

State of California
The Resources Agency
Department of Water Resources
Bay-Delta Office

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**DELTA, SAN JOAQUIN RIVER, AND SACRAMENTO RIVER
WATER QUALITY GRANT PROGRAM GUIDELINES**

Funded by
THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY,
FLOOD CONTROL, RIVER AND COASTAL PROTECTION
BOND ACT OF 2006



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DELTA, SAN JOAQUIN RIVER, AND SACRAMENTO RIVER
WATER QUALITY GRANT PROGRAM GUIDELINES

I. PURPOSE

The purpose of these guidelines is to establish the process and criteria that the Department of Water Resources (DWR) will use to solicit applications, evaluate proposals, and award grants under the Delta, San Joaquin River, and Sacramento River Water Quality Grant Program.

These guidelines do not include the Proposal Solicitation Packages (PSP). The PSP, containing additional detailed information, will be issued separately to obtain project proposals after these guidelines are adopted by DWR.

II. INTRODUCTION AND OVERVIEW

In 2006 the voters of California approved Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act. The act was codified in Section 1, Division 43 of the Public Resource Code (PRC). Division 43, § 75029 of the PRC earmarks the sum of \$130 million for grant projects that meet one of the following project eligibility criteria:

- Reduce or eliminate discharges of salt, dissolved organic carbon, pesticides, pathogens, and other pollutants to the San Joaquin River;
- Reduce or eliminate discharges of subsurface agricultural drain water from the west side of the San Joaquin Valley;
- Reduce or eliminate discharges of bromide, dissolved organic carbon, salt, pesticides, and pathogens from discharges to the Sacramento River;
- Reduce salinity or other pollutants at agricultural and drinking water intakes at Franks Tract and other locations in the Delta; or
- Those identified in the June 2005 Delta Region Drinking Water Quality Management Plan for the construction of the relocation of drinking water intake facilities for in-delta water users.

The \$130 million represents total available funding prior to necessary grant issuance and administrative costs. The Department of Finance will hold 3.5% of the bond fund for bond issuance. DWR will retain 5% of funds to administer the grant program. All funding amounts listed in the following paragraphs represent projected funding after deductions for these costs.

San Joaquin River projects are intended to reduce salt, dissolved organic carbon, pesticides, pathogens, and other pollutants. Approximately \$10.6 million will be directed toward these projects.

A minimum of \$36.6 million is designated for salinity reduction projects of subsurface agricultural drain water from the west side of the San Joaquin Valley. These projects may use drain collection systems and water treatment technology to eliminate drainage to the San Joaquin River from the west side irrigators. Reuse of collected irrigation drainage water, including water treatment alternatives to reduce salinity, and best management practices will be evaluated.

Sacramento River projects are intended to reduce bromide, dissolved organic carbon, salt, pesticides, and pathogens. Approximately \$10.6 million will be directed toward these projects.

The Franks Tract and other Delta projects are intended to reduce salinity and other pollutants at agricultural and drinking water intakes. Approximately \$20 million will be directed toward these projects.

Delta Region projects, as described in the June 2005 Delta Region Drinking Water Quality Management Plan, are intended to reduce salinity and other pollutants at drinking water intakes. Approximately \$41.2 million will be directed toward these projects.

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A. PRIMARY TERMS

DWR uses the following terms consistently in these guidelines:

- “Application” refers to the electronic or hard copy submission to DWR that requests grant funding for the proposal that the applicant intends to implement;
- “Eligible Grant Recipient” refers to local agencies as defined in [Section III A](#);
- “Local Agency(ies)” refers to all local California government including but not limited to a county, city, whether general law or chartered, town, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public agency;
- “Proposal” refers to a project or suite of projects and actions that are proposed for funding pursuant to an application for grant funding; and
- “Project” refers to an individual effort described in the proposal that will lead to the construction of physical facilities and/or implementation of non-structural actions. A “project” may also refer to a feasibility study or design in accordance with the program preferences in [Section IIE](#).

For example, an applicant, which must include at least one “Eligible Grant Recipient”, will submit an “Application” that details a “Proposal” to implement a “Project” or suite of “Projects” that are consistent with PRC § 75029. The applicant, if a “Local Agency”, will provide a cost share in accordance with paragraph one of PRC § 75029.

See [Appendix C](#) for the definition of other terms used in these guidelines.

B. FUNDING

Grant funding will be provided to eligible grant recipients to develop and to implement projects that meet the requirements of these guidelines. Eligibility requirements are described in [Section III](#).

Funding from the grant program is anticipated to be committed as shown below. (Values have been adjusted for approximate grant bond issuance and administration costs):

- Group I will comprise funding for Delta Region projects in the amount of approximately \$41.2 million.
- Group II will comprise funding for San Joaquin River and Sacramento River projects. A total of approximately \$10.6 million will be available for San Joaquin River projects. A total of approximately \$10.6 million will be available for Sacramento River projects.
- Group III will comprise funding for Franks Tract and other Delta projects in the amount of approximately \$20 million.
- Group IV will comprise funding for the San Joaquin Valley west side subsurface agricultural drainage projects in the amount of approximately \$36.6 million.

C. MAXIMUM GRANT AMOUNT

The maximum grant amount that will be awarded to a local agency for a particular project will be limited to the amounts shown below. These maximum grant amounts are intended to allow the distribution of available funds among multiple eligible projects when applicable.

- \$30 million for Delta Region projects
- \$5 million for San Joaquin River projects
- \$5 million for Sacramento River projects
- \$20 million for Franks Tract projects
- \$4 million for San Joaquin Valley west side drainage projects

A group of projects will be considered for funding under a single grant if all requirements of [Section III. Eligibility Requirements](#) and [Section VI. Grant Agreements](#) are met. Special attention is directed to the requirements of [Section III.A. Eligible Grant Recipients](#) and to [Section VI.A Funding and Grant Agreements](#). The applicable per project maximum cap, as listed in Section II.C, could be combined for the group of projects but will be subject to the total program funding limitations as listed in Section II.B.

