census tracts as identified by CalEnviroScreen 2.0 tool. No other tool or method of defining a DAC can be used.

Attachment 7 must include: (1) a narrative description and (2) a map; if needed, an applicant may provide additional documents, such as letters or reference materials, as separate files.

1. A narrative description (limited to no more than 3,000 characters) that includes:

   - A brief project summary that identifies the benefit(s) provided to the DAC
   - The percentage of grant funds that will be allocated to DAC and non-DAC areas, if applicable, and a description of how the applicant will track the funding allocation
   - A description of the community need your project addresses, how the benefit(s) significantly addresses the important community need, and how that community need was identified
   - A statement of which DAC criteria in Table 9 – Part A the project meets and an explanation of why.

2. A map that displays:

   - The project location(s)
   - The DAC census tract(s).
   - Percentage of grant funding providing benefits to the DAC.

There are two options for creating the required map using the CalEnviroScreen 2.0 Tool. For ArcGIS or Google Map users "Option 1" is available. For applicants that do not possess mapping software "Option 2" is available.

- **Option 1:** From the CalEnviroScreen link listed in Appendix A, scroll down to "SB 535 Interactive Maps" and download the "SB 535 ArcGIS Geodatabase" or "SB 535 Google Earth file." Once the Geodatabase is downloaded, unzipped, and the feature class "SB535_CES2_0_Top25Pct" is added to the Geographic Information System (GIS), zoom into the area of interest and then include applicable layers to show the proposed project location(s) relative to the DAC census tracts in CalEnviroScreen 2.0.

  The applicant must submit, as part of Attachment 7, all applicable GIS files (i.e. shapefiles) used to reproduce the map.

- **Option 2:** From the CalEnviroScreen link listed in Appendix A, scroll down to "SB 535 Interactive Maps" and click on the link for "SB 535 Online Mapping Application of the Disadvantaged Communities." Use the mapping application to zoom/pan, as appropriate, to the area of interest; then, either "Print" (for use as a basemap) and add the project location(s) to the basemap, or insert a screenshot of the area of interest into any basic drawing/word-processing program and appropriately annotate the basemap with the project location(s) relative to the DAC census tracts in CalEnviroScreen 2.0

Appendix A: Web Links

DWR

Home Page: http://www.water.ca.gov/
Water-Energy Grant: http://www.water.ca.gov/waterenergygrant/index.cfm
CASGEM: http://www.water.ca.gov/groundwater/casgem/
Water Metering Compliance Form: http://www.water.ca.gov/waterenergygrant/templatesforms.cfm
Water Use Efficiency: http://www.water.ca.gov/wateruseefficiency/
Urban Water Management Plan Review Process:
http://www.water.ca.gov/urbanwatermanagement/uwmp2015.cfm
Agriculture Water Management Plan Review Process:
http://www.water.ca.gov/wateruseefficiency/agricultural/docs/Approved%20Final%202015%20AWMP%20Guidebook%20June%202015.pdf

ARB

Funding Guidelines for Administering Agencies:
http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/fundingguidelines.htm
Greenhouse Gas Emission Calculator for FY 2015-2016 for DWR:
http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm
Greenhouse Gas Quantification Methodology for the Department of Water Resources Water-Energy Grant Program:
http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm

Assembly Bill – 52 Native Americans: California Environmental Quality Act

http://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill_id=201320140AB52

CalEnviroScreen Version 2.0

Map: http://oehha.maps.arcgis.com/apps/Viewer/index.html?appid=dae2fb1e42674c12a04a2b302a080598
GIS files: http://www.calepa.ca.gov/EnvJustice/GHGInvest/

CEQA

State Clearinghouse Handbook: https://www.opr.ca.gov/docs/SCH_Handbook_2012.pdf

Department of Industrial Relations

Labor Compliance: http://www.dir.ca.gov/

SWRCB

Surface water diversion: http://www.waterboards.ca.gov/waterrights/water_issues/programs/diversion_use/
Monitoring: http://www.ceden.org/

Tribal Consultation

Office of Planning and Research Tribal & CEQA Resources: https://www.opr.ca.gov/s_ab52.php
Karuk Tribal Consultation Policy: http://www.karuk.us/images/docs/hr-files/15-03-03_consultation_policy_FINAL.pdf

Appendix B: Definitions

Agricultural Water Supplier: a water supplier, either publicly or privately owned, that provides water to 10,000 or more irrigated acres, excluding the acreage that receives recycled water; also includes a supplier or contractor for water, regardless of the basis of right, that distributes or sells water for ultimate resale to customers (Water Code §10608.12(a)).

Applicant: the entity that is formally submitting a grant proposal. This is the same entity that would enter into an agreement with the State should the grant proposal be funded. The grant applicant must be a local agency, joint powers authority, or non-profit organization.

Application: the electronic submission to DWR that requests grant funding for a proposal that the applicant intends to implement.

CalEnviroScreen 2.0: a screening methodology that can be used to help identify California communities that are disproportionately burdened by multiple sources of pollution.

Cost Share: any funds not awarded through the 2016 Water-Energy Grant Program solicitation that are used on this project.

