**CALIFORNIA DEPARTMENT OF WATER RESOURCES**

**WATER RECYCLING AND DESALINATION SECTION**

# FINAL

# WATER DESALINATION GRANT PROGRAM
# ROUND 4 PROPOSAL SOLICITATION PACKAGE

**June 16, 2017**

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# FOREWORD

This document is the California Department of Water Resources' (DWR) Proposal Solicitation Package (PSP) for Round 4 of the Water Desalination Grant Program (Program). The Program uses a competitive process to provide funding to eligible Applicants that develop and implement projects consistent with this PSP. The Program is funded mainly from Proposition 1, approved in 2014, and from remaining Proposition 50 funds as they become available. This PSP provides the Program's Round 4 priorities, eligibility requirements, application process, scoring criteria, award selection process, and funding agreement provisions in administering the available funds. Potential Applicants are encouraged to read this PSP and other referenced material prior to preparing an application and may contact DWR Staff for needed clarification as early in the process as possible.

## Contacts

For questions about this document, please contact one of the DWR staff members listed below:

- Sean Sou, Program Lead at (916) 873-4633 or by e-mail at Sean.Sou@water.ca.gov
- Jennifer Pulido, Staff at (279) 231-0756 or by email at Jennifer.Pulido@water.ca.gov

For questions and assistance regarding the application tool called GRanTS, please contact the GRanTS Administration Team at (888) 907-4267, grantsadmin@water.ca.gov or the main website http://www.water.ca.gov/grants/.

## Website

This document as well as other pertinent information about this Round 4 Program funding can be found at the following link: https://water.ca.gov/Work-With-Us/Grants-And-Loans/Desalination-Grant-Program.

## Mailing List

DWR will distribute information on this Program via e-mail. If you are not already on the mailing contact list and wish to be placed on it, please send an email to the desalpsp@water.ca.gov and you will be added to the mailing contact list.

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## List of Figures

## Acronyms, Abbreviations, and Symbols

| | |
|---|---|
| § | Section |
| AB | Assembly Bill |
| ACS | American Community Survey |
| APN | Assessor's Parcel Number |
| AWMP | Agricultural Water Management Plan |
| Basin Plan | Regional Water Quality Control Plan |
| BMP | Best Management Practice |
| BMS | Bond Management System (see GRanTS) |
| CalEPA | California Environmental Protection Agency |
| CARB | California Air Resources Board |
| CASGEM | California Statewide Groundwater Elevation Monitoring |
| CEC | California Energy Commission |
| CEDEN | California Environmental Data Exchange Network |
| CEQA | California Environmental Quality Act |
| CNRA | California Natural Resources Agency |
| CWC | California Water Code |
| CWP | California Water Plan |
| DAC | Disadvantaged Community |
| DIR | California Department of Industrial Relations |
| DMS | Data Management System |
| DWR | Department of Water Resources |
| EDA | Economically Distressed Area |
| EIF | Environmental Information Form |
| EIR | Environmental Impact Report |
| EJ | Environmental Justice |
| EO | Executive Order |
| GAMA | Groundwater Ambient Monitoring Assessment |
| GRanTS | Grants Review and Tracking System |
| GHG | Greenhouse Gas |
| GIS | Geographic Information System |
| GWMP | Groundwater Management Plan |
| IOU | Investor-Owned Utility |
| IRWM | Integrated Regional Water Management |
| JPA | Joint Powers Authority |
| MHI | Median Household Income |
| NEPA | National Environmental Policy Act |
| NAHC | Native American Heritage Council |
| O&M | Operation and Maintenance |
| OPC | Ocean Protection Council |

| | |
|---|---|
| OPR | The Governor's Office of Planning and Research |
| Program | Water Desalination Grant Program |
| PSP | Proposal Solicitation Package |
| RFP | Request for Proposals |
| RMS | Resource Management Strategies |
| RWMG | Regional Water Management Group |
| RWQCB | Regional Water Quality Control Board |
| SB | Senate Bill |
| SGMA | Sustainable Groundwater Management Act |
| SLR | Sea-Level Rise |
| SRF | State Revolving Fund |
| SWAMP | Surface Water Ambient Monitoring Program |
| SWRCB | State Water Resources Control Board |
| TDS | Total Dissolved Solids |
| USEPA | United States Environmental Protection Agency |
| UWMP | Urban Water Management Plan |
| WDL | Water Data Library |
| WUE | Water Use and Efficiency |

# WATER DESALINATION GRANT PROGRAM
# ROUND 4 PROPOSAL SOLICITATION PACKAGE

## 1. INTRODUCTION AND OVERVIEW

### 1.1 Introduction

The Water Desalination Grant Program (Program) administered by the California Department of Water Resources (DWR) provides state grants to eligible entities for water desalination projects. DWR is seeking proposals in Round 4 of this Program for grant funding to support brackish water and seawater desalination projects. This document serves as both the guidelines for the Program and as the Proposal Solicitation Package (PSP) for grant funding applications and is referred to as the "PSP". While this PSP is initially intended for Round 4 funding, DWR may reopen this PSP for subsequent solicitation for the funds available in this PSP.

### 1.2 Navigating the PSP

The PSP consists of three main parts:

- Sections 1-11
- Attachments
- Appendices

Sections 1 through 9 provide background, requirements, and explanations for different grant submittal issues. Sections 10 and 11 describe procedures and required content of the grant application, including specific hard copy and electronic attachments to be included in the application.

The Attachments part provides detailed guidance for each of the 21 attachments that must be submitted with a grant funding application. The Appendices provide more detailed information on Program requirements or procedures, including the scoring criteria that will be used to evaluate funding applications. Some useful references are also provided in the Appendices, including useful web links, glossary, and an application checklist.

At the beginning of the PSP are a foreword, a notice announcing acceptance of applications, and a list of acronyms, abbreviations, and symbols. All items, including tables and figures, are listed in the Table of Contents.

Templates of files and spreadsheets required as application attachments are found on DWR's Desalination website at http://www.water.ca.gov/desalination/2017Cycle4.cfm. This website also provides additional information.

Potential Applicants are encouraged to read this PSP and other referenced material prior to deciding to submit an application and contact the DWR staff for needed clarification as early in the process as possible.

## 1.3 Overview

The objective of the Program is to use grant funds to facilitate the use of desalinated water to meet the water resources needs of the state. The focus of the Program is on the development of potable water for municipal uses.

## 1.4 Project Types

The following categories of water desalination projects will be eligible for funding:

- Construction
- Feasibility Study
- Environmental Documentation
- Design Pilot
- Research Pilot

A more detailed description of these project types is found in Table 1.

## 1.5 Project Benefits

Projects to be considered for funding should directly support local or regional water resources and directly or indirectly provide water supply benefits to the State. Grant funds are provided as an incentive to local or regional entities to implement projects that produce state, regional, and local potable water supply or reliability benefits through the planning, design, and construction of feasible brackish and seawater desalination projects. Grant funds are also provided to advance water desalination technology research pilot projects.

In addition to other benefits, proposed projects will be evaluated on the following:

- Increased potable water supply to increase public health and the quality of muncipal water supply systems (CWC §79767(c))
- Increased water supply reliability (CWC §79767(a))
- Improved water desalination technology, process effciencies, and methodologies (CWC §79767(e) & §12947(c))
- Advanced methods that minimize adverse impacts to the environment associated with desalination processes and new water supplies which decrease reliance on diversions from the Delta or instream flows (CWC §79767(b) & §12946)
- Contribriute to decreasing environmental impacts caused by greenhouse gas (GHG) emissions which includes energy efficiencies (i.e., water-energy nexus) (CWC §79767(b) & §12946).

The Applicant should indicate any and all the benefits provided above and other project benefits in its application (see related Sections 3.4 and 11.2 and Attachment 14).

More information about water desalination as one of the state's identified water resources management strategies to increase supplies may be found in Chapter 10, Desalination (Brackish and Sea Water), Volume 3 of the California Water Plan Update 2013, at http://www.water.ca.gov/waterplan/docs/cwpu2013/Final/Vol3_Ch10_Desalination.pdf.

## 1.6 Funding Sources

There are two funding sources for this Program.

In November 2014, California voters passed Proposition 1, a part of which is the Water Quality, Supply and Infrastructure Improvement Act of 2014 (California Water Code, Division 26.7, Section 79700 et seq). Chapter 9 of Proposition 1 (the proper legal reference is Chapter 9 of Division 26.7 of the Water Code, Sections 79765-79768) provides $725 million for grants/loans for water recycling and advanced treatment, including desalination projects. The Legislature allocated $100 million of Proposition 1 funding from Chapter 9 for desalination projects. Proposition 1 Sections 79765(b) and (d) provide funding for contaminant and salt removal projects, including but not limited to, groundwater and seawater desalination and associated treatment, storage, conveyance, and distribution facilities, and pilot projects for new potable reuse and other salt and contaminant removal technology. Proposition 1 requires that the funding program be implemented consistent with desalination programs administered pursuant to Sections 79545 and 79547.2 (Proposition 50).

In November 2002, California voters passed Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (incorporated into Division 26.5 of the California Water Code, beginning with section 79500). Three previous rounds of desalination grants were awarded in 2005, 2006, and 2014 resulting in projects completed in northern and southern California, involving both seawater and brackish groundwater desalination.

## 1.7 Available Funding

Funds for this round will come from mainly Proposition 1 and from remaining Proposition 50 funds as they become available. The total amount of funds available from Proposition 1 is $93,100,000. Allocations by project type are given in Table 2 (Target Distribution Of Funds (Round 4)). This PSP may be reopened to make additional awards for these funds.

## 1.8 Application Submittal Overview

The proposal solicitation for the Water Desalination Grant Program is an online application process completed with the online submittal tool: Grants Review and Tracking System (GRanTS). Additional information on GRanTS is found in Sections 10.3 and 11, and Appendix G. A web link has been provided in Appendix A.

Projects to be considered for funding through this PSP process will have to comply with relevant statutes, regulations, executive orders, and state policies for bond funding. Specific requirements are described in Section 6 (Grantee Compliance With State Laws and Regulations).

DWR will provide financial support or arrange for technical or grant writing assistance for disadvantaged communities (DAC). DACs are encouraged to contact DWR as early as possible in the draft public review period for this PSP and the grant application period to request assistance. Requests early in the solicitation process are critical to ensure timely assistance. Additional related resources for DACs have been included in Appendix A (Useful Web Links).

Questions regarding the PSP for this grant program should be submitted to Sean Sou at (916) 873-4633, or Michael Ross at (279) 231-0756, or sent by e-mail to DesalPSP@water.ca.gov.

# 2. GOALS AND PRIORITIES

This section of the PSP provides Program goals and priorities.

## 2.1 Program and PSP Goals

The overall goal of the Program and this PSP is to fund projects that advance desalinated water as one of many water resource management strategies in the state to meet municipal water supply needs or create or improve municipal drinking water supply resiliency and reliability. These projects must cause little to no ongoing adverse impacts to the environment, especially the marine ecosystem, and be consistent with other sustainability goals as implemented by the state.

## 2.2 Program and PSP Priorities

All projects must be for the purpose of advancing the use of naturally occurring saline water for municipal purposes. Projects that achieve the following objectives will receive positive consideration in scoring applications:

- Produce a potable water supply for municipal users through treatment of a saline raw water source to create a new water supply for the state.
- Improve local water supply reliability or resiliency to drought or other emergencies.
- Increase the knowledge base regarding desalination.
- Support appropriate planning and/or construction of desalination facilities to increase municipal water supplies.
- Conserve energy, reduce greenhouse gas (GHG) emissions, and increase carbon sequestration to meet goals in implementation of the State Climate Change Adaptation Strategies through dedication or other use of renewable energy sources to produce municipal drinking water through desalination (http://resources.ca.gov/docs/climate/APG_Identifying_Adaptation_Strategies.pdf).
- Advance the ability to extract ocean water or to discharge brine without ongoing significant impacts to the environment for a new facility, or reduce significant environmental impacts for an existing facility.
- Improve regional or local water supply reliability, resiliency, or redundancy that directly reduces the reliance on the long distance conveyance of fresh water (imported water) or is shown to be required for a critical sea level rise contingency.
- Employ new or innovative technology, methodologies, or practices.
- Directly benefit disadvantaged communities or economically distressed areas.
- Provide public health benefits from improved drinking water quality or supply.

- Provide the most cost–effectiveness.
- Likelihood of an innovation that is the subject of a Research Pilot project to advance the innovation's usefulness to full-scale implementation in the next three to five years.
- Regional projects that are identified in an IRWM plan.

Projects that provide needed water supply benefits are preferred to projects investigating the possibility of desalination to meet an estimated future water demand or to provide water supply reliability.

Projects will also be ranked according to readiness-to-proceed characteristics:

- Overall "ready-to-proceed" status
- Public acceptance
- Funding share commitments
- Executed interagency agreements
- Demonstrated good planning, feasibility studies
- Complete or nearly completed California Environmental Quality Act (CEQA) documents, including climate change impacts (e.g., greenhouse gas emission calculations)
- Completed or in-progress permitting and approvals

Applications within each project type will be ranked with other applications in the same project type.

# 3. ELIGIBILITY AND BENEFIT

This section of the PSP provides an overview of the Applicant and project eligibility requirements. The minimum project benefits necessary for eligibility are also discussed in this section. These requirements must be met to be considered for funding.

Potential Applicants may contact DWR early in the review of this PSP or application submittal if there is a question as to the project's eligibility or type designation.

## 3.1 Grant Applicant Eligibility

As provided for in Proposition 1 (Section 79712(a)-(b)), eligible Applicants are:

- Public agencies (city, county, city and county, special district, joint powers authority, a State agency or department, or other political subdivision of the State);
- Non-profit organizations (qualified under Section 501(c)(3) of Title 26 of the United States Code);
- Indian Tribes (including both State tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and federally recognized tribes);

- Investor-owned utilities[1] (IOUs) regulated under Public Utilities Code section 216; and
- Mutual water companies[2].

Only a single water management entity may apply for funding. Successful grant Applicants will enter into a contractual agreement with the State, become the Grantee (funding recipient), be the primary contact with DWR, and be responsible for the administration, invoicing, and execution of the project. Other collaborative partners not part of the water management entity may participate in the project, but only one water management entity will have a contractual relationship with DWR. Applicants who wish to collaborate on a project and pursue a regional approach to desalination facilities may elect to use a subcontractor, a joint venture, a joint powers authority, or other appropriate mechanism. A consultant may also participate as a subcontractor to the Grantee but is not able to be the legal water management entity for contract administration with DWR. DACs are eligible for technical or grant writing assistance.

## 3.2 Eligible Project Criteria

The primary grant program project criteria are:

- Water supply reliability improvement
- Water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows
- Public health benefits from improved drinking water quality or supply
- Cost-effectiveness
- Increased energy efficiency per unit of output
- Reduced greenhouse gas emissions per unit of output

In addition to these statutory criteria, this program is focused on projects that meet the following:

- Production of a new potable water supply for the state for municipal uses.
- Use of naturally saline source water. Raw naturally saline water is water with a salinity that exceeds normally acceptable standards for municipal, domestic, and irrigation beneficial uses.
- Use of source water that has an annual average Total Dissolved Solids (TDS) concentration exceeding 1,000 milligrams per liter.

## 3.3 Eligible Project Types

Table 1 presents the types of projects that are eligible for grant funding in Round 4.

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[1] Projects proposed by public utilities regulated by the Public Utility Commission and mutual water companies must have a clear and definite public purpose and must benefit water system customers, nd not the investors. (CWC section 79712)

[2] See footnote 1.