D. COST SHARE REQUIREMENTS

Local agencies are required to provide a cost share (PRC § 75029, paragraph one) to fund their proposed project. Cost share may include, but is not limited to, federal funds, state funds, local funds, or donated services. The required cost share will be up to 50 percent of the total proposed costs. Exact cost share percentages will be detailed during the proposal solicitation phase. ([See Section II.G](#)).

At the sole discretion of DWR, credit for part of the grantee's cost share may be issued to the grantee for a portion of pre-project costs. The grantee may use approved credit only to reduce the local share of incurred project costs. Approved credit is acknowledgement that the grantee has incurred expenses that could have been covered if a project agreement had been in place. It does not entitle the grantee to payment. DWR will issue credit under the following conditions:

1. Costs were incurred after November 8, 2006.
2. The grantee and DWR have executed a grant agreement.
3. Costs are project specific and supported by written documentation including but not limited to memorandums, letters, reports, meeting records, permit applications, permits, etc. Site inspections may be required as well.
4. Total credit of costs limited to the same percentage cost-share as detailed in the PSP.
5. Grant application preparation costs included in the grantee's 5 percent administrative cost limit. ([See Section VI.A. Funding and Grant Agreements.](#))
6. DWR has approved the costs in writing.

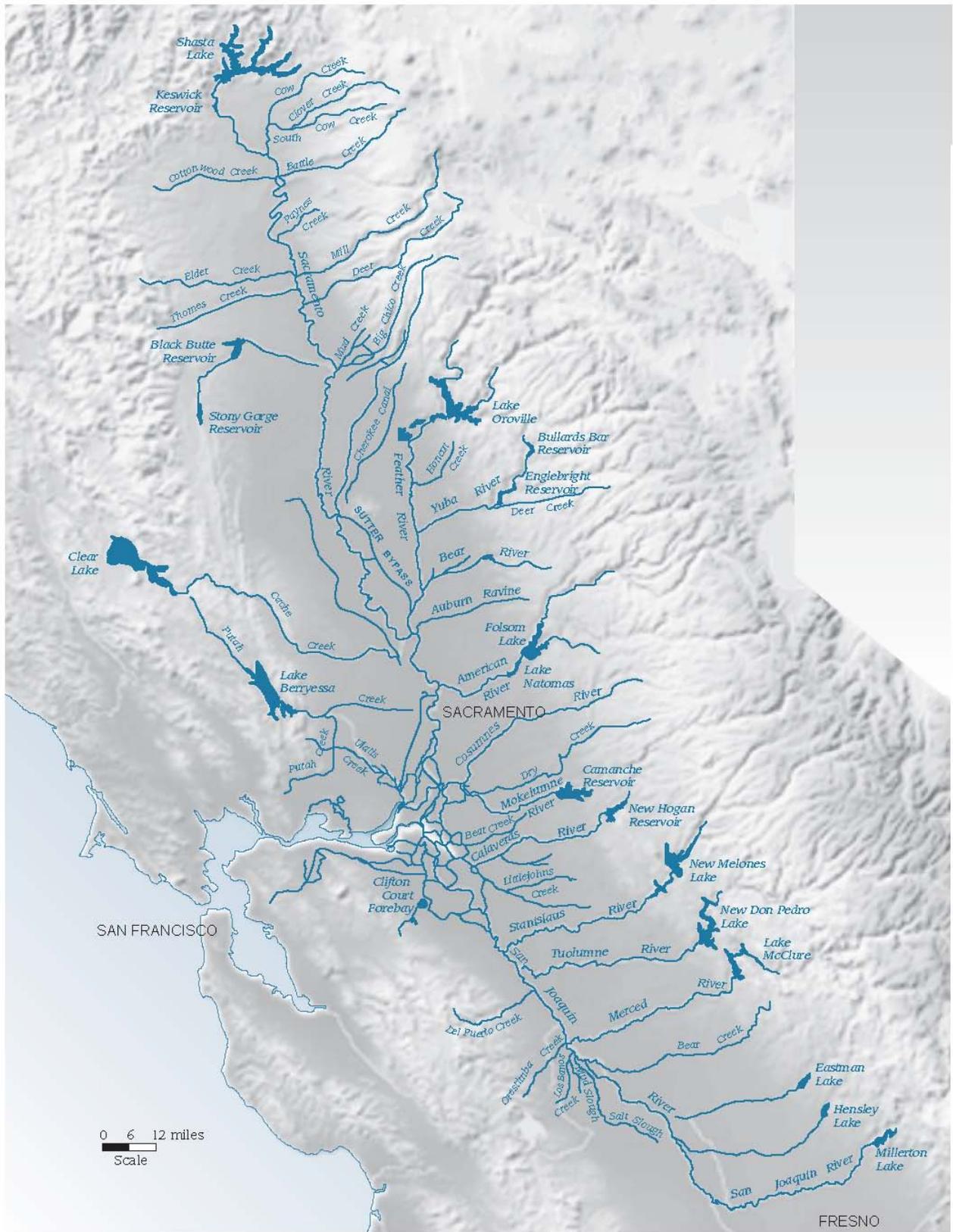
E. PROGRAM PREFERENCES

Preference will be given to specific project types. These program preferences are reflected in the evaluation criteria and will be taken into consideration during the review process ([See Section V.G](#)). Preference will be given to proposed projects that provide:

- Protection of water quality and the environment;
- Improvement of water supply reliability;
- Integration of multiple strategies/benefits; and
- An implementation component. Implementation includes construction, installation, and can include a procedure/practice that results in a water quality improvement. Proposals that include an implementation component will be considered in a Priority I category, while other proposals (e.g. feasibility studies) will be considered in a Priority II category. Priority I category proposals will be considered for funding first.

