

PUBLIC WORKSHOP

Draft 2008 Water Use Efficiency Proposal Solicitation Package (PSP)

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Department of Water Resources



Workshop Agenda

- Introductions
- Purpose of the Workshop
- Draft WUE PSP
 - Contents
 - Requirements
 - Funding
 - Process
- Q/A

2008 Draft PSP Materials

- Draft 2008 WUE PSP & Exhibits
- PSP Frequently Asked Questions
- Reference 1- Targeted Benefits
- Reference 2- Monitoring Guidelines
- Reference 3- Accessing Census Data
- Training Manual for On-Line Application by FFAST
- Application Attachment Templates for Steps 1&2
on DWR Web site at:

www.owue.water.ca.gov/finance/index.cfm

Contents of the PSP

- Eligibility
 - Eligible Applicant
 - Eligible Project
 - State benefit
 - Cost Share
 - Intellectual Interest, Right to Privacy, Conflict of Interest
- Funding Rules
- Project Priority
- Funding Programs
- Agreement Requirements
- Schedule
- Review, Selection, Award Process
- Proposal Submittal (what, where, when)

Eligibility Requirements

- Must be an eligible applicant
- Must submit an eligible project
- Provide State benefit
- Provide local cost share (Section A only)
- Submitted application is public information
- Meet Urban Water Management Planning Act requirement, if applicable

Urban Water Management Planning Act

- If you intend to apply for the grant and are subject to UWMP Act contact DWR's
Dave Todd. (916) 651-7027.
- Must identify all co-applicants & cooperators in Step 1
- Subject to Requirements of AB 1420
(see page 9)

Eligible applicants

Entities involved with water management including:

- Cities, counties, cities and counties, joint power authorities, public water districts
- Non Profit Organizations
- Tribes
- Universities, Colleges, State and Federal Agencies (Section B Projects Only)
- Investor owned utilities and incorporated mutual water companies
- Other Political Subdivisions of the State

Eligible project categories

- **Section A:**

 - Local and Regional Agricultural and Urban Water Use Efficiency Implementation Projects

- **Section B:**

 - Technical assistance
 - Feasibility Studies, Pilot/Demonstration
 - Research & Development
 - Training, Education & Outreach

Eligible projects

- Eligible projects:
 - Urban BMPs
 - Landscape Task Force Recommendations
 - Agricultural EWMPs
 - Projects linked to Targeted Benefits
 - See Exhibit I of the PSP for details

Ineligible Projects- Sections A and B

- Wellhead rehabilitation
- New storage tanks providing expanded capacity
- Water supply development
- Water treatment
- Wastewater treatment
- Flood control
- Conjunctive use
- Recycled water
- Groundwater banking

Ineligible Projects- Sections A and B

- Replace existing funding sources for on-going projects
- Political advocacy
- Purchase of water
- Establishment of a reserve fund
- Applicant's litigation costs
- Projects that do not achieve water savings, improve in-stream flow and timing, improved water quantity, or water quality and energy conservation benefits to the State
- Projects required by regulation, law, or contract
- Visitor centers

Ineligible projects- Section A

- **Projects with life span of less than 10 years**
- **New construction weather-based evapotranspiration controller projects, other irrigation system devices, or software**
- **Water meter replacement, water meter for new construction (existing non-metered buildings are eligible), new landscape, and new irrigation systems**

Eligibility-State Benefits

- Section A project must provide State Benefit
- Section B projects must have potential to create State Benefit
- State Benefits defined as
 - Water saving and/or in-stream flow improvements; water quality improvement and energy conservation

Project Priority

- **First Priority:**
 - Projects that address multi-benefits such as water conservation, improvement in water quality, flow & timing, and energy
 - Projects that result in a greater water quantity being available to the Bay Delta Watershed through a reduction in either current or future diversions
 - Projects that address high priority stream-flow TBs (see Reference 1)

Project Priority-continued

- **Second Priority**
 - Projects that address medium or low priority stream-flow TBs
 - Projects that address one or more of the water quality TBs
 - Urban projects that expedite or improve landscape-related BMPs recommended by the Landscape Task Force Report, Water Smart Landscape for California