## TABLE 1 – ELIGIBLE PROJECT TYPES (ROUND 4)

| PROJECT TYPE | DESCRIPTION |
|---|---|
| Construction | A Construction project generally consists of the design and construction of a full-scale permanent desalination facility and related infrastructure to result in an operable municipal water supply project. This can apply to new construction, expansion of existing facilities, or replacement of major facility components that have reached the end of their useful life. A Construction project can include funding for design, but design will not be funded as a stand-alone project. Construction projects that depend upon future phases for an operable facility are not eligible.<br><br>Construction projects shall have a completed feasibility study or facility plan. The project's permitting and design shall be either ready to proceed or already proceeding towards construction. |
| Feasibility Study | A Feasibility Study is used to determine the need for a water supply project, to analyze the alternatives to meet the project objective, to determine whether a desalination project is the "preferred alternative", and if it is, to identify the implementation steps for the project. It is expected that the feasibility study project will complete the planning to a level to proceed to design and construction of a project. As such, environmental documentation or environmental special studies required for permit approval may be funded as part of a feasibility study. A reconnaissance-level master plan is not considered a feasibility study. |
| Environmental Documentation | Environmental Documentation as a stand-alone project for compliance with CEQA, compliance with National Environmental Policy Act (NEPA), or completion of studies or documentation required for permit application will be considered for a desalination project, as long as the basic feasibility study has already been completed and there is a likelihood for initiation of a construction project. As a requirement for funding, the completed portions of the feasibility study must be submitted with the application. |
| Design Pilot | A Design Pilot project is a small-scale prototype for a full-scale project or a full-scale component of a project and is intended to refine design criteria, aid site selection, or study particular technologies or methodologies (conventional or innovative) for the purpose of implementing an already proposed full-scale municipal desalination facility. The construction or fabrication of facilities and treatment trains, the testing of equipment and appurtenances in single or multiple configurations, and the analysis and reporting of collected data are all essential components of a Design Pilot project. A Design Pilot project shall have a completed feasibility study or facility plan to support the implementation of a specific full-scale project. |

| PROJECT TYPE | DESCRIPTION |
|---|---|
| Research Pilot | A Research Pilot project is a small-scale prototype for a full-scale device, equipment, process, or other technology and is intended to advance the knowledge base of new desalination technology, related infrastructure, and by-products treatment and disposal. A Research Pilot project is applied research intended to further the development of new technology or methodologies toward practical application. Research Pilot projects should have a reasonable chance to lead to full-scale implementation of such technology or methodology to increase municipal water supply in the state. Research Pilot projects can serve specific project needs but cannot be for the sole purpose of assessing a specific project; the results must have broader application. |

## 3.4 Minimum Project Benefits

Grant funds are provided as an incentive to implement projects that increase regional or local water supply or reliability benefits. A project that benefits regional or local water supply is assumed to also benefit the state's water supply reliability as long as the project does not adversely impact other areas. Desalination projects may provide other valuable benefits, as defined below, to the state. A proposed project must have at least one of the following state benefits to be eligible for grant funding:

- Water supply reliability improvement (CWC §79767(a))
- Water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows (CWC §79767(b), §12946)
- Public health benefits from improved drinking water quality or supply (CWC §79767(c))

The nature of desalination is such that its most direct benefit tends to be water supply reliability improvement through increased water supply and diversification of supplies for more resiliancy in droughts or emergencies. Many desalination projects may reduce dependence on diversions from the Delta or instream flows, but actual reductions in diversions are often difficult to document and may be more long-term. This Program is focused on deriving potable water supplies from saline water with a product water that is better than existing water supplies. In some severely water short areas accessible to saline sources, desalination can provide a critically needed supply.

Another important benefit this Program is trying to achieve is development and employment of new or innovative technology or practices, especially if they can achieve:

- Improved cost-effectiveness,
- Increased energy efficiency,
- Reduced greenhouse gas emissions, or
- Reduced adverse environmental impacts from water withdrawals or brine disposal (CWC §79707(e), §12947(c)).

Specific benefits provided by the proposed project will be identified by the Applicant in Part 2 and Part 4 of the online application. See sections 11.2 and 11.4, and Attachment 14.

## 3.5 Ineligible Project Types

The following project types are ineligible for funding:

- Wastewater treatment, recycled water treatment, and the potable reuse of recycled water;
- Projects that treat impaired waters or agricultural drainage water that are intended primarily for the removal of chemicals other than salinity, even if the technology employed is one commonly used for water desalination;
- Projects for reconnaissance-level master plans;
- Any project that could adversely impact a wild and scenic river, or any river afforded protection under the California or Federal Wild and Scenic Rivers Act (Water Code §79711 (e));
- Design, construction, operation, mitigation, or maintenance of Delta conveyance facilities (Water Code § 79710(a)).

# 4. FUNDING AND COST SHARE

This section presents:

- Target Distribution of Funds
- Projects Costs and Funding Sources
- Reimbursable Costs
- Non-Reimbursable Costs
- Project Budgets
- Funding Match

## 4.1 Target Distribution Of Funds

Desalination grant funds are available for the following project types for Round 4 of funding as shown in Table 1. The planned allocation is based on the total Proposition 1 funds appropriated.

**TABLE 2 – TARGET DISTRIBUTION OF FUNDS (ROUND 4)**

| Project Type | Grant Funding Cap Per Project | Total Planned Allocation |
|---|---|---|
| Construction | Up to $10,000,000 | $73,100,000 |
| Feasibility Studies | Up to $700,000 | $20,000,000 |
| Environmental Documentation | Up to $500,000 | |
| Design Pilot | Up to $1,500,000 | |
| Research Pilot | Up to $1,000,000 | |

Funding caps are considered maximum amounts that may be awarded per project type. At DWR's discretion, actual project awards may be less than the funding cap, and DWR may move funds between project types. After awards based on the first application period, if DWR does not award all available funds, DWR will reopen this PSP and accept applications on construction, design pilot, feasibility study, and environmental documentation projects on a continuous basis and award grants on a first ready-first award basis until all grant funds are exhausted. Research pilot projects will not be included in the continuous funding. Remaining Proposition 50 funds will be added to this continuous application process as they become available.

## 4.2 Project Costs And Funding Sources

A proposed project may include components that:

- The Applicant is not requesting state funding for, or
- May not be eligible for state funding according to the rules of the funding program.

The following terms and definitions and the flow chart in Figure 1 define project costs categories to assist in identifying costs that qualify for grant reimbursement and Funding Match:

- **1. Total Project Cost**: The cost associated with the total project as conceived by the Applicant and includes reimbursable and may include non-reimbursable costs as defined in this PSP.
- **2A. Eligible Project**: The portion of the total project that is considered consistent with DWR Water Desalination Grant Program as defined in Section 2 and is necessary for an operable project. The cost of the Eligible Project may include non-reimbursable costs (see Non-Funded Portion of Eligible Project).
- **2B. Ineligible Portion of Total Project**: The portion of the total project which is considered outside the scope of the DWR Water Desalination Grant Program or of the project for which funding is requested. The costs of the ineligible portions of the total project are not fundable or applicable to cost shares as defined in Cost Share in this PSP.

- **3A. Funded Project**: The funded portion of the Eligible Project, which consists of only reimbursable costs as defined in Section 4.3. Funded Project costs are financed by the DWR Grant and the Applicant's Cost Share.
- **3B. Non-Funded Portion of Eligible Project**: The portion of Eligible Project that is necessary and reasonable for completion of an operable project but which consists of non-reimbursable costs, as defined in Section 4.4.
- **4A. DWR Grant**: The amount of funds requested by the Applicant for grant funding from the DWR Water Desalination Grant Program or awarded by DWR to the Applicant for an Eligible Project.
- **4B. Cost Share**: The Applicant's portion of funding for the Funded Project. The cost-share portion of the funded project is provided by the Applicant and consists of funds qualifying as a Funding Match and other funds which do not qualify as a Funding Match (Other State Funding).

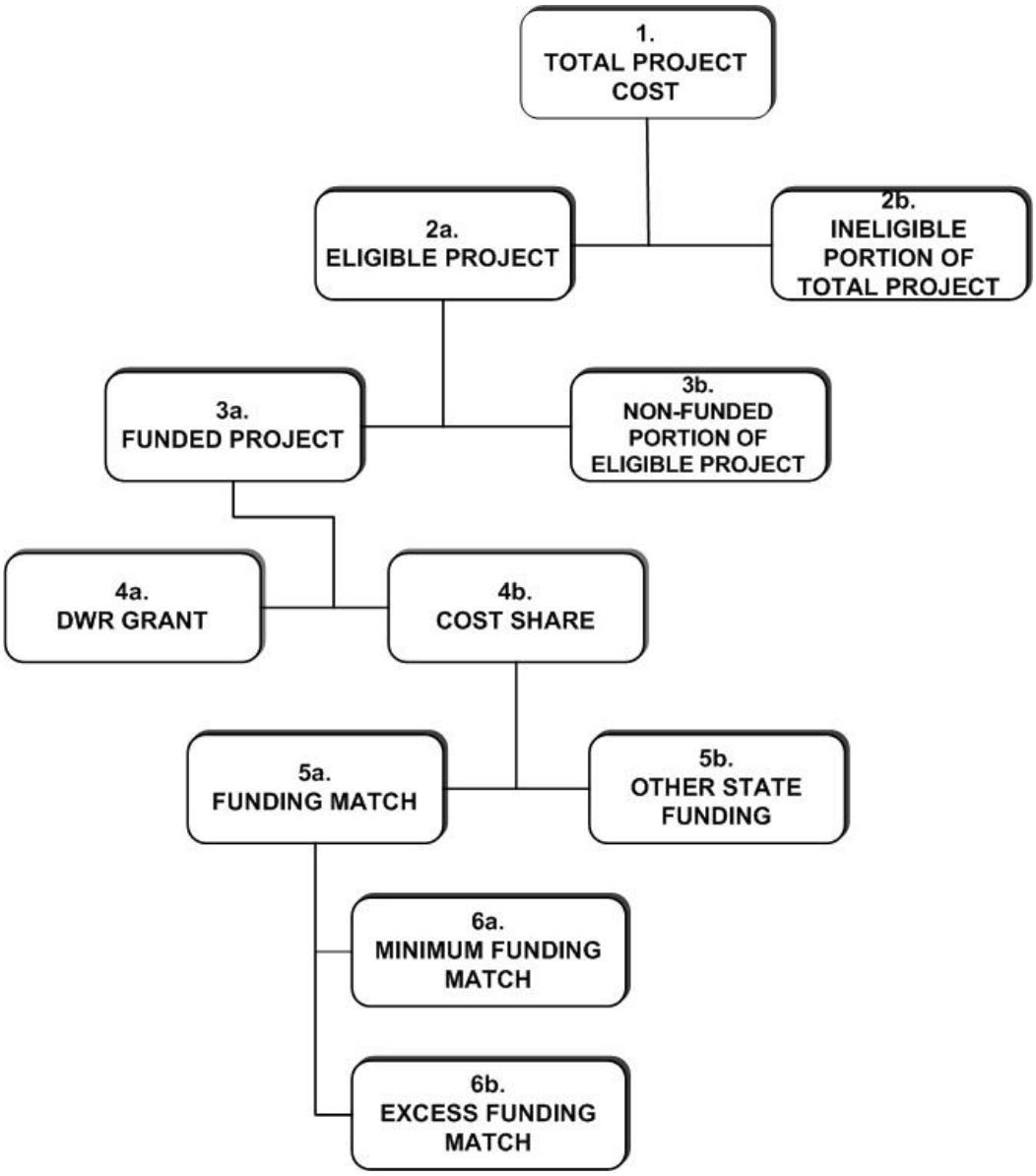


FIGURE 1: COSTS AND FUNDING DIAGRAM

- **5A. Funding Match**: The non-state fund portion of Cost-Share made available by the Applicant to assist in financing the Eligible Project and in compliance with the Funding Match criteria as described in Section 4.6. The Funding Match is the sum of the Minimum Funding Match and the Excess Funding Match.
- **5B. Other State Funding**: The portion of Cost Share that comes from state grant funding other than the DWR Water Desalination Grant Program. Within GRanTS, this is referred to as Other Contributions.
- **6A. Minimum Funding Match**: The portion of Funding Match that is the minimum amount required to match the state grant. By statute, the Minimum

Funding Match is at least 50 percent of the total cost of the project, which for the purposes of this PSP is 50 percent of the cost of the Funded Project.

- **6B. Excess Funding Match**: The portion of Funding Match in excess of the Minimum Funding Match. Excess Funding Match is not required for grant funding.

## 4.3 Reimbursable Costs

Reimbursable costs are direct costs that may be reimbursed by grant funds and may also be paid by the funding sources qualifying as Funding Match. All reimbursable costs must be related to the scope of work.

To qualify for grant reimbursement, reimbursable costs must be incurred between the following dates:

- Construction project type: Based on the severity of statewide drought conditions and acknowledging the investments made during the drought, reimbursable costs must be incurred after November 5, 2014 (the effective date of Proposition 1) and the agreement termination date.
- All other project types: Reimbursable costs must be incurred after July 1, 2015 (the date the desalination proposition 1 funds were appropriated) and the agreement termination date. Applications will not be accepted for completed projects.

To qualify for Funding Match, reimbursable costs must be incurred between November 4, 2014 and funding agreement termination date.

Applicants that start work before grant agreement execution do so at their own risk. Advance funds cannot be provided unless all of the following three criteria are met [3]:

- The awarded project is included and implemented in an Integrated Regional Water Management Plan (CWC §10551(a)).
- The Applicant is a DAC or a nonprofit organization, or the project directly benefits a DAC (CWC §10551(b)(1)).
- The awarded grant is less than $1,000,000 (one million dollars) (CWC §10551(b)(2)).

Reimbursable costs to be considered for grant funding are:

- Administrative costs. Reimbursable administrative costs will be limited to ten percent of the State grant provided through this Funding Agreement and ten percent of the amount counted toward the minimum Funding Match.

[3] Senate Bill No. 208 (October 9, 2015) exceptions Chapter 7 (commencing with Section 10551) of Part 2.2 of Division 6 of the California Water Code -- In the event that an awarded project and Applicant qualify for the exception, advance payment of 50 percent of the award will be disbursed. These funds must be placed in a noninterest-bearing account until expended and must be expended within the time period identified in the Grant Agreement. Requirements for invoicing, reporting, and acceptance of the drawdown amounts are the same as for non-advance funds payments. This exception does not apply to EDAs.

Reasonable administrative expenses may be reimbursable and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, implementation, and maintenance. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the Funded Project included in this Funding Agreement, including the portion of overhead and administrative expenses that are directly related to the Funded Project, that are documented in accordance with standard accounting practices.

- Retroactive funding for completed or partially completed projects is contingent upon compliance with all legal requirements of the grant.
- Contingency funds may be allocated in the project budget. Costs designated as contingency costs in the budget are Reimbursable Costs insofar as contingency funds are actually spent for otherwise Reimbursable Costs described in this section and less than ten percent of total Eligible Project costs. Contingency costs are not eligible for grant reimbursement until they are expended on a reimbursable cost. If the contingency funds are accessed during the execution of the project, a thorough explanation must be provided to the DWR project manager when the invoice is submitted. If there is a question about the eligibility of the expenditure, the Grantee should contact the DWR project manager prior to expending the funds.
- Project construction, fabrication, installation, and improvement of facilities. Capital outlay expenditures shall be tied immediately and exclusively to the achievement of the project purposes. Facilities must be and remain owned by the Grantee unless otherwise approved by DWR, which must be notified for any change of ownership during the useful life of the facility. Ownership transfer would be considered only if to an entity originally considered eligible under this PSP.
- Project-specific equipment (such as computers, monitoring equipment, and others) dedicated to and will be used solely for the Funded Project. Equipment must be and remain owned by the Grantee unless otherwise approved by DWR.
- Operation and maintenance during the operation of projects designated as pilot projects.
- Research activities for projects designated as Research Pilot projects.
- Cost of reports, and studies within the project's approved scope of work.
- Funding Recipient labor (that is, force account, including direct labor overhead) to perform tasks within the scope of work (as documented).
- Consultant services.
- Preparation of environmental documentation.
- Engineering, and design.
- Environmental mitigation.
- Monitoring that is approved by DWR in the Scope of Work.

- Travel expenses directly associated with the Funded Project and described in the scope of work as essential to specific tasks and preapproved by DWR before traveling. All travel expense claims must adhere to the State's approved rates for travel related costs in effect at the time of travel.

## 4.4 Non-Reimbursable Costs

Non-reimbursable costs are costs that will NOT be considered for grant reimbursement or counted as Funding Match. The following are examples of non-reimbursable costs:

- Expenses not identified in the grant application scope of work (Attachment 8) or project budget (Attachment 10), or not approved in writing by DWR as part of an agreed-scope change. Projects with unjustified or excessive costs may be awarded reduced funding.
- Operation and maintenance costs of permanent facilities, not including calibration and start-up prior to permitted facility operation
- Performance review, monitoring, and assessment costs for efforts required after project construction is complete
- Costs incurred outside the time period specified in the grant agreement (see general criteria in Section 4.3)
- Repair or replacement of equipment
- Contingency for the project budget greater than ten percent of total Eligible Project costs. Projects with unjustified or excessive contingency costs may be awarded reduced funding.
- Equipment not dedicated to the project (for example, computers and monitoring equipment) that can be used for other purposes
- Vehicles
- Establishing a reserve fund
- Purchase or acquisition of water supply
- Replacement of existing funding sources for ongoing programs
- Legal and court costs resulting from the CEQA process, violation of laws, or civil actions
- Costs of applying for funding
- Indirect costs not directly connected with the grant project, such as an educational institution's or agency's overhead costs
- Educational institution's tuition and student expenses
- Support of existing punitive regulatory agency requirements and/or mandates in response to negligent behavior
- Meals, food items, or refreshments unless part of approved per diem travel expenses and must not be more that the State's per diem rate in effect at the time of travel

- Costs associated with travel unless approved by DWR when described in the scope of work as essential to specific tasks or in excess of the State's approved rates for travel-related costs in effect at the time of travel
- Payment of principal of, or interest on, indebtedness
- Costs of land, easements, and rights-of-way
- Acquisition of land through eminent domain (Water Code §79711 (g))

## 4.5 Project Budget

The Project Budget is to be developed according to the guidelines provided in Attachment 10.

The budget can include contingency allowance but restrictions in sections 4.3 and 4.4 apply.

The grant award is a maximum amount available to a Grantee in this funding round. Grant funds will be disbursed based on actual reimbursable expenditures. Any grant funds remaining at the conclusion of the project remain the property of the State.