F. GEOGRAPHIC SCOPE

PRC § 75029 requires that funds will be available for eligible projects that improve water quality in the Delta, the San Joaquin River and the Sacramento River. DWR interprets this to mean the legal Delta, the San Joaquin River and tributary watershed downstream of major dams, and the Sacramento River and tributary watershed downstream of major dams. The following map shows the general geographic area for potential eligible projects.



Delta, San Joaquin River and Sacramento River Watershed Area Map

G. PROPOSAL SOLICITATION

The grant process will be structured as multiple solicitations in accordance with the funding plan as identified in [Section II.B](#). Each solicitation will include the release of a specific proposal solicitation package. (See [Section V](#)). Applicants must provide documentation as described in these guidelines to be considered for grant funding. Key proposal information includes, but is not limited to:

- The anticipated type and magnitude of water quality benefits to be achieved;
- Major water-related issues within the project region and objectives for the project;
- Demonstration that the applicant is an eligible grant recipient, as defined in [Section III.A](#);
- Demonstration that the proposed project is an eligible proposal/project type as defined in [Section III.B](#).
- Schedule for planning, design and implementation;
- Participating stakeholders; and
- Cost share

The grant applications will be evaluated based on the criteria identified in [Appendix B, Section B.2](#).

III. ELIGIBILITY REQUIREMENTS

A. Eligible Grant Recipients

Eligible grant recipients are local agencies which have an eligible proposal/project(s) that will provide public benefit (PRC §75004) and which satisfy all other requirements of these guidelines, including but not limited to, minimum cost share requirements. (See [Section II. D](#)).

Other entities, including but not limited to public agencies, universities, or non-profit organizations, may collaborate with a local agency and perform work with the grant funds so long as the local agency is designated as the responsible entity and controls all activities related to the grant.

B. Eligible Proposal/Project Types

Eligible proposal/project types are those as set forth in [Section II](#) of these guidelines. Section II presents five (5) proposal/project types including their uniquely associated water quality criteria and geographic area. Eligible proposal/projects must be one of these types and must satisfy the criteria of Section C (following) to be considered for funding.

C. Eligibility Criteria

Proposals for grants must meet all relevant eligibility criteria in order to be considered for funding. The eligibility criteria are:

1. Must be comprised of a project that meets the requirements in [Section II. F. Geographic Scope](#).
2. Must provide improvement/protection of drinking water supplies.

IV. GENERAL PROGRAM REQUIREMENTS

A. Conflict of Interest

All participants 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 application being rejected and any subsequent grant agreement being declared void. Other legal action may also be taken. Before submitting an application, applicants are urged to seek legal counsel regarding conflict of interest requirements. Applicable statutes include, but are not limited to, California Government Code § 1090 and California Public Contract Code § 10410 and §10411.

B. 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 proposal application package will be waived.

C. Labor Code Compliance

California Labor Code § 1771.8 requires the body awarding a contract for a public works project financed in any part with funds made available by Proposition 84 to adopt and enforce a labor compliance program pursuant to California Labor Code § 1771.5(b). Compliance with applicable laws, including California 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 Labor Code § 1771.8 appears to provide, where applicable, that the grant recipient's labor compliance program must be in place at the time of awarding of a contract for a public works project by the grant recipient. Before submitting an application, applicants are urged to seek legal counsel regarding California Labor Code compliance. [See Appendix D](#) for web links to the California Department of Industrial Relations.

D. CEQA Compliance

Activities funded under Proposition 84 must be in compliance with the California Environmental Quality Act (CEQA), Division 13 (PRC § 75070 [reference PRC § 21000 *et seq.*]). See Appendix D for web links to CEQA information and the State Clearinghouse Handbook.

E. Surface Water Monitoring Requirements

Any projects that affect surface water shall include surface water monitoring requirements and shall be integrated with the Surface Water Ambient Monitoring Program (California Water Code § 13160 – 13193) administered by the State Board (PRC § 75072). See Appendix D for web links to the surface water quality monitoring and reporting requirements.

F. Compliance with Section 10631.5 of the Water Code

All terms of and eligibility for grants made to an urban water supplier must be in compliance with California Water Code (CWC) §10631.5. CWC § 10631.5 states that grants “shall be conditioned on the implementation of the water demand management measures described in CWC § 10631, as determined by DWR pursuant to subdivision (b).”

G. Compliance with PRC, Division 43, Section 75072

All projects funded under Proposition 84 must comply with the limitations of PRC § 75072. This section states that “Up to 10 percent of funds allocated for each program funded by this division may be used to finance planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program.”

V. PROJECT SELECTION PROCESS

A. Release of Proposal Solicitation Package

Following adoption of these guidelines, DWR will issue the draft Proposal Solicitation Packages (PSP) in accordance with the funding plan as identified in Section II.B. Draft PSPs will be posted for a minimum 15-calendar day public review period at the following DWR website:

http://baydeltaoffice.water.ca.gov/sdb/prop84/index_prop84.cfm

During the public review period, DWR will conduct one or more public workshops for each PSP for interested parties in the general vicinity of the geographic area for which eligible project types are being considered. Each draft PSP will provide specific information regarding workshop dates and locations and how to submit comments. Following consideration of public comments, DWR will issue final PSPs for the grants.

B. Solicitation Notice

DWR will solicit grant proposals with the release of a final PSP. The PSP will provide detailed instructions on the mechanics of submitting proposals and specific information on submittal requirements. Final PSPs will be posted at the following DWR website:

http://baydeltaoffice.water.ca.gov/sdb/prop84/index_prop84.cfm

If you are not already on the mailing list and wish to be included, please e-mail your contact information to:

BDOP84grants@water.ca.gov

Paper copies of a PSP will be made available upon request.

