

Frequently Asked Questions

Proposition 68 Groundwater Treatment and Remediation Grant Program Solicitation

General

1. What types of entities are eligible? And what type(s) of non-profits are eligible for funding?

Eligible grant applicants are public agencies, public utilities, federally recognized Indian tribes, California Native American Tribes, mutual water companies, and non-profit organizations qualified under 501 (c)(3) of the Internal Revenue Code.

2. How much funding is available?

There is \$74 million available for projects, of which \$16 million is set-aside for projects directly benefitting Severely Disadvantaged Communities (SDACs).

3. Are funds awarded on a competitive basis?

This is a competitive grant program. All applications received will be evaluated utilizing the scoring criteria outlined in Appendix D of the program <u>Guidelines</u>. Eligible projects benefitting Disadvantaged Communities (DACs) will be funded first. All remaining proposals will be scored, ranked, and funded accordingly. See also below for more info regarding the funding process for the \$16 million set-aside for SDACs.

4. Can I apply after the solicitation closes? Will there be another round of funding? What about for the SDAC set-aside?

The solicitation closes on January 24, 2020. A second round of funding is not expected. However, with regard to the set-aside for SDACs, if, based on DFA review of applications submitted by the January 24, 2020 deadline, there is not adequate demand to award the full set-aside to SDACs, then DFA will open a separate solicitation specifically for applications benefitting SDACs. SDAC applications will be accepted continuously until the set-aside funds are awarded.

5. How do I request the templates for Attachments 7 and 11 that are not available online? How soon can I expect them?

Email us at <u>gwquality.funding@waterboards.ca.gov</u>. We expect to respond within one business day.

6. What are the long-term monitoring requirements for the grant?

Projects will be required to monitor and submit operational and project



performance reporting through the work completion date (currently estimated no later than March 2023).

Eligibility

7. What projects are eligible?

As outlined in the program <u>Guidelines</u>, to be eligible to receive funding projects must prevent or reduce contamination of groundwater that serves as a source of drinking water. Projects must also meet the eligibility requirements and project preferences outlined in the <u>Guidelines</u>.

8. Are projects that cleanup surface water eligible for funding?

No, this funding is only available for existing facilities that prevent or reduce contamination of groundwater that serves as a source of drinking water.

9. Is this funding only for existing facilities? Are capital improvement projects eligible for Proposition 68 grant funding?

Yes, this is primarily for operations and maintenance (O&M) of existing facilities that prevent or reduce contamination of groundwater that serves as a source of drinking water. Existing facility types that could be eligible include, for example: well head treatment, groundwater extraction and treatment systems, centralized groundwater treatment systems, and source area cleanup activities. O&M costs eligible for funding may include, for example: permitting, monitoring, reporting, utility bills, chemicals, equipment changeout, plant operator costs.

New infrastructure projects will generally be directed to other grant programs, with one potential exception. Proposals for O&M costs can include relatively small-scale capital improvements that will reduce long-term O&M costs at the existing facilities. Applicants must demonstrate that the resulting reduction in O&M costs over the useful life of the improvement exceeds the proposed capital cost. Appendix B of the <u>Guidelines</u> provides an overview of the information necessary to evaluate any capital improvements proposed for funding through this program.

10. Can energy efficiency measures be included in a project if it has water quality co-benefits?

If the proposal is otherwise eligible for funding, this type of work could potentially be eligible as a small-scale capital improvement.

11. Would a project that is focused on cleaning up existing contamination from an unknown source be eligible for funding?



To receive funding, an existing facility must prevent or reduce contamination of groundwater that serves as a source of drinking water. Contamination must result from a discharge of waste; however, if the source of the contamination is unknown you may still be eligible. An unknown source does not automatically preclude you from funding, but you must explain the background of the area and possible sources of contamination as well as you can. Applicants should also have enough data to determine the approximate nature and extent of contamination and demonstrate how the existing treatment and remediation facilities are contributing to reducing or preventing the spread of contamination in groundwater.

12. Are projects that address the cleanup of existing contaminants that are currently being treated, such as arsenic, eligible for funding?

This is dependent on several factors. Contamination must result from a discharge of waste and must exceed maximum contaminant level or notification level. Additionally, the existing treatment and remediation system must prevent or reduce the contamination of groundwater that serves as a source of drinking water. Applicants should also have enough data to determine the approximate nature and extent of contamination and demonstrate how the treatment and remediation facilities are contributing to reducing or preventing the spread of contamination in groundwater.

Eligible Costs and Match

13. For projects chosen to receive funding, when can funds be incurred?

The funding agreements for each project will specify actual eligible start and end dates for reimbursement. The timeframe for incurring costs eligible for reimbursement will begin no earlier than June 5, 2018 and end no later than March 31, 2023.

14. Will applicants, including DAC and SDAC applicants, be able to use another State funding source for the match requirement?

Match sources may include federal grants or loans, local and private funding, donated and volunteer services; or "in-kind" services provided by the applicant. Repayable financing received through state or federally sponsored loan programs may be approved as match, but funding from other state grant programs cannot be used as match.

15. What is the maximum match reduction? How do I receive a match reduction?

This is described in detail in Appendix C of the program Guidelines.



Projects that solely benefit a DAC or Economically Distressed Area (EDA) may be eligible for as low as 0% match. Applicants that do not meet the definition of a DAC or EDA may qualify for a 20% required match for those components of the project that directly benefit a DAC or EDA.

Attachment 10 of the application is for describing DAC/EDA benefits to support match reduction requests. Please coordinate with Division of Financial Assistance (DFA) staff for assistance if you are requesting a match reduction. See contact information below.

16. What are the criteria used to identify the benefitting population, and do DACs and EDAs have a population limitation?

With regard to match reduction, see Appendix C for information regarding the population that should be identified for the purposes of determining economic status. Regarding population limitations, there is not limitation for DACs or SDACs. The definition of EDA includes a population limitation of 20,000 persons. See Appendix A for detailed definitions.

17. What is the benefit of a DAC/SDAC applying for this program rather than other funding programs where no match is required?

This funding is largely allocated for O&M at existing facilities, which is often not covered by other funding programs. In addition, we do offer match reductions for DACs, see above for more information.

If you have further questions, please contact us at gwguality.funding@waterboards.ca.gov.