Ten percent of the project invoice disbursement requests will be held as retention until receipt and approval of the project final report. For construction projects that have non-funded portions that are necessary for achieving an operable project, the retention will be held until all necessary portions are completed.

## 4.6 Funding Match

Funding Match criteria are contained in this section. The Applicant is responsible for providing a Funding Match from non-state grant sources[4] of at least fifty percent of the total Funded Project cost in the form of cash or donated services. "Funding Match" means funds made available by the grant recipient and may include, but is not limited to, federal funds, local funds, state loan funds, or donated services from non-state sources. An exception is Grantees that are state agencies, which may include state funds and services as matching funds. With respect to the foregoing, Applicants are responsible for determining and complying with all applicable legal requirements concerning such monetary contributions or donated services.

Funding Match requirements are defined below. "Funds" include in-kind services.

- Funds must be spent on reimbursable costs, as defined in Section 4.3.
- In-kind services must consist of work performed or items contributed by the Applicant or project partners directly related to the execution of the tasks in the scope of work.
- Reimbursable costs incurred after November 4, 2014 can be applied to Funding Match for all project types.

[4] Water Code Sections 79766 and 79545(a)

- The funds or associated work performed must not have been used to match another grant project from the State.
- Administrative expenses counted as Funding Match are limited in accordance with reimbursable cost limitation.
- The Funding Match must be documented in the grant application, Attachment 10, Project Budget.

This Funding Match may be suspended or reduced for a project that is serving a qualified disadvantaged community or economically distressed area. Documentation for suspension or reduction in Funding Match for DACs and economically distressed communities must be provided in Attachment 22.

Funding Match sources considered in this grant application may be other non-state grants that the Applicant has received, applied for, or for which applications are planned. Sources, amounts, and the status of procuring the identified Funding Match are to be included in the proposal. If funding identified in this application does not occur after the grant award date, then the Grantee will notify DWR and provide alternative funding and/or reduced scope options to DWR.

American Recovery and Resources Act (ARRA) funds, even if received from a state agency, are not considered state funds and may be used as a Funding Match.

The Funding Match and related information must be included in the funding agreement. During the administration of the grant agreement, Grantees will be required to provide documentation of the actual expenditures of Funding Match and its use for Eligible Project costs at time of invoice submittal for grant disbursements. The Funding Match work information must be included in the project's reports: quarterly, annual, and final reports, and technical memos.

## 5. DURATION OF PROJECTS

Projects of any duration will be considered for funding. Funding agreements will not be longer than a three year duration because of state funding constraints. For a project scheduled to last longer than the funding agreement term, the Grantee may request an extension before the end of the initial agreement period. An extension is subject to DWR approval, and, if granted, will be at no additional cost to the state beyond the initial grant amount. DWR will use its best effort to support the project through completion; however, an extension is subject to legislative approval of funds for the project.

The Applicant is to clearly show in the proposal (Project Schedule, Attachment 11) the duration of each task included in the project. If a Funded Project is a part of a larger project, then the duration and scheduling of the Funded Project is to be shown relative to the other parts of the larger project. Note that the Grantee is responsible for reporting on the entire project as presented in the proposal, even if unfunded parts of the project do not occur during the duration of the Funded Project.

Projects which fall over a year behind in activity or reporting may be terminated. Prior to termination, Grantees will be notified of DWR's intent to terminate because of non-activity or non-reporting and will be given the opportunity to address the lapse.

Acceptance of substantial project delays will be determined on a case-by-case basis at the discretion of DWR. Grant recipients whose agreements have been terminated may be required to repay all grant monies received with interest.

# 6. GRANTEE COMPLIANCE WITH STATE LAWS AND REGULATIONS

Applicable compliance requirements are explained in this section. Projects receiving funding from this grant program are required to maintain compliance with applicable state requirements throughout the duration of the grant. Documentation for Sections 6.1, 6.2, and 6.3 will be required in the application.

## 6.1 Compliance With Environmental Laws

Applicants are required to obtain all necessary permits, licenses, and approvals, including those required under the California Environmental Equality Act (CEQA), National Environmental Policy Act (NEPA), and the California Endangered Species Act (ESA), as well as all applicable engineering and design permits. Activities funded under this program regardless of project type must be in compliance with the CEQA (Public Resources Code §21000 et seq.). DWR, as a fund source, is a CEQA Responsible Agency and thus has discretionary approval power over the project, must review all environmental documents, and must make a finding regarding CEQA documents prior to grant fund expenditure. If any documents are required by CEQA prior to start of work for the funded project, the Applicant and Lead Agency for the project must complete these CEQA documents prior to execution of a grant agreement with DWR. Significant delays in completion of CEQA documents could result in DWR withdrawing the grant award. This does not preclude the inclusion of the preparation of environmental documents as part of a Feasibility Study or Environmental Documentation project.

If an environmental impact report (EIR) is to be prepared, the project's Lead Agency must notify DWR via a brief notice or "Notice of Preparation" and subsequent documents. The purpose of the notice is to solicit guidance as to the scope and content of the environmental information to be included in the EIR. CEQA documentation will be submitted as part of Attachment 15.

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. Appendix C contains additional information on tribal notification.

Projects with Applicants who are obligated to and do not comply with CEQA requirements are not eligible for funding.

## 6.2 Legislation Compliance

Successful grant Applicants are required to comply with several laws regarding water supply and management including: conservation and/or water efficiency legislation such as Senate Bill (SB) X7-7 (Water conservation), Assembly Bill (AB)1420 (Water conservation measures), SB X7-6 (Groundwater monitoring), AB 1404 (Surface water diversion reporting), Sustainable Groundwater Management Act (SGMA), and other applicable state statutes or regulations. DWR will require proof of compliance from the

Applicant and its project partners with the following or any applicable state laws and regulations in effect at the time of application and agreement execution. The Applicant will complete Attachment 3 of the grant application as a first step in documenting compliance. In the second step, if awarded a grant, the Applicant will be required to provide supporting documentation to DWR that demonstrates continued compliance.

a. Urban Water Management Plans (UWMPs) – To be eligible for funding, an Applicant who is an Urban Water Supplier, as defined in the California Water Code (CWC) Section CWC 10617, must have submitted to DWR its 2015 Urban Water Management Plan (UWMP) which has been verified by DWR in compliance with the law (CWC §10631.5, 10608.56, 10656, 79712) by the time the agreement is executed (http://www.water.ca.gov/urbanwatermanagement/).

b. Water Conservation - CWC §10608.56(a) states that on and after July 1, 2016, an urban retail water supplier is not eligible for a water grant or loan awarded or administered by the State unless the supplier complies with SB X7-7 water conservation requirements outlined in Part 2.55 (commencing with §10608) of Division 6 of the CWC. If an urban retail water supplier has submitted to DWR a schedule, financing plan, and budget to achieve its per capita water use reductions in accordance with §10608.56(c), these items as approved by DWR shall be included in the grant agreement and compliance will be a condition for funding. If the urban retail water supplier has not met the per capita reductions required pursuant to Section 10608.24 and has submitted to DWR for approval documentation demonstrating that its entire service area qualifies as a DAC, it will not be disqualified to receive grant funding (§10608.56(e)).

c. Water Meters - Applicants who are Urban Water Suppliers must submit a certification form documenting they are in compliance with Water Metering Requirements (CWC §525 et seq.) (http://www.water.ca.gov/wateruseefficiency/finance/).

d. Agricultural Water Management Plans (AWMPs) – To be eligible for funding, an Applicant, who is an Agricultural Water Supplier as defined in CWC Section 10608.12 must submit to DWR its Agricultural Water Management Plan (AWMP) which has been verified by DWR in compliance with the law (CWC §10608.56(b)) by the time the agreement is executed (CWC §79712(b)(3)) (http://www.water.ca.gov/wateruseefficiency/sb7/).

e. Agricultural Efficient Water Management Practices (EWMPs) – To be eligible for funding, Applicants who are Agricultural Water Suppliers must comply with EWMP requirements as set forth in Chapter 4, Part 2.55, Division 6 of the Water Code (CWC §10608.48 et seq.) (CWC §79712(b)(4)). If the agricultural water supplier has submitted to DWR for approval a schedule, financing plan, and budget for implementation of the efficient water management practices in accordance with CWC §10608.56(d), these items as approved by DWR shall be included in the grant agreement and compliance will be a condition for funding.

f. Groundwater Monitoring - CWC §10920 et seq. (SB X7-6) requires the formation of a groundwater monitoring program designed to monitor and report

groundwater elevations in all or part of a basin or subbasin. CWC §10933.7 limits the ability of counties and other entities specified in CWC §10927(a)-(d) to receive grants or loans in the event that DWR is required to perform groundwater elevation monitoring functions pursuant to CWC §10933.5. This requirement is only applicable if there is a groundwater component to the grant application. Groundwater monitoring requirements are part of the California Statewide Groundwater Elevation Monitoring (CASGEM) Program (http://www.water.ca.gov/groundwater/casgem/). Documentation similar to Appendix L will be required before the grant agreement is executed.

g. Groundwater Management Plans - Agencies desalinating brackish groundwater, including coastal aquifer groundwater, must comply with CWC §10753.7 and provide any applicable groundwater management plans. This requirement is only applicable if there is a groundwater component to the grant application (http://www.water.ca.gov/groundwater/groundwater_management/GWM_Plans_inCA.cfm). Documentation similar to Appendix L will be required before the grant agreement is executed.

h. Surface Water Diversion Reporting Compliance - Beginning January 1, 2012, 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 Section 5103(e)(2) of the CWC (http://www.waterboards.ca.gov/waterrights/water_issues/programs/diversion_use/).

i. Public Utilities and Mutual Water Companies – A project proposed by a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors (CWC §79712 (b)(1)).

## 6.3 Climate Change and Other Compliance

Incorporating climate change analysis and adaptation planning is an increasingly important aspect of local and regional water resource management.

The Greenhouse Gas emissions analysis in CEQA documents will be reviewed by DWR. Applicants should refer to the *Informal Guidance for DWR Grantees: GHG Assessment for CEQA Purposes* which is available at the website http://www.water.ca.gov/climatechange/resources.cfm. (Click on the link titled ”CEQA Greenhouse Gas Analysis Guidance for DWR Grantees” and “CEQA Information For Grantees: Process, Greenhouse Gas Analysis, and Climate Change”.)

GHG emissions will be reviewed and evaluated in two ways:

- Applicants will be required to provide specific GHG emission estimates as part of a project energy source portfolio as described in Section 11.4, Attachment 12.
- Applicants will be required to provide CEQA documentation as part of the Section 11.4, Attachment 15.

For sea water desalination projects, applicants should consult with SWRCB and applicable RWQCB to determine whether a project:

- Is subject to Section 13142.5(b) of the CWC
- Complies with the Water Quality Control Plan for Ocean Waters (Ocean Plan, 2015) Section III.M. of the Ocean Plan
- Needs a National Pollutant Discharge Elimination System permit

Although this consultation between applicants and SWRCB or RWQCB staff does not need to be part of the grant application or screening processes for Construction, Design Pilot, and Research Pilot-type projects, the consultation may be required to be completed prior to execution of the funding agreement or may be a provision of the funding agreement.

## 6.4 Registered Civil Engineer

For construction projects, a California registered civil engineer must prepare and stamp both the Plans and Specifications documents.

# 7. FUNDED PROJECT REQUIREMENTS

## 7.1 General Agreement Requirements

If the Applicant is selected to receive grant funding, the Grantee will enter into a grant funding agreement with DWR. Projects selected for funding shall be subject to the Program's agreement terms and conditions. The Program funding agreement template form and organization shall be used (see Appendix A for a link to a sample funding agreement). Federal agencies' standard terms and conditions in conflict with state standard terms and conditions or with the State's ability to administer the grant consistent with this PSP will not be permitted. Funds will be disbursed in accordance with the executed agreement. While an award of a grant is an expression of DWR's intent to enter into a funding agreement, the award is not a guarantee that there will be a funding agreement execution. Therefore, Applicants commencing work prior to agreement execution should do so at their own risk and expense. Agreement execution and disbursements are subject to the availability of funds.

The Grantee must demonstrate that it has a plan to comply with all applicable requirements of CEQA and NEPA and a schedule that outlines when the appropriate environmental documents will be completed if they are not ready. DWR staff will review the CEQA/NEPA documentation available at the time of the grant agreement execution for all components of the Eligible Project. Each project component subject to CEQA/NEPA shall not proceed until documents that satisfy the CEQA process are received by DWR and DWR has completed its co-determination compliance review and approval. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. Once CEQA/NEPA documentation has been completed, DWR will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations, or other mitigation.

The scope of work to be included in the agreement will be the same as that provided in the grant application as Attachment 8, but it may be modified for clarity and consistency with this PSP.

## 7.2 Project Documentation Requirements

Each Grantee will be required to provide certain reports both during the implementation of the project and for five years following project completion.

The following is an overview of the specific project documents that are required to be provided to DWR. More detailed descriptions are provided in the Appendices and the funding agreement.

a. **Quarterly Progress Reports**. The Grantee is required to submit to DWR brief quarterly fiscal and programmatic reports throughout the project. The intent of the quarterly progress reports is to provide a brief nontechnical summary of the work performed in each quarter, a summary of the project expenditures in each quarter, the planned work during the next quarter, and an update on the overall project schedule and budget. These reports provide partial documentation for invoices for grant reimbursement. Quarterly reports are to be provided to DWR no more than 90 days after the completion of the quarter. Projects with reports more than one year late may be cancelled. There is a format required for quarterly reporting as provided in the Program Funding Agreement Template. See Funding Agreement Template for details on quarterly progress reports posted on DWR's website (see Appendix A – Useful Links).

b. **Annual Reports.** The Grantee is required to submit an annual report no later than March 1 of the subsequent calendar year. The Program Funding Agreement provisions provides the information to be included in the annual report, which includes project benefits, collected data, as well as a summary of the project work completed to date. The requirement for annual reports may be waived if comparable project documents are prepared. This waiver will be at the discretion of DWR. See Funding Agreement Template for details on annual reports posted on DWR's website (see Appendix A – Useful Links).

c. **Interim Project Documents.** DWR is to receive copies (electronic and 1 hard copy) of project documents prepared during the project. These include, but are not limited to: task reports, 10/50/90 percent design reports, white papers, technical memoranda, task memoranda, etc. During agreement negotiations, DWR will identify which planned project deliverables it would like to receive. See Funding Agreement Template for details on interim reports posted on DWR's website (see Appendix A – Useful Links).

d. **Final Report.** A comprehensive final report is to be provided to DWR at the end of the project (electronic and 1 hard copy). The report will include a description of actual work done and deliverables produced, any changes or amendments to the project, a final schedule of work performed, and a summary of project costs. Other information will be included depending on the type of project. See Funding Agreement Template for details on final reports posted on the DWR's website (see Appendix A – Useful Links).

e. **Performance Report.** The Grantee will provide to DWR a brief performance report annually for a period of five years, or a reporting time period as negotiated and agreed with DWR. The report will summarize post-grant desalination activities. See Funding Agreement Template for details on performance reports posted on DWR's website (see Appendix A – Useful Links).

f. **Disbursement Requests (Invoicing).** The Grantee may request grant disbursements as frequently as quarterly. All invoices for disbursements must be supported by quarterly reports describing the work performed and Grantees must use DWR invoice forms as provided and submit prescribed information, summary tables, and detailed expenditure records as specified in the funding agreement. Expenditures must be separated by quarter and should be shown in the quarter that they became due and payable by the Grantee. Invoices must also be supported by other documentation as prescribed by DWR. See Funding Agreement Template for details.

## 7.3 Additional Project Requirements

During DWR's agreement with the Grantee, the following issues must also be fulfilled:

a. **Labor Code Compliance.** Funding recipients shall keep informed of and take all measures necessary to ensure compliance with Labor Code requirements, including but not limited to, Section 1720 et seq. of the Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.3) and payment of prevailing wages for work done and funded pursuant to this PSP, including any payments to the Department of Industrial Relations (DIR) under Labor Code Section 1771.3. For additional information on Labor Code compliance, please refer to the Department of Industrial Relations' website: http://www.dir.ca.gov

b. **Consulting Agreements.** Funding recipients shall comply with all applicable laws when it hires third-party private consultants to implement all or parts of its project.

c. **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. Accordingly, before submitting an application, Applicants are urged to seek legal counsel regarding potential conflict of interest concerns and requirements for disclosure. Applicable statutes include, but are not limited to, Government Code, Section 1090 and Public Contract Code, Sections 10410 and 10411, for State conflict of interest requirements.

    i. **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No

State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.

ii. **Former State Employees:** For the two-year period from the last day of State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period after the last day of State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.

d. **Confidentiality.** All proposals will become public information upon submittal to DWR. Once the proposal is signed and submitted to DWR, the Applicant waives any rights to privacy and confidentiality of the proposal.

e. **Rights in Data**. Per Exhibit D -- Standard Conditions of the Program Funding Agreement, the "Rights in Data" section provides that the Funding Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Funding Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act, California Government Code §6250 et seq. The Funding Recipient may disclose, disseminate and use in whole or in part, any final-form data and information received, collected and developed under this Funding Agreement, subject to appropriate acknowledgement of credit to State for financial support. The Funding Recipient shall not have exclusive rights to utilize the materials, including for any profit-making venture, and it shall not sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

   DWR intends to post Grantees' final work products on the internet for information dissemination. These products will remain in public domain.

f. **Financial Records.** The Grantee is responsible for maintaining appropriate accounting records. Projects may be audited. Records must be maintained for a period of three years, in accordance with Government Code Section 8546.7. For further information on the types of records that must be maintained, refer to the funding agreement template exhibit entitled "State Audit Document Requirements and Funding Match Guidelines for Funding Recipients". See Appendix A for Useful Web Links .

g. **Investor-Owned Facilities**. Any investor-owned water system receiving funding will be prohibited from earning a profit from the use of these funds and achieving

a financial benefit from the later disposition of assets purchased by these funds regardless of whether or not said assets are a useful part of the water system.

h. **Signage**. To the extent practicable, a project supported by funds made available through this program will include signage informing the public that the project received funds from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (CWC §79707(g)).

i. **Changed Conditions.** If during the execution of a project, project conditions are found to be substantively different from those presented in the grant application process, the Grantee will consult with DWR to determine an appropriate course of action. For example, if an awarded Grantee discovers actual feed water conditions are less saline than 1,000 mg/L on average, DWR must be consulted about how to proceed with the project. The Grantee must inform the DWR project administrator and must await instructions before proceeding with the project.