C. Applicant Assistance Workshops

Informational workshops will be conducted to address applicant questions and to provide general assistance to applicants in preparing their grant applications. DWR will conduct one or more workshops for each PSP for interested parties in the general vicinity of the geographic area for which eligible project types are being considered. The dates and location of each workshop will be provided in the respective PSP. In addition to the informational workshops, applicants are encouraged to seek assistance from DWR grant program staff in understanding grant requirements and completing grant applications.

D. Proposal Submittal

The procedures for submitting applications will be provided in the PSP. The grant application process will be a combination of an electronic on-line submittal and a hard copy submittal.

Applications must contain all required items listed in the PSP. Applications may include attachments with supplemental materials such as design plans and specifications, detailed cost estimates, feasibility studies, pilot projects, additional maps, diagrams, letters of support, copies of agreements, or other applicable items. Applicants are encouraged to submit attachments and supporting documentation in an electronic

format. **All applications, including attachments and support documents, must be provided by the submittal deadline. Any material submitted after the deadline will not be reviewed or considered and will be returned to the applicant.**

E. Completeness Review

All information requested in the PSP must be provided. Each application will first be evaluated in accordance with the PSP for completeness. If certain sections are not relevant to a particular applicant or proposal, the applicant must clearly state the rationale for such determination. **Applications not containing all required information may not be reviewed or considered for funding.**

F. Eligibility Review

Complete proposals will be evaluated for compliance with eligibility criteria. (See [Section III](#)). **Proposals that are determined to be ineligible will not be reviewed or considered for funding.**

G. Review Process

All complete and eligible proposals will be evaluated and scored by a group of technical reviewers from DWR, the State Water Resources Control Board, the Regional Water Quality Control Boards, and other agencies.

The technical reviewers will individually score proposals in accordance with criteria in [Appendix B, Table B-1](#), as applicable. The review and score will be based on the merit of the entire proposal as a whole. Following completion of the individual technical reviews, the reviewers will discuss the proposals and develop a consensus review and score.

Following completion of the consensus scoring of all eligible proposals, DWR will convene a selection panel to review the technical scores and comments. The panel will be comprised of Department of Water Resources supervisory and management level personnel. The selection panel will generate a preliminary ranking list of the proposals and make initial funding recommendations. When developing the preliminary ranking list and initial funding recommendations, the selection panel will consider the following items:

- Amount of funds available for the grant project type,
- Consensus review and score of evaluation criteria ([See Appendix B-2](#)), and
- Program Preferences ([See Section II.E](#))

The selection panel may recommend reducing individual grant amounts from that requested to allow a greater number of high-ranked proposals to receive funding. However, such reductions will be evaluated to determine if the reduced funding would

impede implementation of the proposal. Additionally, the selection panel may adjust individual scores to ensure that: 1) evaluation criteria have been consistently applied; and 2) the recommended funding list reflects the breadth of the Program Preferences. (See Section II.E).

H. Applicant Notification and Public Meeting

The list of proposals recommended for funding will be posted electronically and the applicants will be notified of the availability of the recommended funding list. The electronic posting will be at the following DWR website:

http://baydeltaoffice.water.ca.gov/sdb/prop84/index_prop84.cfm

The recommended funding list will be presented at a public meeting held by DWR to solicit public comments on the proposed funding recommendations. Interested parties will be notified of the public meeting by a news release informing the public of the date, time, and location of the meeting and by a notice posted on the DWR website.

I. Funding Awards

Based on the individual proposal evaluations, the preliminary ranking list, initial funding recommendations developed by the selection panel, and the comments received during the public comment period, DWR will approve a final funding list and make the associated funding commitments. DWR's Director will approve the final funding list through DWR's existing administrative procedures. Following approval by DWR, the selected grant recipients will receive a commitment letter officially notifying them of their selection for a grant and the grant amount.

When the applicant indicates acceptance of the funding in writing, the applicant will become the grantee. Final award is subject to the execution of a grant agreement.

If the State of California Budget Act of the current year and/or any subsequent years covered under the commitment letter does not appropriate sufficient funds for the grant recipient project, the commitment shall be of no further force or effect. In this event, DWR shall have no liability to commit funds whatsoever to the grantee or to furnish any other considerations under this commitment.

VI. GRANT AGREEMENTS

Following funding commitment, DWR will execute a grant agreement with the grantee. The agreement will include all terms and conditions for the grant, the scope of work, the schedule, the budget, and additional standard State and DWR agreement documents.

A. Funding and Grant Agreements

At a minimum, all agreements will include:

- A cost-sharing formula that provides that the grantee pays a specified percentage of the eligible costs of the project.
- A requirement that the grantee provide evidence that it has an acceptable labor compliance program in place.
- A requirement that the grantee make regular progress reports to DWR, as described in [Appendix A.1](#), as a prerequisite to each disbursement.
- A requirement that the grantee submit a written post-implementation report as described in [Appendix A.2](#).
- A requirement that the grantee indemnify and hold the State, its agencies, officers, and employees free and harmless from any and all liability arising out of a project.
- Any other requirements deemed necessary by DWR, including increased requirements with regard to indemnification.
- A work plan that includes:
 - A work breakdown, showing and describing all contract items and tasks expected to occur during the project.
 - A work schedule that must be related to the contract items and tasks, but may be described in terms of the physical works to be implemented.
 - An estimate of the cost of each contract item and task, including the amount of each contract item and task that will be funded using State funds.
 - The estimate must have all costs assigned to contract items or tasks except contingencies.
 - Contract administration will be separated out as an appropriate task. Not more than 5 percent of the funds allocated to any project may be used to pay the costs related to contract administration.
 - Not more than 5 percent of the total cost of all described contract items and tasks may be shown in the estimate as contingencies.