Project Priority- continued

■ **Third Priority**

- Projects not in the Bay-Delta Watershed that will result in improved local water supply reliability
- Water conservation practices and projects that will conserve energy

Eligibility- Cost share

- Section A applicants must provide local cost share
- Cost share is proportionate to the split between applicant benefits and State Benefits
- Section B applicants are not required but encouraged to provide cost share

Eligibility-Cost share

- **Locally Not Cost Effective projects:**
 - **Maximum State Share of project costs**
$$= [\text{project costs}] - [\text{local monetary benefits}] + [0.10] \times [\text{costs}]$$
- **Locally Cost Effective projects are eligible for up to 10% of project costs as State share.**

-continued

■ Cost Share Example-

- A project demonstrates state benefit by saving water
- Project costs \$100,000
- Present value of local monetary benefits is \$30,000

$$\begin{aligned}\text{Maximum State Share} &= (100,000 - 30,000) + \\ &\quad (0.1)(100,000) \\ &= \mathbf{\$80,000}\end{aligned}$$

$$\text{Minimum Local Share} = \mathbf{\$20,000}$$

Cost share-disadvantaged community

- **Disadvantaged Community may provide less local cost share:**
 - **The population served by the water from the proposed project must meet the Medium Household Income of less than \$38,000**
 - **Successful Step 1 applicants will be asked to provide documentation in Step 2**

Disadvantaged Com.-continued

- **Locally Not Cost Effective:**
 - **Maximum State share = cost – project local monetary benefits + 25% of project costs**
 - **Minimum local share = cost – State share**
- **Locally cost effective:**
 - **Maximum State share = 25% of project cost**
 - **Minimum local share = cost – State share**

Cost Share- modification

- Applicants may offer greater than calculated minimum local cost share

Other requirements

- Labor code (Agreement)
- No conflict of interest (eligibility)
- Intellectual interest (eligibility)
- Right to privacy (eligibility)
- Environmental Documentation

Geographic Scope & Duration of Projects

- Geographic Scope
 - Local, Regional, and Statewide projects contributing to water use efficiency goals
- Projects Duration
 - 1-3 years contract duration

Conflict of Interest & Confidentiality

■ Conflict of Interest

All applicants and reviewers are subject to State and Federal conflict of interest laws

■ Confidentiality

- Applicant waives any right to privacy and confidentiality once the application is signed and submitted to DWR
- Project's intellectual property belongs to the State

Labor Code Compliance

- Entities awarded grants must ensure compliance with Labor Code Compliance programs for public works projects and limitations on use of volunteer labor

Agreement requirements

- Standard terms and conditions
- Report requirements
- Resolution
- Environmental Documentation

Fund Programs

The WUE grant is structured into four Funding Programs:

- **Urban grants- \$15 M**

1. *Section A: Urban Water Use Efficiency Implementation*
\$12.81 M (85%)

2. *Section B: Urban Water Use Efficiency* \$2.26 M (15%)

- **Agricultural grants- \$20.3 M (\$5.3 M from last cycle)**

1. *Section A: Agricultural Water Use Efficiency Implementation* \$18.0 M

2. *Section B: Agricultural Water Use Efficiency* \$2.26 M

USBR funds for Ag & Urban Implementation \$1.60 M

Funding Cap

- \$3 million per project for Section A projects
- \$100,000 to \$200,000 for Section B
 - Total fund: \$35.3 million
 - 85% Section A Projects
 - 15% Section B Projects

USBR Funds

- \$1.6 M for Ag & Urban Section A
- \$300,000 per project cap
- USBR funded project subject to USBR Criteria
- USBR/DWR funded projects subject to DWR Funding Criteria

Funding rules

- Limit administration costs to 5 to 10%
- Vehicles are not eligible
- Buildings are not eligible for Section B
- Capital outlay must be exclusively tied to project benefits