## 8. DWR PSP AWARD AND FUNDING PROCESS

Proposals (applications) are to be prepared in accordance with the requirements of this PSP. Proposals must be submitted online and in hard copy form (see Section 10). The award and funding process consists of the steps described here.

**First**, Applicant and project eligibility will be determined. Based on the initial eligibility screening, ineligible proposals will be removed from further consideration and the Applicants will be notified.

Initial eligibility screening using the following general criteria will be conducted by DWR staff:

- Was the application received on time?
- Was the application submitted online?
- Was a hard copy of the application received?
- Has the application signature page been signed?
- Is the Applicant eligible to receive a grant?
- Is the proposal complete – does it contain all required submittals?
- Is the proposed project an Eligible Project?
- Does the proposed project have State benefits?
- Is the proposed project in the correct eligible project type?
- Has the Applicant identified its Funding Match and Cost Share?
- Does the Applicant have any conflicts of interest?
- Does the Applicant object to the State's rights in data of the project?
- Is the Applicant able to use the Program (state) agreement?
- Is the project located in California?

- Any other significant issue that DWR determines would preclude project from advancing?

DWR may reassign a project to a more appropriate project type category. Note that Applicants should submit all potentially applicable attachments to facilitate this potential reassignment.

**Second**, screened proposals will be further reviewed and scored by review panels using the score sheet selection criteria (Appendix J). To be eligible for funding, a project must receive:

- at least 70 percent of the total possible points for the applicable Project Type
- at least 16 points combined for Scoring Criteria 3, 4, and 5, which cover the minimum benefits cited in Section 3.4
- at least half of the available points in each of Scoring Criteria 7 through 16
- at least half of available points in Scoring Criterion 6 for Research Pilot projects only (there is no minimum for other types of projects)

DWR reserves the right to use relevant publicly available information to support proposal evaluation in addition to that provided in the proposal by the Applicant.

**Third**, once each proposal is scored, DWR will:

- Interview Applicants or visit proposed projects, if determined necessary by DWR.
- When awarding grants, consider reasonable geographic allocation to eligible projects throughout the state, including both northern and southern California and coastal and inland regions (CWC §79767(f)).
- Prepare a list of draft funding recommendations.
- Hold a public workshop to release the draft funding award recommendations and provide public comment period.
- Finalize funding decision and announce final funding decision for grant awards.

**Fourth**, DWR begins agreement negotiations and executes agreements with each successful Applicant awarded funds. If an agreement is not successfully negotiated with an awardee, then DWR reserves the right to withdraw the award and to make additional awards.

# 9. SCHEDULE

The schedule for Round 4 of the Program is shown in Table 3.

**TABLE 3 – SCHEDULE FOR PSP FUNDING PROCESS**

| Date | Activity/Milestone |
|---|---|
| April 3, 2017 | Draft PSP posted online |
| May 8, 2017 | Public Workshop for Draft PSP – Southern California |
| May 9, 2017 | Public Workshop for Draft PSP – Central Valley, California |
| May 10, 2017 | Public Workshop for Draft PSP – Northern California |
| May 18, 2017 | Comments on Draft PSP Due |
| June 16, 2017 | Final PSP Release |
| August 1, 2017 | Public Workshops for Final PSP – Los Angeles, CA (Southern) |
| August 3, 2017 | Public Workshops for Final PSP – Monterey, CA (Central Coast) |
| September 1, 2017 | Proposals Due, 5 pm PDT |
| November 3, 2017* | Announce Desalination Draft Funding Decision |
| November 15, 2017* | Public Workshop for Draft Funding Awards – Sacramento |
| December 1, 2017* | Announce Desalination Final Funding Decision[1] |
| December 11, 2017* | Desalination Agreement Negotiations Begin |
| Winter 2017-2018* | Desalination Agreements Executed |

* Dates are approximate.

[1] This is considered the Award Date referred to in Section 4.3.

# 10. APPLICATION SUBMITTAL

## 10.1 When To Submit

Applications must be submitted online by the established deadline as given below:

**5:00 pm on September 1, 2017 PDT**

The DWR GRanTS system will not accept submittals after the date posted above unless DWR publishes an extension notice. Any new date or time established becomes the "deadline".

DWR requires that each Applicant submit **ONE (1)** hard copy version of its application to DWR. The hard copy version must be postmarked or delivered by **the deadline date.** The hard copy is to be submitted to:

by mail, addressed to:

Department of Water Resources
Statewide Infrastructure Investigation Branch
Attn: Sean Sou
P. O. Box 942836
Sacramento, California 94236-0001

or hand delivered to, or in the hands of an overnight courier by the deadline addressed to:

Department of Water Resources
Statewide Infrastructure Investigation Branch
Attn: Sean Sou
714 P Street, Sixth Floor Sacramento,
California 95814

## 10.2 What to Submit

The completed application consists of both online submittal and one hard copy to DWR. The hard copy shall be the same information as submitted online through GRanTS. If the hard copy is different from the online submittal, provide a justification to DWR. A check list for the Applicant to use to confirm completion of required components is included as Appendix G. The hard copy of the application is to include printouts of information provided in the online submittal tool, GRanTS Parts 1, 2 and 3, as well as attachments indicated in the PSP. The hard copy is to be submitted as described in Section 10.1.

## 10.3 How to Submit

Applicants must complete and submit proposals through DWR's GRanTS online submittal tool. GRanTS can be accessed through the GRanTS homepage at: http://www.water.ca.gov/grants/.

GRanTS runs best on Internet Explorer or Google Chrome. Currently, GRanTS does not support other internet browsers such as Mozilla Firefox or Safari.

Applicants will need to sign up for a GRanTS user account. Applicants are encouraged to watch the "How to Register" and the "How to Complete a Grant Application" videos and review the GRanTS Public User Guide and Frequently Asked Questions, available at the above link, prior to completing the on-line application.

Applicants are encouraged to register for an online account in GRanTS and become familiar with the tool well before the application deadline. GRanTS will allow Applicants to enter information and save as drafts before submitting the final application. Applications can be modified, even after submittal, up to the PSP submittal deadline.

Questions on the online submittal tool should be directed to the GRanTS Administration helpdesk at (888) 907-4267 or grantsadmin@water.ca.gov. Questions about the PSP should be directed to Sean Sou at (916) 873-4633 or Sean.Sou@water.ca.gov or Jennifer Pulido at (279) 231-0756, Jennifer.Pulido@water.ca.gov

An electronic copy of this PSP and the attachments can be found online at http://www.water.ca.gov/desalination/2017Cycle4.cfm.

## 11. APPLICATION COMPONENTS

The application consists of four parts, which correspond to the four tabs within the GRanTS online application. Each part must be fully completed for the application to be considered 'complete'.

After the Applicant has entered GRanTS and started the application, four tabs will be accessible. Each tab corresponds to the parts shown in Table 4.

### TABLE 4 – GRANTS SYSTEM PARTS (TABS)

| Part | Application Component (Tab) | Description | How to be Completed |
|---|---|---|---|
| 1 | Applicant Information | General information for the entity with lead contractual responsibility for the project, and which will be the primary contact with DWR throughout the grant funding, contracting, and implementation | GRanTS online entry |
| 2 | Projects | Project-related information | GRanTS online entry |
| 3 | Eligibility Questions | Forms and tables to be completed by the Applicant that provide additional project details, such as schedule, budget, and information on other project participants | GRanTS online entry |
| 4 | Application Attachments | Separate files to be uploaded as part of the application process. These files include templates or documents the Applicant must complete as part of the application. Additional files pertinent to the application, such as environmental documents, may also be uploaded. | Files are completed separately and then uploaded through GRanTS. |

Specific information for completing each of the tabs is included below.

Within GRanTS, pull down menus, text boxes, or multiple-choice selections will be used to answer DWR questions and to provide information to DWR through the online submittal of application attachments. GRanTS allows Applicants to type text or cut and paste information from other documents directly into GRanTS submittal fields.

Information entered can be saved at any time after all required fields, indicated by a red asterisk, have been completed by using the Save icons located at the bottom of each

tab. After clicking the Save icon, a message that reads “The Proposal has been Saved Successfully” will appear on the screen. If you do not see this message, your proposal is not saved. The information will only be submitted to DWR after the Submit icon is clicked. After clicking the Submit icon, a message that reads “The Proposal has been Submitted Successfully” will appear on the screen and you will receive a confirmation email that the proposal has been submitted. If you do not see this message or you do not receive a confirmation email, your proposal is not submitted. Changes can be made to the application, even after it is submitted, by re-opening the proposal, making the needed changes, and then resubmitting. Changes cannot be made to the application after the deadline is past.

## 11.1 Part 1: Applicant Information

There are four subparts within the Applicant Information tab. The Help icons will link to tools to help the Applicant provide requested information.

### Applicant Information

The Applicant is considered the party with lead financial and contractual responsibility for the project. The Applicant will also be the primary contact with DWR throughout the grant funding, contracting, and implementation.

- **Organization Name**. Select from the drop down menu. Should the Proposal be successful, this Organization will be referred to as the Grantee or Funding Recipient during the completion of the project. This is the organization responsible for the administration, implementation, reporting, payments, and accounting of the work, as well as the contractual obligations.
- **Point of Contact**.
    - Select “Existing Registered Users” to select the registered user associated with the organization specified above. The rest of the contact information (Division, Address, e-mail, etc.) is 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, E-mail, and Phone (Direct) of the new user. Please note that the e-mail address will be the new user’s login name.
- **Proposal Name**. DWR will use the Part 1 Proposal Name as the formal name of the project which is limited to 150 characters. The name in Part 1 will be the official name of the specific project for which grant funding is being requested and this name is to be included on all correspondence with DWR. Note that this same name is included in Part 2 as the Project Name.
- **Proposal Objective**. This is a brief statement which describes the proposal/project purpose, the needs it addresses (critical local, regional, Bay-Delta, or State water issues), and the benefits it provides to the state. The GRanTS system allows 2,000 characters in this field entry. The Applicant should only provide a synopsis in this part while providing the full objective and benefit language in Attachment 14 – Project Benefits.

### Budget

The budget information to be presented here applies to the part of the Funded Project, as defined in Section 4.2, directly applicable to the grant funding application and is to correspond directly to the overall budget provided in Attachment 10 and the cost share funding contribution totals in Attachment 4. The budget in this part does not include ineligible costs of the project or components of the project for which grant funds are not requested. The project budget, including all costs of all project components must be provided in Attachment 10.

A Funding Match is required and the requirements are described in Section 4.6. Sources of Funding Match can be those listed in the budget categories: Local, Federal, or In-Kind contributions. Amounts entered are to be to the nearest dollar. If there is no contribution from a particular source, then enter zero in that field.

Information entered here applies only to the specific project (Funded Project) for which grant funding is being sought, as follows:

- **Other Contribution.** If the Applicant is not a state agency, enter 'other State' funds or 'in-kind services' being used to complete the project, not including the requested DWR grant. For example, this would include grants received from other State agencies, such as the State Water Resources Control Board, California Department of Public Health, or other DWR programs. These funds **are not** considered matching funds.
- **Local Contribution.** If the Applicant is not a state agency, enter funds from any source other than state or federal. These funds could be obtained from the Grantee, other participating agencies, wholesale agencies, or sources such as environmental groups or other organizations. Local contributions include Grantee cash contributions from existing accounts, revenue sources, or bond or other lending sources. If the Applicant is a State agency, funds from any source, including its cash contribution and excluding federal funds, in this category.
- **Federal Contribution.** Enter Federal funds or in-kind services being used to complete the project.
- **In-kind Contribution.** If the Applicant is not a state agency, enter the dollar value of project work or services performed by the Grantee or other project participants, other than state or federal sources. This can include staff time, supplies, facility use, and equipment use. Provide the total amount of in-kind services in dollars. If the Applicant is a state agency, its in-kind contribution is to be placed in this category.
- **Amount Requested.** Enter the amount of total grant funds requested. Grant requested cannot be greater than the Funding Match.
- **Total Project Cost.** This cell automatically sums the components previously entered in this subpart. The amount shown here must agree with both the Total Funding and Labor and Expense Total columns in the project budget (Attachment 10).

### Geographic Information

Provide the information for the specific location of the facility for which grant funding is being sought. A map tool to determine coordinates in the World Geodetic System 1984 (WGS84) is at http://www.water.ca.gov/grants/map_new.cfm. This tool provides coordinates in degrees/minutes/seconds by either entering the project's address into the search box or zooming into the correct location using the plus (+) on the map. A gray call out box will appear over the map with the degrees/minutes/seconds with each value separated by a space. Note that this tool's numerical value for the seconds will include decimals. The seconds' field in GRanTS will only allow two digits, so the value entered for the seconds will need to be rounded. It is acceptable for the Applicant to include clarifying information in the Longitude/Latitude Clarification box. For projects covering a large area, map a single point or location representing a key project feature with the map tool. Indicate which feature was mapped in the Longitude/Latitude Clarification text box.

- **Latitude.** Enter the latitude degrees, minutes, and seconds. The degree field will permit a negative value to be entered. Only two digits are allowed to be entered in each cell.
- **Longitude.** Enter the longitude degrees, minutes, and seconds. The degree field will permit a negative value to be entered. Three digits can be entered in the degrees' cell and two digits are allowed to be entered in the minutes and seconds cells.
- **Longitude/Latitude Clarification.** Provide the coordinate system (such as WGS84) or other relevant information used to determine the latitude and longitude. Note that this text box can be used to provide the latitude and longitude in decimal format.
- **Location.** Identify the specific point to which the coordinates correspond. This can be a street address or a description.
- **County.** Use the drop-down menu to identify the county in which the facility is located. If the facility is located within multiple counties, hold down the control key and select all that apply.
- **Ground Water Basin.** Use the drop-down menu to identify the ground water basin in which the facility is located. If the facility is located within multiple groundwater basins, hold down the control key and select all that apply.
- **Hydrologic Region.** Use the drop-down menu to identify the hydrologic region in which the facility is located. If the facility is located within multiple hydrologic regions, hold down the control key and select all that apply.
- **Watershed.** Provide the name of the watershed. A map of California watersheds can be found at: http://www.conservation.ca.gov/dlrp/wp/Documents/CALFED_Watershed_Map[1].pdf. If the proposal covers multiple watersheds, identify the watershed within which a majority of the project occurs.

### Legislative Information

Using the drop-down menus, enter the State assembly, State senate, and U.S. congressional districts of the specific location of the facility for which grant funding is being sought. Use district numbers only, not the name of the Legislator. For regions that include more than one district, hold the control key down and select all that apply.

## 11.2 Part 2: Projects

This part addresses specific questions about the proposed project. Although GRanTS can accept entries for multiple projects, a function needed for other types of DWR grant applications, for the Water Desalination Grant Program only one project can be submitted for each application. If an Applicant seeks to submit applications for multiple projects, each project must be submitted in a separate application.

### Project Information

The information provided is to be consistent with that provided in Part 1, and will need to be copied from Part 1.

- **Project Name.** This is the formal name of the project and is the same as the Proposal Name from Part 1. DWR will use the Part 1 Proposal Name as the formal name of the project which is limited to 150 characters.
- **Implementing Organization.** This is the same as the Organization Name from Part 1 and is to be entered from the drop down menu.
- **Secondary Implementing Organization.** If one other organization is directly involved in implementing the project in a capacity other than a contractor or subcontractor, enter its name here. If more than one organization is involved in the project, enter 'See Attachment 3' (information on other participating organizations will be provided as Attachment 3). If no other organization is involved in the project, enter 'Not Applicable'.
- **Proposed Start Date.** Enter the date the project is scheduled to begin, as MM/DD/YYYY. If a specific date is not known, provide the closest estimate.
- **Proposed End Date.** Enter the date the project is scheduled to be completed, as MM/DD/YYYY. If a specific date is not known, provide the closest estimate.
- **Scope of Work.** Enter "See Attachment 8". Do not add additional text. The scope of work for the project is submitted as Attachment 8.
- **Project Description.** Provide a brief statement, including an overview, describing the project components and overall project objective. If the proposed project is part of a larger program, it is to be mentioned here. This description may be used for funding summary press releases. Limit of 2,000 characters.
- **Project Objective.** Provide and executive summary (synopsis) of the Project Objective provided in Part 1. Limit of 500 characters.