DWR encourages collaboration to enhance the effectiveness of water quality improvement projects. Parties that wish to collaborate on a proposal may elect to use a contractor-subcontractor relationship, a joint venture, a joint powers authority, or other appropriate mechanism. To the maximum extent possible, grant agreements will be executed with one grantee, which will then provide funding to its partners that are responsible for implementation of the project(s). In the event that it is necessary to develop individual grant agreements for components of a proposal, then the individual partner must also be an eligible grant recipient, as defined in [Section III.A](#) and the grant

recipient must provide an explanation of which projects should receive separate grant agreements. Such individual grant agreements will be structured to ensure that the integrated nature of the proposal is maintained and that the individual projects progress in a balanced manner.

B. Reimbursement of Costs

Reimbursable costs include the reasonable costs of engineering, design, land and easement, legal fees, preparation of environmental documentation, environmental mitigation, and project implementation. Only work performed **after** the effective date of the grant agreement will be eligible for reimbursement. Costs incurred after November 8, 2006, and prior to the effective date of a grant agreement are not eligible for reimbursement. However, these costs may be considered, at DWR's discretion, as part of the grantee's cost share. ([See Section II.D](#)). **Advance funds cannot be provided.**

Costs that are not reimbursable with grant funding include, but are not limited to:

- Costs, other than those noted above, incurred prior to effective date of a grant agreement with the State;
- Operation and maintenance 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 agency requirements and mandates;
- Purchase of land in excess of the minimum required acreage necessary to operate the project, as set forth and detailed by engineering and feasibility studies, or land purchased prior to effective date of a grant agreement with the State; and
- Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after effective date of a grant agreement with the State, DWR agrees in writing to the eligibility of the costs for reimbursement before the debit is incurred, and the purposes for which the debt is incurred are otherwise reimbursable project costs.

C. Retention of Funds

DWR will retain ten percent of all approved payments to assure satisfactory completion of individual items or tasks. The approved completion of items or tasks will be the basis of reimbursement of retained funds.

When all work associated with an item or task described in the work plan has been completed to the satisfaction of DWR and all required deliverables for that item or task have been submitted to and approved by DWR, the grantee may request payment of retained funds. DWR may choose to inspect the site at this time to ensure proper completion of the task. DWR will retain this right of inspection at any time throughout the term of the grant agreement. DWR at its sole discretion may pay the retained funds for that item or task to the grantee. After the retained funds for an item or task have been paid, no further payment will be made for that item or task.

D. Reimbursement Requests

State funds or allocations will be paid to grantees in arrears on a reimbursable basis at least quarterly but no more often than monthly at DWR's discretion. A progress report and reimbursement request (invoice) will be submitted to DWR for approval and payment.

Funds will be disbursed as provided in the grant agreement to reimburse costs incurred by the grantee, but not for the following:

- Activities that could affect the environment, until the grantee complies with all applicable requirements of CEQA and other environmental laws.
- Activities requiring permits, until the permits are obtained.

All reimbursement is subject to the availability of funds.

APPENDIX A – RECORDKEEPING AND REPORTING

A.1 Progress Reports

The grantee will be required to submit progress reports in sufficient detail to substantiate reimbursable expenses. This report will be an essential item in evaluating reimbursements. A reimbursement request must coincide with a report submittal, subject to the following:

- The minimum period of both progress reports and reimbursement requests is one month.
- The maximum reporting period is three months for projects having agreements that specify quarterly reporting. This requirement may be met without submitting a reimbursement request.
- The time periods covered by successive progress reports shall be continuous but shall not overlap.

Progress reports shall include the following information:

- The time period covered by the request.
- Description of activities since the previous report.
- Status of the project relative to the progress schedule.
- An estimate of the percentage completion of the work.
- Records of expenditures.
- The percentages of State and total funding expended.
- Key issues that must be resolved.

Progress reports will also be required to include information requested by the Department of Finance relative to accountability for Proposition 84 bond funds. Requirements for this reporting have not yet been determined. More frequent reporting may also be required.

A.2 Post-Implementation Report

Within 90 days after the project is completed, the grantee shall submit a post-implementation report that shall include the following:

- An executive summary not exceeding two pages;
- Records of expenditures;
- A comparison of the projected benefits versus the measured benefits;
- A comparison of the original schedule and the actual schedule;
- A discussion of problems that occurred during the work and how the problems were resolved;

- Submittal of any required deliverables that have not been submitted previously; and
- A listing of required deliverables submitted previously, with dates of submittal and DWR acceptance.

Post-implementation reports may also be required to include information requested by the Department of Finance relative to accountability for Proposition 84 bond funds. Requirements for this reporting have not yet been determined.

A.3 Recordkeeping

A grantee will be required to maintain all records and documents pertaining to a project for three years after completion. A grantee may be required to make all records and documents pertaining to the project available for inspection and audit by DWR and/or the State Auditor during normal business hours, both during the project and in the three years following.

DWR and/or the State Auditor may audit the records of the project at any time within three years after final payment of State funds. DWR may also require grantees to allow an annual citizen advisory committee to audit the project records.

In addition, grantees must comply with any additional audit requirements imposed by the Secretary of The Resources Agency in performing the Secretary's obligation to independently audit Proposition 84 funding and annually list expenditures.

APPENDIX B – GRANT CONTENT

B.1 PROPOSAL CONTENTS

This section describes the required elements to be included in the grant application. Specific instructions for application submittal and required content of acceptable proposals will be contained in the PSP. In all cases, the prospective applicants should review the entire grant guidelines, with specific emphasis on the evaluation criteria ([Section B.2](#)), as well as the PSP prior to submitting an application to ensure that the submittal will meet grant program requirements. **Applicants must submit a complete proposal by the deadline that will be specified in the PSP. Each application must include Items A through T below to be deemed complete.**

A. Proposal Title, Administrative Information, Summary and Documentation

The applicant must submit the proposal title, the agency or organization responsible for the proposal and various administrative information including, but not limited to the following: agency/organization name; address; authorized representative name and phone number; location of region covered by the proposal, including longitude and latitude; and State legislative representatives within the region. The proposal summary must briefly describe the work to be completed with the requested funding.