PSP Process

- Two-step process
 - Step 1- Concept proposal
 - Step 2- Full proposal

Distribution of Available Funds

	Section A Total Funding	Section B Total Funding	Total
Urban Projects	\$12,750,000	\$2,250,000	\$15,000,000
Agricultural Projects	\$18,050,000	\$2,250,000	\$20,300,000
USBR Funds	\$1,600,000	0	\$1,600,000
Total	\$33,800,000	\$4,500,000	\$36,900,000

Section B Funding Allocation

	Urban Funding	Agricultural Funding	Funding Cap Per Project
Technical Assistance	\$800,000	\$800,000	\$200,000
Feasibility Studies, Pilot and Demonstration Projects	\$600,000	\$600,000	\$200,000
Research & Development	\$550,000	\$550,000	\$150,000
Training, Education & Outreach	\$300,000	\$300,000	\$100,000
Total	\$2,250,000	\$2,250,000	

Application Scoring (Maximum Points)

Proposal	Step/ Section	Benefit Points	Cost Points	Innovation Points
Concept Proposal	1/A	55	45	0
	1/B	55	40	5
Full Proposal	2/A	60	40	0
	2/B	55	40	5

Review and Selection Process

(* - Step 1&2 only)

Applications Received

Deadline Requirement-

Administrative Eligibility Review
(Legal and DWR Staff)

Conduct Eligibility Threshold Review

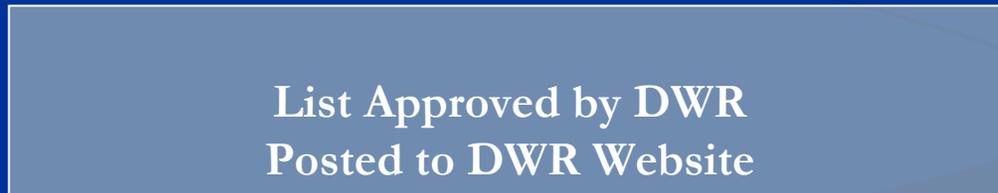
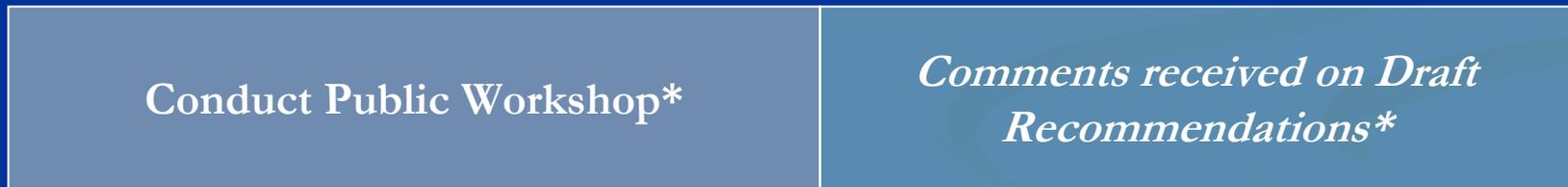
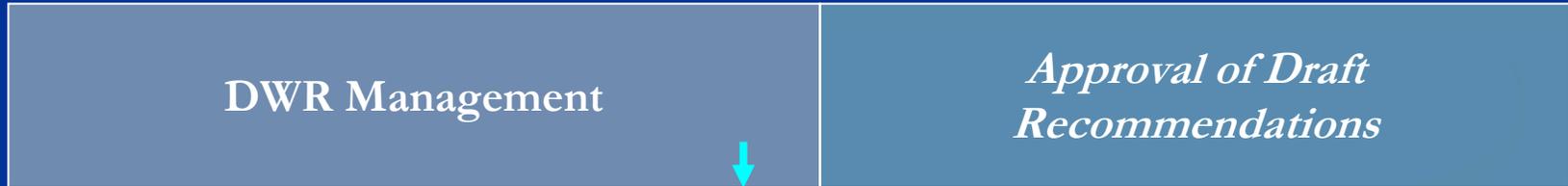
Water Use Efficiency Review Panel
(agency members, stakeholders*,
subject matter experts)

Score Proposals

DWR

*Ranks and produces
Draft Recommendations*

Review and Selection Process (continued)