### Project Benefits Information

Project benefits will be identified here. Benefits identified here are restricted by the drop-down menu. This is an optional entry but may be completed at the Applicant's discretion using the drop-down menu by selecting all the applicable benefits from the menu. Appendix H identifies the benefit options within GRanTS. Attachment 14 (Project Benefits), addressed in Part 4 of the GRanTS application, is required and enables more flexibility in identifying project benefits. In Part 2 of the application, up to six benefits can be identified. When the applications are reviewed, the focus will be on the benefits included in Attachment 14, which will be reviewed in detail as part of the grant review process. See additional discussion on benefits in Section 3.3.

- **Benefit Level.** Select the level of importance from the drop down menu. Do not enter benefits below 'tertiary' level. Multiple benefits can be provided for a particular benefit, such as multiple secondary benefits.
- **Benefit Type.** Select from the drop down menu of 14 types. If 'other' is selected, provide explanation in the Description field. Multiple benefits may be defined here.
- **Benefit.** Select from the drop down menu. Each Benefit Type selected in the previous field has a different set of 'Benefits'.
- **Measurement.** When the Benefit is selected in the previous field, it will automatically add units to the measurement field (note that they do not print out). Insert the number associated with the requested units. Commas are automatically added.
- **Description.** Provide a brief description of how the benefit will be attained. Limit of 2,000 characters.

### Budget

- Click on the icon "Copy Budget data from Application" to automatically transfer the information from Part 1.

### Geographic Information

- Click on the icon "Copy Geographical data from Application" to automatically transfer the information from Part 1.

### Legislative Information

- Click on the icon "Copy Legislative data from Application" to automatically transfer the information from Part 1.

## 11.3 Part 3: Eligibility Questions

Questions in this part relate to both eligibility and information that will be used in project evaluation. The answers to the questions in this section will be used in processing the application and determining eligibility and completeness. The questions as they appear in GRanTS are included in bold type. Additional instructions for the Applicant are included as italic text, but do not appear in GRanTS. If the answer to the question is

“non applicable”, submit a placeholder document for the question stating the reasons why the question is not applicable.

**Eligibility Questions** (this is a partial list, see Section 8 for additional details)

**Question 1 -** This application is for what type of project? (select one).

DWR reserves the right to shift an application from one category to another. If shifting is proposed, DWR will contact the Applicant for consent.

a. ○ Construction project
b. ○ Feasibility Study (project)
c. ○ Environmental Documentation (project)
d. ○ Design Pilot project
e. ○ Research Pilot project

**Question 2 -** Is the project located within the State of California?

a. ○ Yes
b. ○ No

If ”No”, the project is not eligible.

**Question 3 -** What type of organization is the Applicant as entered in Part 1 of the application? (Select one).

a. ○ City, County, or City and County
b. ○ Joint Powers Authority
c. ○ Public Special District
d. ○ Investor-Owned Utility
e. ○ Tribe
f. ○ Non-profit Organization (including Water Management Groups)
g. ○ University or College
h. ○ State Agency, for non-construction grants only
i. ○ Mutual Water Company
j. ○ Other

If “Other”, specify the type of your organization in the text box (500 character limit).

**Question 4 –** What is the TDS (mg/L) of the feed water at intake prior to desalting treatment? Include a metric description of the TDS value given (e.g. sampling frequency, period of sampling, seasonal or other variation). Example 1: 23,000 mg/L Total Dissolved Solids (TDS). The value provided was calculated as an average concentration of TDS values from monthly sampling over a two year period, samples taken near proposed surface water intake location in 2014-15; Example 2: A value of 13,500 mg/L TDS from a single sample taken on 10/10/2016 with no known seasonal changes expected due to characteristics of groundwater basin. (4,000 character limit).

**Project Information Questions**

**Question 5** – Does this project directly benefit a qualified disadvantaged community (DAC) or economically distressed area (EDA)?

a. ○ Yes (provide details in space below)
b. ○ No
c. ○ N/A

If "Yes", specify how the project will benefit DACs/EDAs (4,000 character limit).

**Question 6** – Are there any pending, planned, or potential patents that would or could evolve from the proposed Research Pilot project?

a. ○ Yes
b. ○ No
c. ○ N/A

If "Yes", describe patents (4,000 character limit).

**Question 7 –** Select the best option below describing the location/type of the feedwater intake for the planned desalination facility. For groundwater sources, it is assumed that the groundwater basin identified in Part 1 of the application is the basin from which groundwater will be drawn. Use the text box provided to expand on the factors associated, if any, with the location, intake type, or water body characteristics.

a. ○ Groundwater from a basin not directly influenced by the ocean or other saline surface waters (e.g., enclosed bay, estuary, etc.).
b. ○ Groundwater from a basin directly influenced by the ocean or other saline surface water (e.g., enclosed bay, estuary, etc.) and the planned project is more than ½ mile inland from the shore.
c. ○ Groundwater from a location within ½ mile inland of mean high tide line of the ocean or under the ocean or other saline water body (e.g., enclosed bay, estuary, etc.), including slant, collector wells.
d. ○ Ocean seafloor infiltration gallery (on or near the ocean floor).
e. ○ Ocean surface intake (located within the water column).
f. ○ Other.

If (f) is selected or additional information is appropriate, provide text in the box below (4,000 character limit).

**Question 8 –** What is the scheduled (estimated) start date for the project (mm/yyyy)? (50 character limit).

**Question 9 –** What is the estimated duration for the project in months? (50 character limit).

**Question 10 –** What is the expected lifetime (design life) of the proposed project when completed in years? Provide the design life for construction projects, duration of validity for Environmental Documentation and Feasibility Study projects (when applicable), duration of operation for Design Pilot projects. Not applicable for Research Pilot projects (500 character limit).

**Question 11 –** What CEQA document(s) has been, is being, or will be prepared?

a. ○ Initial Study
b. ○ Draft EIR
c. ○ Final EIR
d. ○ Negative Declaration
e. ○ Notice of Determination
f. ○ Other (such as Categorical or statutory exemptions, addendums, or supplemental EIRs)
g. ○ No environmental documents are planned

If the CEQA document identified above is complete, provide the State Clearinghouse Number and document website address in the text box below.

If the CEQA document identified above is not complete, provide the estimated completion date (mm/yyyy) with an explanation as to exact status.

If no CEQA documents are planned (selection (f) above), provide an explanation in the text box and cite CEQA provisions which support the selection (4,000 character limit).

**Question 12 –** Are NEPA documents required for this project?

a. ○ Yes
b. ○ No

If "Yes", describe the documents in the text box below and provide the estimated completion date (mm/yyyy) with an explanation of the status (4,000 character limit).

**Question 13 –** Are the design documents complete?

a. ○ Yes (document link or upload will be requested in Part 4, Attachment 17)
b. ○ No
c. ○ N/A (for projects without design documents)

If "No", please indicate the current level of progress, planned completion date, and any known obstacles to completion (4,000 character limit).

**Question 14 –** Will 3rd party construction management services be used? (250 character limit).

a. ○ Yes
b. ○ No
c. ○ N/A

If "Yes", provide the company name in the box. If the company has not been determined, enter TBD (to be determined, 500 character limit).

**Question 15 –** Will an entity other than the Grantee own the constructed facility now or in the future? (Note that there may be restrictions on transferring ownership to an entity other than the Grantee.)

a. ○ Yes
b. ○ No
c. ○ N/A

If "Yes", provide the entity name and the relationship of the owning organization to the Applicant in the box (500 character limit).

**Question 16 –** Will an entity other than the Grantee operate the constructed facility?

a. ○ Yes
b. ○ No
c. ○ N/A

If "Yes", provide the company name and the relationship of the operating organization to the Applicant in the box (500 character limit).

**Question 17 –** Are there any known active, pending, or planned legal challenges by others to the project?

a ○ Yes (Briefly describe in text box below and document in full through Part 4, Attachment 21 – Other Information.)

b. ○ No

c. ○ N/A (If choosen, provide the rationale as to why in the text box below.)

If (a) "Yes", provide a synopsis of the legal challenges and submit a full description in Attachment 21 – Other Information. If (c.) "N/A" provide rationale in text box (4,000 character limit).

**Question 18 –** Is the Applicant a member of an IRWM group?

a. ○ Yes

b. ○ No

If (a) "Yes", identify the applicable IRWM group in text box below (500 character limit).

**Question 19 –** Is the project or study proposed for a grant in this application identified in an IRWM plan?

a. ○ Yes

b. ○ No

If (a) "Yes", identify the applicable IRWM plan and the name of the project or study as it is shown in the plan in text box below (500 character limit).

## 11.4 Part 4: Application Attachments

Completion of the proposal application requires preparing and submitting supplemental tables and files as attachments. Part 4 identifies what is to be provided in each attachment. Some attachments have templates (indicated in the header for each attachment) and others require the Applicant to provide information. Each attachment is discussed in this section of the PSP by providing an explanation of what is to be included either in the template or the Applicant-generated file. Unless otherwise stated or approved by DWR, the specified forms or templates must be used. Attachments for which templates are provided are located on the PSP website, http://www.water.ca.gov/desalination/2017Cycle4.cfm. Part 4 addresses how to complete the required attachments and identifies what other files may need to be submitted as part of the application. The PSP Application Checklist (Appendix G) also provides a summary of the attachment requirements.

Acceptable attachment file formats are: Microsoft (MS) Word, MS Excel, or PDF. PDF files should be generated, if possible, from the original application file rather than scanning a hard copy. PDF files should be searchable with rendered text. Scanned

documents for several attachments such as Attachment 1 – Signature Page and Attachment 2 – Proposal Authorization are unavoidable.

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

DS17_Att#_AttachmentName_#of##

Where:

a. "DS17" is the code of this solicitation
b. "Att#" is the attachment number
c. "AttachmentName" is the name of the attachment as specified in the instructions for each attachment
d. "#of##" is an optional part of an attachment filename. If multiple files are needed for submittal, this portion of the filename identifies the number of files that make up an attachment, where "#" is the number of a file and "##" is the total number of files submitted in the attachment

For example, if the Attachment 9 – Work Plan for Applicant is made up of 3 files, the second file in the set would be named "DS17_Att9_WorkPlan_2of3".

For instructions on attaching files, please refer to the GRanTS User Manual. Requirements for information to be included in these attachments are found in the following part of this PSP.

All 22 attachments are to be submitted for all applications. Attachments that are applicable to each project type are shown in Table 5 and must be prepared for each project type in accordance with the instructions in this PSP. A "placeholder" attachment must be submitted for attachments that are not applicable and can consist of a page with the attachment number, title and a statement, "This attachment is not applicable." Attachment 21 may be prepared at the descretion of the Applicant and may be necessary to provide supplemental information. Applicants that are a DAC or EDA must prepare and submit Attachment 22 if they request suspension or reduction of Funding Match requirements.

Applicants are encouraged, but not required, to complete each attachment to the extent the information is available (see first step in application review discussed in Section 8). DWR may determine during the review process that an application cannot be funded in the submitted Project Type but could be in another Project Type. By providing as many attachments as possible, DWR will have the ability to consider a project fundable as an alternate Project Type. DWR will consult with an applicant prior to reconsidering the submitted Project Type.

## TABLE 5 – ATTACHMENT SUBMITTALS PER PROJECT TYPE

| Project Type | Necessary Attachments |
|---|---|
| Construction | 1 through 20, excluding 19 |
| Feasibility Study | 1 through 11, 13 through 15, 18, and 19 |
| Environmental Documentation | 1 through 11, 13 through 16, 18, and 20 |
| Design Pilot | 1 through 16, and 18 |
| Research Pilot | 1 through 11,13, 14, 15, and 18 |

Each of the following Application Attachments are explained subsequently in this document:

Attachment 1 – Signature Page
Attachment 2 – Proposal Authorization
Attachment 3 – Water Legislation Compliance
Attachment 4 – Cost Share Funding Contributions
Attachment 5 – Funding Match Agreement
Attachment 6 – Project Background
Attachment 7 – Technical/Scientific Merit
Attachment 8 – Scope of Work
Attachment 9 – Work Plan
Attachment 10 – Project Budget
Attachment 11 – Project Schedule
Attachment 12 – Greenhouse Gas Emission Estimations
Attachment 13 – Outreach and Community Involvement
Attachment 14 – Project Benefits
Attachment 15 – Environmental Documentation
Attachment 16 – Feasibility Study
Attachment 17 – Project Plans And Specifications
Attachment 18 – Project Team Qualifications
Attachment 19 – Plan Of Study For Feasibility Study
Attachment 20 – Economic Analysis
Attachment 21 – Other Information
Attachment 22 – Reduction or Waiver of Cost Share For Disadvantaged Communities and/or Economically Distressed Areas

## ATTACHMENT 1 – SIGNATURE PAGE

AttachmentName: Signature
pdf file (scanned wet signature)

Attachment 1 is the signature page for the proposal. An unchanged version of this form, available on the PSP website, is to be printed and completed by hand. The original signed copy of the Signature Page must be included with the hard copy submittal of the Application. A scanned copy is to be included as Attachment 1 in the GRanTS application.

DWR Water Desalination Grant Program

Proposal Solicitation Package

Attachment 1 – Signature Page (Example Only)

Applicant: _____

Project Title: _____

By signing below, the official declares the following:

- The truthfulness of all representations in the proposal;
- The individual signing the form has the legal authority to submit the proposal on behalf of the Applicant;
- There is no pending litigation that may impact the financial condition of the Applicant or its ability to complete the proposed project;
- The individual signing the form has read and understands the conflict of interest, confidentiality, and rights in data section of this PSP (Section 7) and waives any and all rights to privacy and confidentiality of the proposal on behalf of the Applicant;
- The Applicant will comply with all terms and conditions identified in this Proposal Solicitation Package if selected for funding; and
- The Applicant has legal authority to enter into an agreement with the State using a state provided agreement, not an Applicant's generated agreement.

| | |
|---|---|
| _____ | _____ |
| Name | Title |
| _____ | _____ |
| Signature | Date |

## ATTACHMENT 2 – PROPOSAL AUTHORIZATION

AttachmentName: Authorization
Pdf file

Authorizing Documentation – The Applicant must provide a resolution adopted by the Applicant's governing body designating an authorized representative to submit the application, execute an agreement and any amendments, and certify funding disbursements with the State of California for a Desalination Grant. The authorized representative must be affiliated with the eligible Grantee and not a subcontractor. If the proposed project involves the participation of other entities, resolutions from each of the participating entities are also to be submitted.

The following provides an example resolution.

**AUTHORIZING RESOLUTION (Example Only)**

RESOLUTION No. ____

**WHEREAS**, pursuant and subject to all of the terms and provisions of the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, California Water Code Section 79700 et seq.) the California Department of Water Resources is sponsoring Round 4 funding of the Water Desalination Grant Program.

WHEREAS …

**NOW, THEREFORE, BE IT RESOLVED**, by the (Board of Directors, Supervisors, etc.) that the (Name and Title or Title only of Authorized Representative) is hereby authorized and directed to sign and file for, and on behalf of the (Agency, City, County, etc.) , an application for funding from the Department of Water Resources for an amount not to exceed (Amount), for the project titled (Project Name), under the terms and provisions of the Water Desalination Grant Program, and

**BE IT RESOLVED** that the (Agency, City, County, etc.) hereby agrees and further does authorize the aforementioned representative or his/her designee to certify that the (Agency, City, County, etc.) has and will comply will all applicable state and federal statutory and regulatory requirements related to any federal and state funds received, and

**BE IT RESOLVED** that the (Name and Title or Title only of Authorized Representative) or his/her designee of the (Agency, City, County, etc.) is hereby authorized to negotiate and execute a funding agreement and any amendments or change orders thereto, and to certify funding disbursement on behalf of the (Agency, City, County, etc).

**PASSED AND ADOPTED** by the (Board of Directors, Supervisors, etc.) of (Agency, City, County, etc.) on

_____
(Date)

_____
(Authorizing)

_____
(Printed Name)

_____ _____
(Title) (Clerk/Secretary)

## ATTACHMENT 3 – WATER LEGISLATION COMPLIANCE

AttachmentName: Participants
Excel Template

Attachment 3 compiles information on compliance of the Applicant with laws restricting the eligibililty of specified entities to receive state funding, listed in Section 6.2. The Attachment 3 form is used for this purpose.