The applicant will also need to provide documentation (e.g., a resolution, a letter of authorization signed by governing body, office, etc.) from the applicant's governing body designating an authorized representative to file an application and enter into an agreement for a grant.

B. Applicant Authority

The applicant must describe the legal authority of the applicant (and partners) to conduct the work and to receive and spend State grant funds. The applicant must also describe any legal agreements among partners, if applicable, that ensure project performance and tracking of funds. **If DWR determines the applicant does not have the authority to enter into a grant agreement with the State, the applicant will not be eligible for funding and the application will not be reviewed.**

C. Description of Proposal

The application must include a detailed description of the proposal, which may consist of one or more projects, for which funding is requested. The proposal must implement one or more of the eligible project elements listed in [Section III.B](#). The goals and objectives of the proposal must be clearly stated.

The rationale for the proposed project(s) should be sufficiently detailed to provide a clear understanding of the project(s). Where requested funding is for a component of a larger project, the proposal must describe all of the components of the larger project

and identify which elements of the larger project are the subject of the grant funding request. The description must identify how the integration of the components of the proposal provides multiple benefits and identify linkages that are critical to the success of the proposal. The proposal description must be consistent with the details of the cost estimate and schedule provided in Items P and T.

D. Objectives

Describe the objectives for the proposed project(s) to address the major water related issues within the project region, including, at a minimum, all relevant water quality elements.

E. Need

Describe the need for the proposed project(s). The applicant must describe the current water quality and the expected long-term water quality needs of the project's geographic area. Describe how the proposal will help meet those needs. Discuss the local and regional economic, environmental, and fiscal conditions relative to the need for the project. Discuss critical impacts that will occur if the proposal is not implemented.

F. Work Plan

The applicant must submit a complete, detailed work plan consisting of a description of work to be performed, work elements, a budget (see Item P), and a schedule (see Item T) for completion of the proposed project(s). The work plan must include a description of work product submittals as well as a description of the final complete product proposed by the applicant. The budget must identify a cost share that is consistent with the minimum cost share requirements identified in [Section II.D](#).

G. Program Preferences

Describe how the proposed project(s) type addresses and/or satisfies one or more of the Program Preferences identified in [Section II.E](#).

H. Integration of Water Quality Strategies

Describe how any local and regional water quality strategies will be addressed by the project(s). Examples of strategies could include agricultural water use, land use, watershed management, ecosystem restoration, and salt management. Describe how the selected strategies are seen to work together with the proposed project(s) to benefit water quality.

I. Stakeholder Involvement

Discuss how the proposed project(s) will incorporate stakeholder involvement via existing or planned activities or work. Describe specific outreach activities and the target groups. The proposal should include a list of proposed stakeholders, how stakeholders were/will be identified, how they participate in the planning and implementation, and how they influence decisions made regarding water quality. Discuss a process by which additional stakeholders may be identified and included during plan development or implementation. Discuss efforts to address environmental

justice concerns. If any water related entities within the project area are not included in the planning process, discuss why they were omitted.

J. Relation to Local Planning

The project(s) must identify existing local planning documents that will be considered during development of the project. Discuss how these local planning documents relate to the project.

K. Environmental Compliance

The proposal must include a plan for compliance with all applicable environmental review requirements including any CEQA and/or, if applicable, National Environmental Protection Act (NEPA) obligations. The proposal should also address compliance with local, county, State, and federal permitting requirements. Appendix D provides web links to CEQA information, the State Clearinghouse Handbook and NEPA.

L. Scientific and Technical Merit

The applicant will be required to demonstrate the scientific and technical merit of the proposal. Such demonstration may include:

- Submittal of a copy(ies) of all reports and studies prepared for the proposal that form the basis for or include information pertaining to the project(s);
- A brief summary of the types of information in each reference;
- If feasibility and pilot studies have not been completed for the proposed implementation project(s), an explanation regarding what has been done to determine the project's feasibility; and
- Provide copies of the most complete design plans and specifications for the proposed project(s).

M. Implementability

Identify specific actions, projects, and studies, ongoing or planned, by which the project(s) will be implemented. Identify the responsible parties for project implementation and, if applicable, clearly identify linkages or interdependence with other projects. Demonstrate economic and technical feasibility at a programmatic level. Identify the current status of each element of the project, such as existing infrastructure, feasibility, pilot or demonstration project, design completed, etc. Include timelines for all active or planned projects and identify the institutional structure that will ensure successful project implementation.

N. Data and Technical Analysis

Include a discussion of data, technical methods, and analyses used to develop the project. Include mechanisms by which data will be managed and disseminated to stakeholders and the public. Also include a discussion of how data collection will support statewide data needs. At a minimum, assess the state of existing monitoring efforts for water quantity and water quality, and identify data gaps where additional monitoring is needed.

O. Monitoring, Assessment, and Performance Measures

Describe the performance measures that will be used to evaluate project performance, monitoring systems that will be used to gather performance data, and mechanisms to adapt project operations and implementation based on performance data collected. Indicate where the data will be collected and the types of analyses to be used. Include a discussion of how monitoring data will be used to measure the performance in meeting the overall project goals, benefits, and objectives. The project must comply with the requirements of [Section IV.E Surface Water Monitoring Requirements](#).

P. Estimated Cost

The proposal must provide a detailed estimate of costs and funding sources. The estimate must at a minimum include the following for each individual project within the proposal:

- Land costs, planning and design costs, environmental compliance and documentation costs, implementation or construction costs shown by project task, or phase, and the contingency amount for the proposal;
- All sources of the cost share; and
- The amount of cost share applied to each task.

Q. Cost Share

Local agencies are required to provide a cost share (PRC § 75029, paragraph one) to fund their proposed project. Cost share may include, but is not limited to, federal funds, state funds, local funding, or donated services. The required cost share will be up to 50 percent of the total estimated costs.