Anticipated Schedule

- January 25, 2008 Draft PSP released
- February 6, 2008 Public Workshop - Fresno
- **February 7, 2008** **Public Workshop – Los Angeles**
- February 20, 2008 Public Workshop – Oakland
- February 21, 2008 Public Workshop - Sacramento
- February 22, 2008 Public Workshop - Modesto
- March 4, 2008 Public Comments due on Draft PSP
- March 4, 2008 Public Comments due on UWMP/AB1420
- March 18, 2008 Final PSP released
- April 1, 2008 Public Workshops/ LA & Sacramento
- **April 29, 2008** **Step 1 – Concept Proposals due**
- June 10, 2008 Selected proposals invited back
- **July 22, 2008** **Step 2 Full Proposals due**
- September 2, 2008 Review process completed
- September 10, 2008 Public workshop
- September 16, 2008 DWR makes final funding decision
- October 1, 2008 Statement-of-Work & contract development begin

Contents of Step 1 Concept Proposals

- On-line Application using FFAST
- Attachment 1- **Project Description & Benefits**
- Attachment 2- **Project Costs**

Step 1 Concept Proposal Submittal

- You may submit applications for each of the four Funding Programs on FFAST
- Separate applications are required for each project in each Funding Program
- **If USBR funds are requested, you must fill USBR Forms 424; 424A; & 424B**

Step 1 Concept Proposal Submittal

- Complete FFAST Application online
- Attach two files using DWR templates
 - Attachment 1-Project Description
 - Attachment 2- Project Costs

For FFAST Application Instructions visit
DWR Web site:

<http://www.owue.water.ca.gov/finance/index.cfm>

FAAST Training Manual

- Introduction to FAAST
- How to start a FAAST application
- FAAST Application Instructions
- Application Questions

<http://www.owue.water.ca.gov/finance/index.cfm>

Contents of Step 2 Proposals

required of applicants invited in Step 2

- Updated FFAST Application online
- Attachment 1- Signature Page
- Attachment 2- ROD Consistency and Priority
- Attachment 3- Technical/Scientific Merit
- Attachment 4- Project Description
- Attachment 5- Monitoring Plan
- Attachment 6 and 7-Costs and Benefits
- Attachment 8- Disadvantaged Community reduction of local cost share
- Attachment 9- Qualifications of Applicants & Cooperators
- Attachment 10- Outreach, Community Involvement & Acceptance
- Attachment 11- Innovation

Hints

- Follow instructions in the PSP
- For each attachment, read the respective section of the PSP to provide complete and concise answer

Attachment templates at:

www.owue.water.ca.gov/finance/index.cfm

**Deadline for Written Comments on
Draft PSP and UWMP/AB1420 :
5 PM on March 4, 2008**

**Attention: Baryohay Davidoff
Office of Water Use Efficiency & Transfers
Department of Water Resources
P. O. Box 942836
Sacramento, CA 94236-0001**

or

WUE@water.ca.gov

(916) 651 – 9666

For More Information

For questions on Grant Program and PSP only:

**Baryohay Davidoff, (916) 651-9666,
WUE@water.ca.gov**

For questions regarding USBR funds and forms:

Sheri Looper, (916) 978-5219

For More Information

For technical assistance to Disadvantaged Communities on development and preparation of Concept and Full Proposals:

Jessi Snyder, Self Help Enterprises

(for San Joaquin Valley Counties)

(559) 651-1000, ext 693, jessis@selfhelpenterprises.org

Dr. Stuart Style, Cal Poly San Luis Obispo

(statewide)

(805) 756-2434, sstyle@calpoly.edu

For More Information

For questions on FFAST only:

State Water Board FFAST Help Desk

1-866-434-1083,

FAAST_ADMIN@waterboards.ca.gov

Important Note: All e-mails MUST have the following identifier in the subject line:

DWR Water Use Efficiency

For More Information

For questions on Disadvantaged Communities:

David Rolph, (916) 651-9635, drolph@water.ca.gov

For questions on Tribal and Environmental Justice:

Barbara Cross, (916) 653-5150, bcross@water.ca.gov