(Example Only)

| **3.0 WATER LEGISLATION COMPLIANCE** |
|---|
| **Project Title:** |
| **Applicant:** |
| *Answer the questions below by stating "yes" or "no" in the right hand column. If "yes", describe compliance at the bottom of the form. Where otherwise applicable, provide additional information/justification at the bottom of the form.* |

| Item No. | Description | Yes/No |
|---|---|---|
| 3.1 | • Are you an urban water supplier? If yes, are you in compliance with: | |
| 3.1 | • Urban Water Management Plan? – if you provide over 3,000 acre-feet of water annually, or serve more than 3,000 urban connections for potable water supply. (See http://www.water.ca.gov/urbanwatermanagement/) | |
| 3.1 | • AB 2572 Water Meter Requirements in CWC §525 et seq.? (Submit compliance form (PDF) | |
| 3.1 | • SB X7-7 Requirements—on and after July 1, 2016, an urban retail water supplier is not eligible for a water grant or loan awarded or administered by the State unless the supplier complies with SB X7-7 water conservation requirements outlined in Part 2.55 (commencing with §10608) of Division 6 of the CWC. | |
| 3.1 | • If an urban retail water supplier and not complying with SB X7-7 requirements, have you submitted to DWR a schedule, financing plan, and budget for achieving the per capita reductions required by CWC §10608.24? | |
| 3.2 | Groundwater Monitoring Program (CWC §10920 et seq.) - Are you eligible to receive a grant under CWC §10933.7? (See Appendix L and www.water.ca.gov/groundwater/casgem/) | |

| Item No. | Description | Yes/No |
|---|---|---|
| 3.3 | Groundwater Management Plans – Is the proposed project a groundwater project or would the proposed project directly affect groundwater levels or quality? If yes, provide information to substantiate that you are qualified Applicant to receive a grant in accordance with CWC §10753.7(b)(1). See Appendix L and CWC Division 6, Parts 2.74 and 2.75 (§10700-§10755.4). | |
| 3.4 | Surface Water Diversion Reporting - Are you in compliance with CWC Division 2, Part 5.1 (commencing with §5100), in particular, §5103(e)(2)? (See www.waterboards.ca.gov/waterrights/water_issues/programs/diversion_use/index.shtml ) | |
| 3.5 | Are you an agricultural water supplier serving irrigated acreage of more than 25,000 acres excluding recycled water? If yes, indicate compliance status with SB X7-7 requirements below (See Final 2015 Agricultural Water Management Plan Guidebook at http://www.water.ca.gov/wateruseefficiency/agricultural/agmgmt.cfm) | |
| 3.5 | • Did you submit an Agricultural Water Management Plan to DWR? | |
| 3.5 | • Did you comply with the Agricultural Water Measurement Regulation? | |
| 3.5 | • Did you adopt a pricing structure for water customers based at least in part on quantity delivered? | |
| 3.5 | • Did you implement all locally cost-effective EWMPs? | |
| 3.5 | • If not implementing EWMPs (measurement, pricing, and other EWMPs), have you submitted a schedule, financing plan, and budget for implementation to DWR? | |
| 3.6 | Are you an agricultural water supplier supplying 2,000 acre-feet or more of surface water annually for agricultural purposes or serving 2,000 or more acres of agricultural land? If yes, did you submit an AB 1404 aggregate farm-gate delivery form to DWR? (www.water.ca.gov/wateruseefficiency/agricutural/farmgatedelivery.cfm) | |

| Item No. | **Description of Compliance or Other Information or Justification** (Add rows as necessary) |
|---|---|
| | |
| | |
| | |

## ATTACHMENT 4 – COST SHARE FUNDING CONTRIBUTIONS

AttachmentName: FundingMatch
Excel Template

For each source of funding included in the budget portion of GRanTS, provide the requested information in Attachment 4. Local, Federal, and In-Kind sources may be considered to meet the 50 percent Funding Match requirement. Funding Match sources should be shown according to the applicable category: local (cash), local (in-kind), and federal (in-kind or cash). The totals for each category must agree with the totals entered on the Applicant Information tab within the online application system (Part 1, GRanTS). Refer to Section 11.1 Part 1 under Budget for definitions of the funding sources. The data here should also be consistent with Attachment 10.

The Attachment 4 template includes the following information:

Funding Program - The name of the program from which the funds were obtained. In the case of in-kind services, enter the type of service provided.

Organization - The name of the organization providing the funds or managing the program

Amount - The contribution amount from the indicated source, rounded to the nearest dollar. The Local, Federal, and In-kind amount totals shown in Attachment 4 must equal those entered in the Budget section of the GRanTS Applicant Information tab.

Status -

- Obtained. The funds, labor, materials, or facilities are completely obtained or available and are under the control of the applying organization.
- Encumbered. The organization has completed contracting to receive the funds, labor, materials, or facilities but does not currently have control of them.
- Awarded. The organization has received word that they will receive the funds, but the contracting is not complete.
- Applied. The organization has submitted its completed application for the funds.
- Planned. The organization intends to submit an application for the funds.

Comments - Any explanatory information to assist in reviewing the grant application. If federal funds are involved and applied for, indicate whether Congress has authorized funding for this project and has appropriated the funds in an adopted budget.

## EXAMPLE ONLY (ATTACHMENT 4)

### Cost Share Funding Contributions

For each source of funding proposed for the budget of the Funded Project, provide the following information.

| | | Funding Program | Organization | Amount | Status | Date Awarded, if applicable | Comments |
|---|---|---|---|---|---|---|---|
| **OTHER** | Other Contribution 1 | | | | | | |
| | Other Contribution 2 | | | | | | |
| | Other Contribution 3 | | | | | | |
| | Other Contribution 4 | | | | | | |
| | Other Contribution 5 | | | | | | |
| | | | **Total Other Contribution** | | *this is to be the same as the amount entered in "Other Contribution" within Applicant Information tab* | | |
| **LOCAL SOURCES*** | Local Contribution 1 | | | | | | |
| | Local Contribution 2 | | | | | | |
| | Local Contribution 3 | | | | | | |
| | Local Contribution 4 | | | | | | |
| | Local Contribution 5 | | | | | | |
| | | | **Total Local Contribution** | | *this is to be the same as the amount entered in "Local Contribution" within Applicant Information tab* | | |
| **FEDERAL SOURCES*** | Federal Contribution 1 | | | | | | |
| | Federal Contribution 2 | | | | | | |
| | Federal Contribution 3 | | | | | | |
| | Federal Contribution 4 | | | | | | |
| | Federal Contribution 5 | | | | | | |
| | | | **Total Federal Contribution** | | *this is to be the same as the amount entered in "Federal Contribution" of the Applicant Information tab* | | |
| **IN-KIND SOURCES*** | In-Kind Contribution 1 | | | | | | |
| | In-Kind Contribution 2 | | | | | | |
| | In-Kind Contribution 3 | | | | | | |
| | In-Kind Contribution 4 | | | | | | |
| | In-Kind Contribution 5 | | | | | | |
| | | | **Total in-Kind Contribution** | | *this is to be the same as the amount entered in "In-Kind Contribution" of the Applicant Information tab* | | |

*These sources of funding may be considered Funding Match.

## ATTACHMENT 5 – FUNDING MATCH AGREEMENT

AttachmentName: FundingMatch
Scanned documents

This attachment consists of the agreement documents indicating the willingness of financial project partners to commit funds proposed as Funding Match, as defined in Sections 4.2, 4.3, and 4.6. The agreement may be in the form of a commitment letter. Each institutional cost share agreement must have the project name and be signed by an official authorized to commit to all or part of the Funding Match in cash or in-kind contributions.

For Funding Match provided in cash, this commitment letter is to contain the following information: total amount of the cash contribution, the estimated number of payments, the estimated amount of each payment, the start and the end date of payments, and the items or tasks for which the cash will be used. Some of this information can be provided in a payment schedule.

For Funding Match provided with in-kind services, this agreement is to contain the following information: the items or tasks for which the in-kind services will be used, total estimated cash value of the in-kind contribution, and a description of how the values will be determined.

If no other organization is providing a contribution that will be a part of Funding Match, submit a statement confirming this as Attachment 5.

## ATTACHMENT 6 – PROJECT BACKGROUND

AttachmentName: Background
Word file of no more than 3 pages (12 point font, 1 inch margins)

Provide a summary, no more than three pages, of the project history, project description, and the intended outcome of the project. The text should be consistent with the Project Description and Project Objective provided in Part 2 of the GRanTS submittal and include a description of the project location including overlying jurisdictions (City, County, State, or Federal land), Assessor's Parcel Numbers (APN), and property addresses, if applicable. A project map showing the project's geographical location and the boundaries of work is helpful but not necessary. If included, the map does not count towards the attachment page count.

For the various Eligible Project types, the project background is also to include:

- **Construction Projects**: What specifically is being constructed with the grant funds. If the constructed project is a component of a larger project, describe how this project contributes to the larger project. Present the major alternatives (including non-desalination alternatives) considered during the project feasibility study and compare these with the proposed solution. Describe why the alternatives not chosen were rejected. Include a detailed description of the selected alternative and method for evaluation of technical feasibility including water supply, benefits, environmental impacts, equipment needs, costs, and schedule. Describe current and future water supply and demand and the mix of water sources considered. Provide a general budget for the Total Project Cost and how the Funded Project budget relates to it (see definitions in Section 4.2). Provide a statement whether the Funded Project will be able to operate upon completion to achieve its stated purpose or is dependent upon the completion of other projects or project components. If the Funded Project will be dependent on other projects or components, describe the other projects or components and the timing of these to achieve a fully operable Funding Project.
- **Design Pilot Projects**: Describe the project's need and purpose. Briefly describe the full-scale project for which the design pilot project is being performed and its status. Present the major alternatives considered (including non-desalination alternatives of full project) and compare them with the proposed solution. Describe why the alternatives not chosen were rejected. Include a detailed description of the selected alternative and method for evaluation of technical feasibility including water supply, benefits, environmental impacts, equipment needs, costs, and schedule. If the project involves testing alternative approaches to a problem, describe the alternatives to be investigated. Describe what will happen to the equipment after completion of the Funded Project.
- **Feasibility Studies**: Describe the overall issue being addressed by preparing the feasibility study for a desalination project. What are the contributing

issues the Feasibility Study must address? What other alternatives have been or will be evaluated?

- **Environmental Documentation**: Provide a description of the need and purpose for the water desalination project. What alternatives have been considered and preliminary testing conducted, if any? Projects in this category must have a completed or concurrent feasibility study. Indicate, in the Project Background, the status and/or schedule of the feasibility study relative to the proposed project.
- **Research Pilot Projects:** What is the specific issue intended to be addressed by this research pilot? How will the project interface with past, ongoing, or planned research? How is the outcome of the research pilot intended to provide state benefits? What milestone regarding the advancement of the innovation towards full-scale implementation will be accomplished in the research pilot? Will the full-scale implementation of the innovation be the next logical milestone? If not, what will be the next milestone in the advancement of the innovation with successful outcomes of the proposed research pilot? How will the research pilot findings/outcomes be used in the short (1 to 3 years) and longer (3 to 5 years) term reaches into the future?

## ATTACHMENT 7 – TECHNICAL/SCIENTIFIC MERIT

AttachmentName: Merit
Word file of no more than 5 pages for research pilot projects, 1 page for all others (12 point font, 1 inch margins)

Describe the technical adequacy and feasibility of the project using previous work, published scientific literature, or models. Provide enough information to permit evaluation of the feasibility and technical adequacy of the proposed activities, including: the approach, methods, procedures, monitoring and evaluation, and costs and benefits to satisfy the objectives. Research Pilot projects must address the technical and scientific merit of any applied and experimental (development) research proposed and use existing research and development findings to support the proposed project. Eligibility and scoring of research pilot project types hinge on limiting "basic" research, that is, research more within the theoretical realm of the underlying science involved with a new technology, methodology, or area of work or "innovation" than applied or development research. There may be some level of basic research within the scope of an eligible project in the Water Desalination Grant Program but basic research will be limited to insignificant levels. Scoring will also be based on the probability that the piloting of the research facility (apparatus) through applied research and development in the real world will lead to full-scale implementation at the municipal drinking water supply level.

## ATTACHMENT 8 – SCOPE OF WORK

AttachmentName – Scope
Word file of no more than 3 pages (12 point font, 1 inch margins)

The Scope of Work is to describe how the Funded Project will be performed and completed. It is to include a clear work breakdown structure by tasks and is to be consistent with:

- Project Description (GRanTS, Part 2)
- Project Objectives (GRanTS, Part 2)
- Patents for Research (GRanTS, Part 2)
- Project Background (Attachment 6)
- Project Budget (Attachment 10)
- Project Schedule (Attachment 11)

This scope of work will be included in the agreement documents to be executed between DWR and the Applicant, if the proposed project is awarded funding. Therefore, the Scope of Work is to be prepared for inclusion in the grant agreement without extraneous language or description. If the project is awarded in full or partial funding, this scope may be revised for the grant agreement, as necessary.

A separate task is to be provided for Project Management activities.

Within the Scope of Work, each task is to include:

1. A description of work to be performed and completed within the task
2. Deliverables to be completed within the task
3. Data to be collected during the task
4. Assumptions used to develop the schedule and budget
5. Planned meetings

An example of a portion of a Scope of Work is provided below.

**EXAMPLE SCOPE OF WORK EXCERPT**

TASK 1: PROJECT MANAGEMENT
**Task 1a: Administration**

**Description of work**: Conduct administrative services to complete the project; monitor, supervise and review all work performed; and coordinate with DWR to assure that the scope of work is completed within budget, on schedule, and in accordance with approved procedures, applicable laws, and regulations. Document the steps taken in soliciting and awarding sub-contract(s) to appropriate organization(s) to perform tasks as outlined in this agreement.

Prepare quarterly progress reports. Quarterly reports will describe the work performed and accomplishments of each task by location, or task phase, milestones achieved, documentation of contractor activities, and project meetings. Also, document any experienced or anticipated problems encountered in the performance of this agreement's work.

**Deliverables**: Invoices; Quarterly Reports; Meeting agendas, minutes, and sign-in sheets. Participation in teleconferences, generation of email correspondence; and reporting status in electronic Grants Review and Tracking System (GRanTS).

**Assumptions**: GRanTS will be used to provide financial reporting to DWR. The quarterly report will be provided to DWR 30 days after the end of the quarter. One hard copy and a pdf copy will be provided.

## ATTACHMENT 9 – WORK PLAN

AttachmentName – WorkPlan
Word file of no more than 10 pages

The Work Plan is to describe specifically how the Scope of Work provided in Attachment 8 will be implemented by the Grantee. The Work Plan is to include the following:

- Description of the Grantee's project team organization, roles and responsibilities, communication plan, and project management plan. An organization chart may be included to illustrate lines of communication, authority, and responsibility.
- Description of each of the participating organizations, their project role, and contact information for the participant's project lead. This should include other organizations, agencies, contractors, and consultants.
- If there is or will be an agreement among participating agencies and/or organizations, discuss the nature of the agreement, including the allocation of decision-making authority and liability, as well as the tasks to be performed by the different entities and costs associated with these tasks.
- Procedures by which the Applicant will coordinate with its partner agencies and organizations that may receive funding from the grant including any contracts, memorandums of understanding (MOUs), and other formal agreements.
- Discussion of standards, such as construction standards, health and safety standards, laboratory analysis, or accepted classifications methods that will be used in implementation.
- Development of performance measures and monitoring plans for the project.
- Discussion of the status of acquisition of land or rights-of-way, if applicable.
- Identification of all necessary permits and the status of securing such permits.
- Status and plan for compliance with the Water Quality Control Plan for Ocean Waters (2015), CWC Section 13142.5(b), and National Pollutant Discharge Elimination System permitting requirements, as may be applicable.
- Description of deliverables to DWR for assessing progress and accomplishments.
- Where requested funding is for a component of a larger project, this section must describe all of the components of the larger project and identify which elements of the project the Desalination Grant is proposed to fund. Linkages to any other projects that must be completed first or that are essential to obtain the full benefits of the Proposal must be discussed.

## ATTACHMENT 10 – PROJECT BUDGET

AttachmentName – Budget
Excel file, BudgetTemplate

The Project Budget must provide a detailed estimate of costs provided in the format shown in Attachment 10. The project budget requested here is only for the Funded Project, as shown in Section 4.2. The costs and revenue sources should include the following:

- Planning and design costs, environmental compliance and documentation costs; construction costs shown by project task, or phase; and the construction contingency amount for the Proposal.
- Funding Match (i.e., Grantee's non-state cost share) can include, subject to DWR approval, eligible costs borne by the Applicant or individual project proponent before grant agreement execution. A Minimum Funding Match for each proposal is 50 percent of the total costs of the Funded Project, but in no case less than the DWR grant. Refer to Section 4.6 for more information.
- Any cost share funds, such as other State funds, being used to fund the project but that do not qualify as matching funds must be described. State Revolving Funds (SRF) are considered State funds, not Funding Match. ARRA funds are not considered State funds and may be used as Funding Match.
- Tasks that are supported by the DWR grant and Cost Share (Funded Project).