R. Impacts and Benefits

Discuss at a screening level the impacts and benefits from the project implementation. Include an evaluation of expected impacts and benefits within the project area and in adjacent areas, including the Delta. Benefits should be focused primarily on, but not limited to, improvements to local and Delta water quality, including projected seasonal and year-round variations. Include an evaluation of impacts and benefits to other applicable resources, such as air quality, energy, etc. If applicable, discuss any environmental justice concerns and considerations. Include a statement of how future conditions, such as climate change, could change the project(s) impacts or benefits.

S. Finance Plan

Applicants will be required to provide a finance plan for their proposed project(s), including an enumeration of all the costs of planning, design, and implementation or construction, long term operation and maintenance of the proposed project(s), and the economic benefits related to water quality expected to be derived directly from the project(s). The economic benefits may be quantified in monetary terms. When economic values cannot be assigned to the benefit the applicants may quantify the benefits in physical terms. This finance plan shall demonstrate to DWR's satisfaction the applicant's ability to finance the initial and long term project costs.

T. Schedule

Provide a schedule for implementation of the proposal showing the sequence and timing of the proposed project or suite of projects. The schedule shall show the start dates, end dates, and milestones. The schedule shall illustrate any dependencies or predecessors by showing links between work items. At a minimum, the following work items shall be included on the schedule:

- Development of financing;
- Development of environmental documentation and CEQA/NEPA compliance;
- Project design and bid solicitation process;
- Acquisition of rights of way, if required;
- Identification and acquisition of all necessary permits;
- Implementation or construction start and end dates with significant milestones included;
- Implementation of any environmental mitigation or enhancement efforts; and
- Post implementation or construction performance monitoring periods.

The work items shown on the schedule must agree with the work elements shown in the work plan and estimated cost discussed in Items F and P, respectively. The PSP will include additional detailed instructions on the requested schedule components as necessary.

B-2. EVALUATION CRITERIA

Table B-1 provides the evaluation criteria that will be used to evaluate the extent to which a proposal and proposed project achieve/meet the water quality grant requirements and objectives. While the general categorical headings in Table B-1 will not change, the criteria will be expanded upon in more detail in the PSPs. Each criterion will be scored on a scale of 1 to 5 with a 1 being “low” and 5 being “high”, except as noted below.

A weighting factor (Column A, Table B-1) will be applied to each criterion to distinguish its relative importance from other criteria. This factor will be applied on a scale of 1 to 3 with 1 being “low” importance and 3 being “high” importance. The individual weighting factors will be assigned in the PSPs.

The review panel will evaluate each criterion and assign it a point value based on the information the applicant provides (Column B, Table B-1). Each criterion’s point value (Column B, Table B-1) will then be multiplied by the applicable weighting factor (Column A, Table B-1) to calculate the criterion score (Column C, Table B-1). The maximum possible range of weighted score for each criterion is shown in Column C (Table B-1). Points will be assigned to the application for each criterion as follows:

- A score of 5 points will be awarded where the criterion is fully addressed and supported by thorough and well-presented documentation and logical rationale.

- A score of 4 points will be awarded where the criterion is fully addressed but is supported by less thorough documentation or less sufficient rationale than that supporting a 5 point score.
- A score of 3 points will be awarded where the criterion is less than fully addressed and documentation and/or rationale are incomplete or insufficient.
- A score of 2 points will be awarded where the criterion is marginally addressed.
- A score of 1 point will be awarded where the criterion is not addressed or no documentation or rationale is presented.

Table B-1 contains the evaluation criteria described above in Items B through T. These evaluation criteria are also arranged under the subcategories of Base Adequacy, Technical Adequacy, Programmatic Adequacy, and Public Outreach and Community Support. The applicable scoring values for each criterion, including the weighting factors, the range of point values, and the total scoring range, will be defined in each PSP.

The review panel will use a “Pass/Fail” scoring method for the Base Adequacy subcategory for Criterion A-1 Applicant Authority and Criterion A-2 Cost Share. These two criteria must be satisfied to obtain a “Pass”. Those proposals for which an applicant does not have authority to enter into an agreement with DWR and/or for which a minimum cost share is not proposed will receive a “Fail” and will be rejected.

Proposals for Groups II, III and IV, as detailed under Section II.B. Funding, will be rated using all of the criteria listed in Table B-1. But proposals for Group I will be rated using only some of the criteria since eligible Group I projects are already identified in PRC § 75029(d), which references the 2005 Delta Region Drinking Water Quality Management Plan. Therefore, Group I proposals will be evaluated based on the following subcategories only: Base Adequacy (Criteria A-1 and A-2); Technical Adequacy (except Criteria B-2, B-3 and B-6); and Public Outreach and Community Support (Criteria D-1 and D-2).

TABLE B-1 – EVALUATION CRITERIA FOR GRANTS

	Column A	Column B	Column C
Criteria	Weighting Factor	Points Range	Scoring Range
A. Base Adequacy			
A-1 Applicant Authority <i>This evaluation will be based on whether the applicant (and partners) has proper authority.</i> Does the applicant (and partners) have the legal authority to conduct the work of the proposed project and to receive and spend State grant funds?	Pass/Fail		Pass/Fail
A-2 Cost Share <i>This evaluation will focus on whether the applicant has demonstrated that it will provide a cost share.</i> Did the applicant propose a cost share of the total proposal costs?	Pass/Fail		Pass/Fail
Total Possible Maximum Score - Criteria A	Pass		
B. Technical Adequacy			
B-1 Description of Proposal <i>Scoring will be based on whether the proposal includes but is not limited to the following: a detailed description, a eligible water quality project type, goals and objectives, and environmental compliance.</i>	To be defined in proposal solicitation package		
B-2 Objectives <i>Scoring will be based on whether the applicant has presented detailed and specific objectives.</i>	To be defined in proposal solicitation package		
B-3 Need <i>Scoring will be based on the degree of need for the proposed project(s).</i>	To be defined in proposal solicitation package		
B-4 Work Plan <i>Scoring will be based on whether the applicant has a detailed and specific work plan that adequately documents the proposed project(s).</i>	To be defined in proposal solicitation package		