Carbon Dioxide Equivalent: a metric measure used to compare the emissions from various greenhouse gases based on their global warming potential. The carbon dioxide equivalent for a gas is derived by multiplying the tons of the gas by the associated global warming potential.

Commercial Entities: light industry and light or non-manufacturing business establishments that provide or distributes a product or service, including food processing plants, retail services, office buildings, restaurants, dry cleaners, and other consumer-oriented services or businesses. This also includes employee uses and recreational facilities (temporary lodging) and may include institutional or governmental use, as well.

Disadvantaged Community: any community identified on the CalEnviroScreen 2.0 tool with a score of 75 percent or higher as defined by http://www.calepa.ca.gov/EnvJustice/GHGInvest/.

Greenhouse Gas or GHG: a gas in the atmosphere that absorbs and emits radiation within the thermal infrared range. The primary greenhouse gases in Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.

Implementing Agency: the applicant or other entity responsible for implementing a project or proposal.

Institutional Entities: any water-using establishment dedicated to public service. This could be higher education institutions, schools, courts, churches, hospitals, homeless or transitional housing facilities, senior centers, food banks or kitchens that serve low-income communities, government facilities, and nonprofit research institutions.

Joint Powers Authority: an entity permitted under Section 6502 of the Government Code, whereby two or more public authorities, such as local, state, or federal governments, counties, cities, federally recognized Native American tribes, or special districts, create another legal entity or establish a joint approach to work on a common problem, fund a project, or act as a representative body for a specific activity, and which may jointly exercise any power common to them all.

Local Agency: any city, county, city and county, special district, joint powers authority, or other political subdivision of the State; a public utility, as defined in Public Utilities Code §216; or a mutual water company, as defined in Public Utilities Code §2725.

$MTCO_2e$: metric tons of carbon dioxide equivalent.

Non-Profit Organization: any non-profit corporation qualified to do business in California under §501(c)(3) of the Internal Revenue Code.

Program: a suite of projects or actions.

Regional Project: a project that is consistent with an adopted integrated regional water management plan as defined in Water Code §10537.

Reimbursable Costs: costs incurred after the date of final grant award that may be repaid by State funds. Reimbursable costs include the reasonable costs of engineering, design, land and easement, legal fees, preparation of environmental documentation, environmental mitigation, and project implementation, including administrative costs and incidental costs directly related to the project. Cost share eligibility will be held to the same definition. Costs that are not reimbursable with grant funding include, but are not limited to:

- Costs for preparing and filing a grant application belonging to another solicitation
- Operation and maintenance costs, including post-construction project performance and monitoring costs
- Purchase of equipment not an integral part of the project
- Establishing a reserve fund
- Purchase of water supplies
- Replacement of existing funding sources for ongoing programs
- Support of existing punitive regulatory agency requirements and/or mandates in response to negligent behavior
- Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of the project, as set forth and detailed by engineering and feasibility studies
- Payment of principal or interest on existing indebtedness, or any interest payments, unless the debt is incurred after the effective date of a grant award with the State, and the granting agency agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise reimbursable project costs
- Overhead not directly related to project costs
- Meals, food items, or refreshments
- Costs associated with travel

Residential: indoor water used in single family or multifamily dwelling unit(s).

Scoring Criteria: set of requirements used by DWR to evaluate a proposal for a given program or for funding.

Selection Panel: group of DWR representatives at the supervisory or management level assembled to review and consider proposal evaluations and scores developed by the Technical Reviewers and to make initial funding recommendations.

Total Project Cost: the total project cost includes the GGRF Funds requested, and may include any other associated costs to complete the project, such as cost share or grant funding provided by other sources. If grant funding from other sources is included in the total project cost, those sources must be identified.

Urban Water Supplier: a supplier providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually (Water Code §10617).

Appendix C:
Native American Tribe Notification

In 2014, the legislature added new requirements regarding tribal cultural resources in AB 52 (Gatto). Public Resources Code §21080.3.1 requires the CEQA lead agency to consider project effects on tribal cultural resources and to conduct consultation with California Native American tribes. Before releasing an Environmental Impact Report, Negative Declaration or Mitigated Negative Declaration, lead agencies must give notice to California Native American tribes that have submitted a written request for notice and that are traditionally and culturally affiliated with the geographic area of the project.

Additional information on tribal consultation and AB 52 can be found at the links in Appendix A, which includes an example Tribal Consultation Policy that was developed by the Karuk Tribe and guidance from the Office of Planning and Research.

Contact information for the Native American Heritage Commission is as follows:

Executive Secretary
Native American Heritage Commission
1550 Harbor Blvd. Suite 100
West Sacramento, California 95691
(916) 373-3710
(916) 373-5471
nahc@nahc.ca.gov
http://www.nahc.ca.gov/

Appendix D:
Work Plan

This is an example of a typical scope of work outline. Project tasks may include sub-tasks if necessary, and must include appropriate deliverables.

Description of the Project:

[Briefly describe the project.]

Project Map:

[Display project location(s) and jurisdictional/service boundary]

Project Proponent/Partner (if applicable):

[List the project partner/proponent who will receive funding through this grant.]