The detailed budget is to be submitted and use the same work breakdown structure included in the Scope of Work. Where applicable, documentation should be included to support the costs included in each budget category. Acceptable documentation may include, but is not limited to, bid documents, rate sheets, feasibility studies, or other project reports. The detailed budget should clearly identify a contingency amount (i.e. contingency percentage) applied to the project budget. Applicants must also provide an explanation of the rationale used to determine this contingency percentage. The tasks shown on the Budget must agree with the tasks described in the Work Plan and shown in the Schedule in Attachment 9 and 11.

The Applicant is to provide a summary table in the format of the following table for which the template is provided online. In addition, the Applicant is to provide supplemental tables to support the summary table costs. The supplemental tables may include assumptions, calculations, or references to document the costs. Supplemental table format is at the discretion of the Applicant. How the supplemental tables support the summary table should be clearly identified. The summary table is to be consistent with the budget numbers provided in GRanTS Part 1.

Unless there is a reason to provide otherwise, it is presumed that funding sources, with the exception of in-kind services, are applied across all tasks in proportion to total task costs. Thus, it is not necessary to provide a task breakdown of funding sources in the

summary table. Any other assumptions should be explained as footnotes in the table or in supporting documentation.

Summary spreadsheet instructions follow. The numbers correspond to the footnote numbers on the spreadsheet.

1. The same as in Applicant Information within GRanTS Part 1.
2. The cost of the Applicant's overall project, which may include project components or costs not considered as part of this grant application.
3. The funded portion of the Applicant's project.
4. The fringe benefits rate as a percentage of wages and salaries. This includes benefits, such as vacation, sick leave, or insurance, and employer payroll taxes, such as FICA taxes or unemployment taxes. This is not an educational institution's indirect costs precentage of direct costs.
5. Tasks are to be determined by the Applicant. Project Management is to be included as a separate task. Contingency may be included as a separate line item, as a percentage of the Total Funded Project.
6. Enter the total labor hours of the combined labor categories.
7. Enter the Labor Category in the column header and then in the column provide the total cost for that labor category, by task. Additional columns may be inserted.
8. Sum the dollar value for the labor costs, by task. In the total row, provide a sum for the column.
9. Provide the total cost for travel associated with this task.
10. Provide the total cost of all equipment that will be purchased as part of the Funded Project.
11. Indicate the fees paid to contractors and consultants during this project. The Applicant may provide separate columns for each contractor and consultant in the summary spreadsheet.
12. Identify any other expense costs associated with the project and enter them, by task. This can include construction costs. Additional columns can be added.
13. Sum the dollar value for the expense costs, by task. In the total row, provide a sum for the column.
14. Add the value of the columns 'Labor Cost Total' and 'Expense Total'. In the total row, provide a sum for the column.
15. State-provided in-kind or cash contributions other than the DWR grant to complete the Funded Project. Costs may be summarized in the Total row or separated by task. The entry in the Total cell is to be the same as the Other Contribution entry in GRanTS Part 1 and Attachment 4.
16. Any other source of funds not accounted for in the Other, Federal, In-Kind, or DWR contributions. Costs provided may be summarized in the Total row or separated by task. The entry in the Total cell is to be the same as the Local Contribution entry in GRanTS Part 1 and Attachment 4.

17. Federally-provided in-kind or cash contributions to complete the Funded Project. Costs may be summarized in the Total row or separated by task. The entry in the Total cell is to be the same as the Federal Contribution entry in GRanTS Part 1 and Attachment 4.
18. Work or services provided by the Grantee or other project participants to complete the Funded Project. The monetary value of the work or services shown corresponding to the appropriate task. The entry in the Total cell is to be the same as the In-Kind Contribution entry in GRanTS Part 1 and Attachment 4.
19. The amount of money the Applicant is requesting through this grant application.
20. Add the value of the Funding Sources columns. The total of the 'Total Funding' column should match the total of the 'Labor and Expense Total' column.

## EXAMPLE ONLY (ATTACHMENT 10)

### BUDGET SUMMARY SPREADSHEET

**Applicant Organization Name[1]:**

**Proposal Name[1]:**

**Total Project Cost[2]:**

**Funded Project[3]:**

**Fringe Benefits Rate[4]** %

| | | | Labor ($) | | | | Expenses ($) | | | | | | Funding Sources ($) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Task Number | Task Name[5] | Total Labor Hours[6] | *Labor Category Cost*[7] | *Labor Category Cost*[7] | *Labor Category Cost*[7] | Labor Cost Total[8] | Travel[9] | Equipment 10[10] | Contractors and Consultants[11] | Other[12] | Expense Total[13] | Labor and Expense Total[14] | Other Contribution[15] | Local Contribution[16] | Federal Contribution[17] | In-kind Contribution[18] | Grant Funding Requested[19] | Total Funding[20] |
| 1 | Project Management | | | | | | | | | | | | | | | | | |
| 2 | *Task Name* | | | | | | | | | | | | | | | | | |
| 3 | *Task Name* | | | | | | | | | | | | | | | | | |
| 4 | *Task Name* | | | | | | | | | | | | | | | | | |
| 5 | *Task Name* | | | | | | | | | | | | | | | | | |
| 6 | Contingency | | | | | | | | | | | | | | | | | |
| Total | | | | | | | | | | | | | | | | | | |

See PSP Attachment 10 for specific instructions for each footnote. The costs shown in Attachment 10 are for the Funded Project, except for the Total Project Cost shown in Row 5.

## ATTACHMENT 11 – PROJECT SCHEDULE

AttachmentName – Schedule
Microsoft Word or Excel file, ScheduleTemplate, at
http://www.water.ca.gov/desalination/2017Cycle4.cfm

The Project Schedule is to be submitted either using the Excel template or as a MS Word file. At a minimum, it is to indicate the estimated duration for each task indicated in the Scope of Work (Attachment 8), project deliverables, major project meetings, and any other major project milestones.

For Design Pilot projects, also provide the anticipated schedule for implementation of the full-scale project.

In lieu of using the schedule approach shown in the attached example, the Applicant may submit a Gantt Chart or other scheduling tool that provides the same information.

## EXAMPLE ONLY (ATTACHMENT 11)

### FUNDED PROJECT SCHEDULE

**Applicant Organization Name[1]:**
**Proposal Name[1]:**

| Task | Subtask | Task/Subtask Name | Start Date | End Date | 2014 | | | | | | | | | | | | 2015 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Oct | Nov | Dec |
| **1** | | **PROJECT MANAGMENT** | **1/1/2014** | **12/31/2015** | | | | Q | | | Q | | | Q | | | Q | | | Q | | | Q | | | Q | | Q |
| | 1a | Project Administration | 1/1/2014 | 12/31/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 1b | Labor Compliance Program | 2/1/2014 | 12/31/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| **2** | | **RIGHT-OF-WAY ACQUISITION** | **1/1/2014** | **6/1/2014** | | ✦ | | | ✦ | | | | | | | | | | | | | | | | | | | |
| | 2a | Right-of-Way Appraisal | 1/1/2014 | 3/1/2014 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2b | Land/Easement Acquisition | 3/1/2014 | 6/1/2014 | | | | | | | | | | | | | | | | | | | | | | | | |
| **3** | | **PLANING AND PERMITTING** | **2/1/2014** | **6/1/2014** | | ✦ | | | ✦ | | ✦ | | | ✦ | | | | | | | | | | | | | | |
| | 3a | Initial Site Assessment | 2/1/2014 | 3/1/2014 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 3b | Biological Assessment | 2/1/2014 | 6/1/2014 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 3c | CEQA/NEPA COMPLIANCE | 4/1/2014 | 8/1/2014 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 3d | Permitting | 8/1/2014 | 11/1/2014 | | | | | | | | | | | | | | | | | | | | | | | | |
| **4** | | **DESIGN & ENGINEERING** | **1/1/2014** | **1/1/2015** | | | ✦ | | | | | | | | | ✦ | | | | | | | | | | | | |
| | 4a | Feasibility Assessment | 1/1/2014 | 4/1/2014 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 4b | Design | 1/1/2014 | 1/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| **5** | | **CONSTRUCTION** | **4/1/2015** | **12/1/2015** | | | | | | | | | | | | | | | | | | | | | | | | |
| | 5a | Mobilization & Site Preparation | 4/1/2015 | 5/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 5b | Project Construction | 5/1/2015 | 11/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 5c | Testing and Demobilization | 11/1/2015 | 12/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 5d | Construction Administration | 4/1/2015 | 12/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 5e | Environmental Compliance | 4/1/2015 | 12/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | | **REPORT PREPARATION** | **2/1/2014** | **12/31/2015** | | | | | | | | | | | | | | | | | | | | | | | ✦ | ✦ |
| | 6a | Interim Deliverable Preparation | 2/1/2014 | 1/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 6b | Draft Report | 11/1/2015 | 12/1/2015 | | | | | | | | | | | | | | | | | | | | | | | | |
| | 6c | Final Report | 12/1/2015 | 12/31/2015 | | | | | | | | | | | | | | | | | | | | | | | | |

✦ Deliverable
Q Quarterly Report
↳ Dependent Task

Note: Footnotes are provided on the on-line attachment template.

## ATTACHMENT 12 – GREENHOUSE GAS EMISSION ESTIMATIONS

AttachmentName – GHG Project Specific Energy Source Portfolio
Excel file, GHG Project Specific Energy Source Portfolio Template, at
http://www.water.ca.gov/desalination/2017Cycle4.cfm

Greenhouse Gas (GHG) emission calculations are required for certain projects defined under CEQA and for evaluation in this grant program, see Section 6.4 Climate Change and Attachment 15 Environmental Documentation of this PSP. Attachment 12 focuses on the GHG emission calculations for the energy intense activity of removing salt from saline raw water sources, the principal desalination activity of the project. This attachment uses a project energy source portfolio template worksheet to award points in project scoring (see Appendix J -- Review And Scoring Criteria). The point award for this attachment is based on evaluating the use of renewable power sources to reduce GHG emissions for the principal desalination activity of the project and efficiency in feedwater use.

The project energy source portfolio only addresses power (energy) source(s) and estimated power used to perform the desalination treatment process and doesn't include all power requirements or other GHG emissions which may be generated to implement the water supply project in whole. Up to 5 points may be awarded for the energy source portfolio arrangement.

Attachment 12 is a multi-worksheet Excel workbook available on the PSP website. It includes three tables, two of which are reproduced in this PSP (the third table is optional). The workbook also contains instructions for completing the tables and reference information.

For purposes of scoring points related to energy sources and GHG emissions, projects are awarded more points by coupling, constructing and using or otherwise arranging for the dedication of renewable energy sources for the power necessary in operating the principal desalination treatment components of the water supply project. Attachment 12 was designed to capture power source arrangements of proposed projects, enabling DWR to award points for power usage that is either renewable or reduces GHG emissions for water desalination.

Projects with non-renewable energy generation sources and energy sources contributing negatively towards GHG emission reduction are acceptable but they will not score highest in the energy and GHG scoring criterion.

Also, a factor in scoring is the ratio of saline feedwater required to produce a unit of finished water without blending. The simple ratio of "quantity of produced freshwater (finished)" divided by the "quantity of saline feedwater used to produce the finished water" is required to be calculated. In a reverse osmosis seawater system this ratio could be equal to 0.70 for a feedwater of 100 units giving 70 units of finished water and 30 units of reject wastewater requiring disposal. Desalting systems without a liquid waste stream (zero-liquid discharge) would have a higher ratio and be awarded more

points than those with a discharge. Up to 5 points may be awarded for construction projects for basic feedwater to finished water use efficiency.

## EXAMPLE ONLY (ATTACHMENT 12)

Greenhouse Gas Calculation

| | | |
|---|---|---|
| **Agency name:** | [Agency Name Here] | Proposal Number: [Proposal # Here] |
| **Project name:** | [Project Name Here] | □ Project Not Applicable. |

### Table 12.1 Project Energy Source Portfolio

| A | B | | | | C | | D | | E |
|---|---|---|---|---|---|---|---|---|---|
| | B1 | B2 | B3 | B4 | C1 | C2 | D1 | D2 | |
| **Energy Sources (type)** | **Energy Requirement and Generation Designations Principal Desalting Component** | | | | **Emission Factor (EF)** | | **Project GHG Emission [B3 x C1] [calculated field]** | | **Reference/Comments[2]** |
| | **Project Specific (PS)** | **PS[1] Units** | **Non-Project Specific (NPS)** | **NPS[1] Units** | **EF** | **EF[1] Units** | **GHG[3]** | **GHG[1] Units** | |
| Statewide Electrical [4] | -- | -- | 8 | kWh/kgal | 0.303 | $kgCO_2e/kWh$ | 2.42 | $kgCO_2e/kgal$ | DWR provided EF. |
| Utility Level Electrical [4] | -- | -- | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Other Electrical [4] | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Coal | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Large Hydro | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Natural Gas | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Nuclear | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Heating Oil | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Diesel | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Gasoline | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Other [2] | 0 | | 0 | | 0 | | - | | See Expanded Comment Tab, Comment #1 |
| **Renewable** | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Biomass | 0 | | 0 | | 0 | | | | Attachment #___, Doc # ____, Page # ___ |
| Geothermal | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Small Hydro | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Solar | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Wave | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Wind | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Other [2] | 0 | | 0 | | 0 | | - | | Attachment #___, Doc # ____, Page # ___ |
| Total Unit Emission per Volume Treated | | | | | | | 2.42 | | Estimated [mass units] $CO_2$ e per [unit] of water [calculated field]. |

### Table 12.2 Capacities and Rating

| A | B | C | D[7] | E[1,7] |
|---|---|---|---|---|
| **PDC Feedwater Capacity [5]** | 80.0 | MGD | | |
| **Desalting Capacity (DOC) [6]** | 53.2 | MGD | | |
| **Ratio of Capacities (DOC / PDC Feedwater)** | 66.5% | [calculated field], unitless | **Annual GHG Emissions [7]** | **47,069,232** | Total estimated emission in [mass units] $kgCO_2$ e per year [calculated field]. |

Note: Footnotes are provided on the on-line attachment template.

## ATTACHMENT 13 – OUTREACH, COMMUNITY INVOLVEMENT, AND ACCEPTANCE

AttachmentName – OCA
Template Word file of no more than 1 page (12 point font, 1 inch margins)

Applicants should coordinate with local governments and other local entities, such as community based organizations and watershed groups, prior to submitting a proposal. Depending on the Eligible Project type, for past, present, and future activities, the Outreach, Community Involvement, and Acceptance (OCA) attachment is to:

- Describe public outreach to the groups or individuals that may be affected by the proposed project.
- Identify which local groups or other interested organizations are aware of the proposed project and their level of support or opposition.
- Identify any potential third party impacts.
- Estimate the number of people or organizations that are expected to receive training, employment, or other social or economic benefits from the proposed project.
- Describe any opposition to the proposed project. Describe any known active, pending, or planned legal challenges to the project.

For Construction projects, provide the OCA information shown above.

For Design Pilot projects describe:

- The previous, current, and proposed OAC activities for the pilot and full-scale project that may result from the pilot project.
- The degree of public support for the full-scale project which may result from the project.

Design Pilot or Research Pilot projects are to indicate how project results will be disseminated.

Feasibility study projects are to indicate plans for OCA involvement/activities during the planning process.

Environmental Documentation projects shall describe the OCA proposed or already conducted.

**EXAMPLE ONLY (Attachment 13)**

| 13.0 Outreach, Community Involvement, and Acceptance<br>*(* = items to be included in the Grant Agreement)* | | |
|---|---|---|
| Project Title: | | |
| Applicant: | | |
| All Applicants except Research Pilot projects | | Please limit to 1 page |
| 13.1* | Outreach: Describe your outreach efforts and plan: | |
| 13.2 | Community Involvement: | |
| 13.3 | Acceptance: | |
| Research Pilot | | |
| 13.4* | Describe how information will be disseminated: | |

## ATTACHMENT 14 – PROJECT BENEFITS

AttachmentName – Benefits
Word file or Excel file of no more than 1 page (12 point, 1 inch margins)

Attachment 14 enables the Applicant to provide detail on the benefits of its proposed project and provides more flexibility than the benefit input in GRanTS Part 2. The benefits described in this attachment need not correlate to those listed in Appendix H – Eligible Benefits.

Create either a Word or Excel file to provide the information necessary to identify and explain the project benefits. A template is not provided because it is expected that each project will have a unique approach and benefits.

Applicants are to describe the benefits in a narrative form and, wherever possible, use scientific methods and previously published reliable data to quantitatively estimate the expected benefits of the proposed project to both the Applicant (local benefits) and the state. State benefits can be a general contribution to the needs of the state's population or economy or benefits to regional or inter-basin water systems. Particular attention should be given to the benefits described in Section 3.4 and how one or more of the minimum benefits listed would be achieved. Other benefits should also be described.

The description of benefits should include the following as applicable: the type of benefit (water supply, water quality, energy conservation, research, etc.), the beneficiaries of each benefit, and the geographic areas where the benefit will be realized, as well as the duration of the benefit to each beneficiary. If the benefits are variable over time, such as seasonal or trend over time, describe the temporal changes.