	Column A	Column B	Column C
Criteria	Weighting Factor	Points Range	Scoring Range
B-5 Environmental Compliance <i>Scoring will be based on if the project proposal adequately addresses all relevant CEQA and NEPA obligations, including permit requirements.</i>			To be defined in proposal solicitation package
B-6 Scientific and Technical Merit <i>Scoring will be based on whether the applicant has demonstrated that the proposal has scientific and technical merit.</i>			To be defined in proposal solicitation package
B-7 Implementability <i>Scoring will be based on whether the applicant has adequately detailed the project implementation and the readiness to proceed.</i>			To be defined in proposal solicitation package
B-8 Data and Technical Analysis <i>Scoring will be based on whether the project(s) is/are based on sound scientific and technical analysis and includes measures to assess performance.</i>			To be defined in proposal solicitation package
B-9 Monitoring, Assessment, and Performance Measures <i>Scoring will be based on whether the applicant has presented an adequate monitoring and assessment program.</i>			To be defined in proposal solicitation package
B-10 Estimated Cost <i>Scoring will be based on whether the costs of the proposed project(s) are well presented and reasonable.</i>			To be defined in proposal solicitation package
B-11 Cost Share <i>Scoring will be based on whether the applicant will provide the minimum (or in certain cases) more than the minimum applicable cost share.</i>			To be defined in proposal solicitation package
B-12 Impacts & Benefits <i>Scoring will be based on whether the applicant clearly and fully describes the impacts and regional benefits of the project proposal.</i>			To be defined in proposal solicitation package
B-13 Schedule <i>Scoring will be based on the reasonableness of the proposed schedule.</i>			To be defined in proposal solicitation package
Total Possible Maximum Score – Criteria B			--

	Column A	Column B	Column C
Criteria	Weighting Factor	Points Range	Scoring Range
C. Programmatic Adequacy			
C-1 Program Preferences <i>Scoring will be based on the extent that the proposal meets the specified Program Preferences as identified in Section II.E.</i>		To be defined in proposal solicitation package	
C-2 Integration of Water Management Strategies <i>Scoring will be based on whether the applicant has adequately documented how water management strategies will be integrated.</i>		To be defined in proposal solicitation package	
Total Possible Maximum Score – Criteria C		--	
D. Public Outreach and Community Support			
D-1 Stakeholder Involvement <i>Scoring will be based on whether development and implementation of the proposed project includes stakeholder involvement through a collaborative regional process.</i>		To be defined in proposal solicitation package	
D-2 Relation to Local Planning <i>Scoring will be based on whether the proposed project is well coordinated with local planning and management efforts.</i>		To be defined in proposal solicitation package	
Total Possible Maximum Score – Criteria D		--	
Total Possible Maximum Score (Criteria A through D)		--	

APPENDIX C - DEFINITIONS

Applicant – means an entity that files an application for funding under the provisions of Proposition 84 with the Department of Water Resources.

Bay-Delta –as defined in § 79402 (c) of the California Water Code.

CALFED Bay-Delta Program – refers to the collaborative State-federal program to address ecosystem restoration and water management issues in the San Francisco Bay/Sacramento-San Joaquin Delta system. The CALFED Program is being implemented under the guidance of the California Bay-Delta Authority, by a consortium of State and federal agencies with management and regulatory responsibilities in the Bay and Delta, pursuant to the CALFED Bay-Delta Program Record of Decision (August 28, 2000).

California Bay-Delta Authority – refers to the State agency that was established by legislation enacted in 2002 to oversee implementation of the CALFED Bay-Delta Program.

Environmental Justice – defined in California law (Government Code section 65040.12) as “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws and policies.”

Evaluation Criteria – means the set of requirements used to choose a project for a given program or for funding; the specifications or criteria used for selecting or choosing a project based on available funding.

Grantee – means an applicant who has been awarded and accepted funding through the selection process described in these Guidelines.

Granting Agency – means the agency that is funding a proposal, with which a grant recipient has a grant agreement, and will be the Department of Water Resources.

Proposition 84 – is the “Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.”

Selection Panel – means a group of Department of Water Resources 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.

Stakeholder – is an individual, group, coalition, agency or others who are involved in, affected by, or have an interest in the implementation of a specific program or project.

Technical Reviewers – means a group of agency representatives assembled to evaluate the technical competence of a proposed project and the feasibility of the project being successful if implemented.

APPENDIX D - USEFUL WEB LINKS

Bond Accountability

<http://bondaccountability.ca.gov/>

California Water Code

<http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=prc&codebody=&hits=20>
<http://caselaw.lp.findlaw.com/cacodes/prc.html>

DWR

Home Page

<http://www.water.ca.gov/>

Bay-Delta Office:

<http://baydeltaoffice.water.ca.gov/>

Grants & Loans:

<http://www.grantsloans.water.ca.gov/>

Proposition 84:

http://baydeltaoffice.water.ca.gov/sdb/prop84/index_prop84.cfm

CEQA Information

Environmental Information:

<http://ceres.ca.gov/index.html>

California State Clearinghouse Handbook:

http://opr.ca.gov/planning/publications/SCH_Handbook_2006.pdf

CALFED Bay-Delta Program

<http://calwater.ca.gov/>

Department of Industrial Relations

<http://www.dir.ca.gov/lcp.asp>

Environmental Justice

<http://www.calepa.ca.gov/EnvJustice/>

NEPA Information

<http://www.epa.gov/compliance/nepa/index.html>

Public Resource Code

<http://caselaw.lp.findlaw.com/cacodes/prc.html>

Surface Water Ambient Monitoring Program (SWAMP)

http://www.waterboards.ca.gov/water_issues/programs/swamp/