WORK PLAN TASKS

Task 1: Direct Project Administration and Reporting:

This task includes management of the grant agreement in compliance with grant requirements, and preparation and submission of supporting documents and coordination with the Grantee.

[Describe the work.]

A few examples of activities for this task include:

- Progress Reports and Invoicing
- Draft and Final Project Report
- Labor Compliance Program
- Reporting required to meet ARB requirements

Example of Deliverables: preparation of invoices, submission of quarterly and final reports, and other deliverables as required.

Task 2: Easement(s):

The purpose of this task is acquiring easement(s) for project work, if necessary.

[Describe the work.]

One example of an activity for this task includes:

- Acquiring easement for project site

Example of Deliverables: acquisition of easement(s).

Task 3. Project Evaluation/Design/Engineering

This task covers the basis of design, design criteria, and construction/implementation methods that will be evaluated for the project components. This task completes the final design plans and specifications.

[Describe the work.]

Examples of activities for this task include:

- Performing preliminary and final design analyses
- Developing preliminary and final plans and specifications
- Developing preliminary and final construction cost estimates

Example of Deliverables: 100-percent Plans and Specifications or 100-percent Work Plan

Task 4: Environmental Documentation:

The objective of this task is to identify and provide project-specific documents to comply with CEQA. If applicable, include NEPA documents.

[Describe the work.]

Example of Deliverables: Approved and adopted CEQA documentation and NEPA, if applicable.

Task 5: Permitting:

This task involves acquisition of permits for the project, if applicable.

[Describe the work.]

Example of Deliverables: Required project permits, if applicable.

Task 6: Proposal Monitoring Plan:

This task involves preparation of the Proposal Monitoring Plan. Discuss the goal(s) of the monitoring, how the monitoring will be accomplished, frequency, and monitoring location(s). The monitoring must provide the data required to meet the reporting requirements in ARB's Funding Guidelines, Appendix 3.A, Table 3.A-9. These data must be reported by zip code, census tract, assembly district and senate district and include, but are not limited to, water savings, energy savings, GHG emission reductions, and project benefits to DACs resulting from the project. The monitoring plan should result in data collected that allows for a comparison of baseline and post-project benefits.

[Describe the work.]

Example of Deliverables: proposal monitoring plan.

Task 7: Project Construction/Implementation:

This task involves project construction contracting, construction or implementation, and construction administration. This task should list and explain the construction/implementation activities of the project, including the quantities of components installed, length of pipe, area of improvement, and so forth.

[Describe the work.]

Examples of activities for this task include:

- Construction Contracting (bid process, notice of award, notice to proceed, notice of completion, and so forth)
- Construction Administration activities (managing contractors, preparing change orders, managing budgets, etc.)
- Description of project construction/implementation activities(mobilization/construction/ demobilization)

Examples of Deliverables: Advertisement for bids, bid results, construction contracting and award, construction/implementation photographs, project completion verification, and so forth.

Appendix E:
Guidelines For Grantees

The State of California has the right to review project documents and conduct audits during project implementation and over the project life. The list below details the documents/records that State Auditors would need to review in the event of a grant or loan being audited. Grantees should ensure that such records are maintained for each funded project. Minimum records retention requirements are contained in ARB's Funding Guidelines, Appendix 3, (See Appendix A).

Internal Controls

- Organization chart (e.g., Agency's overall organization chart and organization chart for the grant or loan funded program/project)
- Written internal procedures and flowcharts for the following:
  - → Receipts and deposits
  - → Disbursements
  - → State reimbursement requests
  - → Grant or loan expenditure tracking
  - → Guidelines, policy, and procedures on grant or loan funded program/project
- Audit reports of the agency's internal control structure and/or financial statements within the last two years
- Prior audit reports on grant or loan funded program/project
- Grants or Loans
- Original grant or loan agreement, any amendment(s), and budget modification documents
- A listing of all bond-funded grants or loans received from the State
- A listing of all other funding sources for each program/project

Contracts

- All subcontractor and consultant contracts and related or partners documents, if applicable
- Contracts between the agency and member agencies, as related to the grant funded program/project

Invoices

- Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the grant
- Documentation linking subcontractor invoices to State reimbursement, requests and related grant budget line items
- Reimbursement requests submitted to the State for the grant

Cash Documents

- Receipts (copies of warrants) showing payments received from the State
- Deposit slips (or bank statements) showing deposit of the payments received from the State
- Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans
- Bank statements showing the deposit of the receipts

Accounting Records

- Ledgers showing entries for or loan receipts and cash disbursements
- Ledgers showing receipts and cash disbursement entries of other funding sources
- Bridging documents that tie the general ledger to requests for grant reimbursement

Administration Costs

- Supporting documents showing the calculation of administration costs
- Personnel
- List of all contractors and agency staff that worked on the grant or loan funded program/project
- Payroll records, including timesheets for contractor staff and the agency personnel who provided services charged to the program

Project Files

- All supporting documentation maintained in the project files
- All grant-related correspondence

CALIFORNIA NATURAL RESOURCES AGENCY

DEPARTMENT OF WATER RESOURCES

DIVISION OF INTEGRATED REGIONAL WATER MANAGEMENT