Water supply benefits can include direct benefits related to deliveries, as well as indirect benefits related to avoided costs or environmental impacts. For proposed water supply projects, provide estimates of total expected water supply (in acre-feet/year). For water quality projects, examples of benefits could include improved drinking water quality or groundwater quality improvements resulting from desalination as part of the groundwater management. Energy conservation benefits can include information on greenhouse gas emissions as calculated in Attachment 12. Additionally, if there are potential benefits to the Sacramento-San Joaquin Delta, such as reduced diversions, describe those benefits and how they can be assured.

Document the rationale for quantification and/or qualification of benefits and include assumptions, calculations, references, and other pertinent information used to arrive at the values/qualitative assessments.

For Design Pilots, describe the benefits of the full-project in addition to specific pilot benefits, including how desalination fits into the total water supply context (future demands and supplies).

For Research Pilots, describe how the project will help advance and refine the technology, how it would lead to practical applications of innovative technologies or methodologies for implementing full-scale projects, and how the outcome may provide broad benefits to desalination projects within California.

For Feasibility Studies and Environmental Documentation projects, describe—in addition to the full-scale project expected benefits—how the Study or Documentation in itself would provide value added benefits,  increase efficiencies, and minimize undesirable impacts.

## ATTACHMENT 15 – ENVIRONMENTAL DOCUMENTATION

AttachmentName – EnviroDoc
Word or pdf file

Environmental documentation is required under the California Environmental Quality Act (CEQA) for activities that come within the definition of "project" in CEQA (California Code of Regulations, Title 14, Division 6, Chapter 3, Section 15378) and is required for grant funding from DWR to fulfill DWR's CEQA obligations as a Responsible Agency. As part of Attachment 15 of the grant application, the following items must be provided:

A completed Environmental Information Form (EIF). EIF forms are provided at http://www.water.ca.gov/irwm/grants/docs/Resources/Forms/IRWM_CEQA_EIF.pdf.

Copy of draft or final environmental impact report if one has been prepared.

For general information about environmental compliance, refer to the website: http://resources.ca.gov/ceqa/.

The scoring of environmental documentation (Attachment 15) is incorporated into Question #7 of Appendix J – Review and Scoring Criteria in this PSP.

## ATTACHMENT 16 – FEASIBILITY STUDY

AttachmentName – Feasibility
Word or pdf file

For Design Pilot or Construction project types, submit the Feasibility Study or Facilities Plan.

For an Environmental Documentation project, submit the partial or completed Feasibility Study or Facilities Plan for the project that the environmental documentation is being prepared.

The Feasibility Study or Facilities Plan should determine the need for the proposed water supply project, analyze the alternatives to meet the project objective, including non-desalination alternatives, select a desalination project as the preferred alternative, and identify the implementation steps for the project. It is expected that planning be completed to a level to proceed to design and construction of a project.

The Feasibility Study content and recommended organization is shown in Appendix I – Feasibility Study Documentation.

Attachment 16 is not applicable for Feasibility Study or Research Pilot project types. Submit a placeholder attachment stating “Not Applicable” for these project types.

## ATTACHMENT 17 – PROJECT PLANS AND SPECIFICATIONS

AttachmentName – PlansSpecs
Word file or pdf files of drawings

For Construction projects only, submit Final Plans and Specifications or Preliminary Plans and Specifications for the proposed project. The Preliminary Plans should indicate, at a minimum, types and quantities of materials, dimensions, and location. A California registered civil engineer must prepare the Plans, Specifications, and Certification Statements.

Submit a placeholder attachment stating “Not Applicable” for project types other than Construction.

## ATTACHMENT 18 – PROJECT TEAM QUALIFICATIONS

AttachmentName – Quals
Word or pdf file of not more than 10 pages

Provide brief descriptions of the qualifications of the key staff conducting the work.

- Include a resume(s) of the project manager(s) and other key staff, not exceeding two pages each.
- List any previous State or federal water desalination grant projects in which the Applicant has participated. Applicants should declare the outcome of any previously state/federal funded water desalination projects. Consideration will be given to the Applicant's performance in prior water desalination programs including any current applications or ongoing projects with DWR or other agencies.

## ATTACHMENT 19 – PLAN OF STUDY FOR FEASIBILITY STUDY

AttachmentName – PlanOfStudy
Word or pdf file

Proposed feasibility studies are to include a Plan of Study as part of the application. The final content of the feasibility study and its recommended organization is shown in Appendix I – Feasibility Study Documentation.

For all other projects, indicate “Not Applicable” in the attachment submittal.

As a minimum, a plan of study should include the following elements:

- Description of the service area that could be served by a desalination facility to be studied
- Map of the service area and potential facility location to be studied
- The potential sources of saline water to be studied for desalination
- The potential alternative desalination intake, brine discharge, treatment distribution, and facility locations to be studied
- General description of water supply alternatives other than desalination that will be analyzed
- Description of public participation and stakeholder involvement planned
- Schedule of major tasks associated the feasibility study

## ATTACHMENT 20 – ECONOMIC ANALYSIS

AttachmentName – EconAnal
Word or Pdf files
Guidance and template for calculatiopns at
http://www.water.ca.gov/desalination/2017Cycle4.cfm.

Cost-effectiveness is one of the required considerations for grant funding. An economic analysis is a key part of cost-effectiveness. The Applicant is to provide an economic analysis comparing the total economic cost of the proposed project to alternative water supplies and other economic benefits or avoided costs. Guidance is provided online regarding this analysis.

## ATTACHMENT 21 – OTHER INFORMATION

AttachmentName – Other
Word, Excel, or Pdf files

The Applicant may provide additional information to augment its Application. Files are to be provided electronically only.

## ATTACHMENT 22– REDUCTION OR WAIVER OF COST SHARE FOR DISADVANTAGED COMMUNITIES OR ECONOMICALLY DISTRESSED AREAS

AttachmentName – DAC
Word or Pdf files

**EXAMPLE ONLY**

| 22.0 Reduction or Waiver of Local Cost Share | | |
|---|---|---|
| Project Title: | | |
| Applicant: | | |
| For Disadvantaged Community or Economically Distressed Applicants ONLY.<br>At a minimum, the following information must be included (Refer to Appendices E and F for details on what to include): | | Please limit to 3 pages. |
| 22.1 | Documentation of the Presence of Disadvantaged or Economically Distressed Communities: | |
| 22.2 | Documentation of Disadvantaged or Economically Distressed Community Participation: | |
| 22.3 | Benefits and Impacts to Disadvantaged or Economically Distressed Communities: | |
| 22.4 | Calculation of Population and Median Household Income for the Disadvantaged Community or Economically Distressed Area and other applicable calculations for Economically Distressed Areas:<br>Provide sample calculations showing the MHI of the population served by the water from the project and sample calculations or EDA Mapping Tool maps for other applicable criteria for supporting Economically Distressed Area determination. Applicants are required to submit maps or other information depicting the boundary of the Applicant's service area. Applicants must provide documentation for the MHI of all individuals served by the water from the project (land owners, and other residents served by the project) in the Applicant's service area. | |
| 22.5 | Reduced or waived local share:<br>Explain why the local share has to be reduced or waived. Enter the proposed local share in Budget Table, Attachment 10. | |

# APPENDIX A: USEFUL WEB LINKS

* The asterisk indicates that these links are referenced in the PSP.

## DWR

Homepage: http://www.water.ca.gov/

Water Desalination (Home): http://www.water.ca.gov/desalination/

Round 4 Water Desalination Grant Program (including templates, forms, and funding agreement): http://www.water.ca.gov/desalination/2017Cycle4.cfm*

Water Plan volume containing desalination resource management strategy: http://www.water.ca.gov/waterplan/cwpu2013/final/index.cfm#Volume3 *

IRWM Grant Program: http://www.water.ca.gov/irwm/grants/

**GranTS** http://www.water.ca.gov/grants/ *

Financial Assistance Programs: http://www.water.ca.gov/funding/

Financial Assistance Mailing List: http://water.ca.gov/funding/subscription.cfm *

**GRanTS** Project Mapping Tool: http://www.water.ca.gov/grants/map.cfm

Financial Records: https://www.bsa.ca.gov/aboutus/financial_and_compliance_audits

Proposition 1 IRWM DAC Involvement Program: http://www.water.ca.gov/irwm/grants/p1_dac_involvement.cfm

DAC Mapping Tool and Data: http://www.water.ca.gov/irwm/grants/resources_dac.cfm

EDA Mapping Tool and Data: http://www.water.ca.gov/irwm/grants/resources_eda.cfm

Plan Standards Review Tool: http://www.water.ca.gov/irwm/grants/prp.cfm

Water Metering Self-Certification Form: http://www.water.ca.gov/irwm/grants/resources_forms.cfm

California Water Plan: http://www.water.ca.gov/waterplan/

Desalination RMS (Desal RMS): http://www.water.ca.gov/waterplan/docs/rms/2016/09_Desalination_July2016.pdf

Water Use and Efficiency Branch: http://www.water.ca.gov/wateruseefficiency/

Urban Water Supplier: http://www.water.ca.gov/wateruseefficiency/finance/ *

Urban Water Management Plan: http://www.water.ca.gov/urbanwatermanagement/ *

Groundwater Elevation Monitoring: http://www.water.ca.gov/groundwater/casgem/ *

Groundwater Information Center: http://www.water.ca.gov/groundwater/

GroundWater Management Plan: http://www.water.ca.gov/groundwater/groundwater_management/GWM_Plans_inCA.cfm *

Economic Analysis Handbook: http://www.water.ca.gov/pubs/planning/economic_analysis_guidebook/econguidebook.pdf

Climate Change Website: http://www.water.ca.gov/climatechange

SGMA website: http://www.water.ca.gov/groundwater/sgm/

Senate Bill SB X7-7 2009 website: http://www.water.ca.gov/wateruseefficiency/sb7/ *

### SWRCB

Homepage: http://www.waterboards.ca.gov

Stormwater Resource Plan Guidance: http://www.waterboards.ca.gov/water_issues/programs/grants_loans/swgp/docs/prop1/swrp_finalguidelines_dec2015.pdf

California Environmental Data Exchange Network: http://www.ceden.org/

Impaired Water Bodies: http://www.waterboards.ca.gov/water_issues/programs/tmdl/303d_lists2006_epa.shtml

Groundwater Ambient Monitoring and Assessment: http://www.swrcb.ca.gov/gama

Ocean Standards: http://www.waterboards.ca.gov/water_issues/programs/ocean/desalination/

Ocean Plan 2015: http://www.waterboards.ca.gov/water_issues/programs/ocean/docs/cop2015.pdf

Prop. 1 Tech. Assistance Funding Program: http://www.waterboards.ca.gov/water_issues/programs/grants_loans/proposition1/tech_asst_funding.shtml

Water Diversion and Use Program: http://www.waterboards.ca.gov/waterrights/water_issues/programs/diversion_use/ *

Regional Water Quality Control Plans (Basin Plans):

Region 1: http://www.waterboards.ca.gov/northcoast/water_issues/programs/basin_plan/basin_plan.shtml

Region 2: http://www.waterboards.ca.gov/sanfranciscobay/basin_planning.shtml

Region 3: http://www.waterboards.ca.gov/centralcoast/publications_forms/publications/basin_plan/index.shtml

Region 4: http://www.waterboards.ca.gov/losangeles/water_issues/programs/basin_plan/

Region 5: http://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/

Region 6: http://www.waterboards.ca.gov/lahontan/water_issues/programs/basin_plan/references.shtml

Region 7: http://www.waterboards.ca.gov/coloradoriver/publications_forms/publications/docs/basinplan_2006.pdf

Region 8: http://www.waterboards.ca.gov/santaana/water_issues/programs/basin_plan/index.shtml

Region 9: http://www.waterboards.ca.gov/sandiego/water_issues/programs/basin_plan/index.shtml

Bay-Delta: http://www.waterboards.ca.gov/water_issues/programs/bay_delta/wq_control_plans/index.shtml

### Department of Conservation

California Watershed Portal:
http://www.conservation.ca.gov/dlrp/watershedportal/Pages/Index.aspx

### California Coastal Commission (CCC)

CCC Home: http://coastal.ca.gov/index.html

CCC Desalination Information: http://coastal.ca.gov/desal.html

### CEQA

California State Clearinghouse Handbook:
http://opr.ca.gov/docs/SCH_Handbook_2012.pdf

CEQA Environmental Information Form:
http://www.water.ca.gov/irwm/grants/docs/Resources/Forms/IRWM_CEQA_EIF.pdf *

CEQA Statutes and Guidelines: http://resources.ca.gov/ceqa/ *

CEQA Article 18. Statutory Exemptions:
http://resources.ca.gov/ceqa/guidelines/art18.html *

CEQA Article 19. Categorical Exemptions:
http://resources.ca.gov/ceqa/guidelines/art19.html *

### Climate Change Information

Informal Guidance for DWR Grantees:
http://www.water.ca.gov/climatechange/resources.cfm *

Coastal Climate Change Adaptation:
http://www.water.ca.gov/floodmgmt/lrafmo/fmb/fas/nfip/cca.cfm

IRWM Climate Change Clearinghouse:

http://www.water.ca.gov/climatechange/IRWMClimateChangeClearinghouse.pdf

Climate Change Handbook:
http://www.water.ca.gov/climatechange/CCHandbook.cfm

California Climate Change Portal: http://www.climatechange.ca.gov/

AB 32 Scoping Plan: http://www.arb.ca.gov/cc/scopingplan/scopingplan.htm

Safeguarding California: Reducing: http://resources.ca.gov/climate/safeguarding/

California Climate Adaptation Planning Guide:
http://resources.ca.gov/docs/climate/APG_Identifying_Adaptation_Strategies.pdf

Sea Level Rise Guidance: http://www.opc.ca.gov/2013/04/update-to-the-sea-level-rise-guidance-document/

Cal-Adapt: http://cal-adapt.org/

### Department of Industrial Relations

Department of Industrial Relations: http://www.dir.ca.gov/

Labor Compliance Programs: http://www.dir.ca.gov/lcp.asp

Compliances Monitoring Unit (CMU): http://www.dir.ca.gov/dlse/cmu/cmu.html

### STATE

California Native American Heritage Commission: http://www.nahc.ca.gov/

DWR's Tribal Policy Advisor Office: http://water.ca.gov/tribal/

Governor's Tribal Advisor Office: http://tribalgovtaffairs.ca.gov/

Office of Planning and Research Tribal & CEQA Resources: https://www.opr.ca.gov/s_ab52.php

### TRIBAL

Karuk Tribal Consultation Policy: http://www.karuk.us/images/docs/hr-files/15-03-03_consultation_policy_FINAL.pdf

Rincon Band of Luiseno Indians Consultation Ordinance: http://media.wix.com/ugd/db3091_ca0215dd0fe14939bf25c156c7354fc2.pdf

FEDERAL

U.S. Fish & Wildlife Service Tribal Consultation Handbook: http://www.fws.gov/carlsbad/TribalRelations/Tribal_Consultation_Handbook_2013.pdf

### U.S. Census Bureau

Homepage: http://www.census.gov

American Community Survey: http://www.census.gov/acs

### DAC Reports and Studies

Disadvantaged Communities 2014 Visioning Workshop: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/DAC2014VisioningWorkshop.pdf

Coachella Valley Disadvantaged Community Outreach Demonstration Project: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/CoachellaValleyDACOutreachDemonstrationProject.pdf

Disadvantaged Communities and the Inyo-Mono IRWM Program: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/DACInyoMonoIRWMProgram.pdf

Economically Disadvantaged Communities in the North Coast Region: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/EconomicallyDisadvantagedCommunitiesintheNorthCoastRegion.pdf

Greater Los Angeles County Disadvantaged Community Outreach Evaluation Study: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/GLACDACOutreachEvaluationStudy.pdf

Kings Basin Disadvantaged Community Pilot Project Study: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/KingsBasinDACPilotProjectStudy.pdf

Tulare Lake Basin Disadvantaged Community Study: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/TulareLakeBasinDACStudy.pdf

Californians without Safe Water and Sanitation, California Water Plan Update 2013: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/CaliforniansWithoutSafeWaterandSanitationCAWaterPlanUpdate2013.pdf

Governor's Drinking Water Stakeholder Group, Report on New and Expanded Funding Sources: http://www.water.ca.gov/irwm/grants/docs/p1DACinvolvement/Reports_Studies/GovernorDrinkingWaterStakeholderGroupReportonNewandExpandedFundingSources.pdf

Enhanced Infrastructure Financing Districts SB 628 Informational page: http://abag.ca.gov/events/ga/2015/SB628.pdf

Ocean Protection Council, the CO-CAT: http://www.opc.ca.gov/2010/07/coastal-and-ocean-climate-action-team-co-cat/

Other California Watershed Map http://www.conservation.ca.gov/dlrp/wp/Documents/CALFED_Watershed_Map[1].pdf

# APPENDIX B: GLOSSARY

**Acquisition –** Obtaining an interest in real property including, easements, leases, water, water rights, or interest in water obtained for the purposes of instream flows and development rights.

**Adopted IRWM Plan –** an IRWM Plan that has been formally accepted, as evidenced by a resolution or other written documentation by the governing bodies of each agency that is part of the RWMG responsible for the development of the Plan and have responsibility for implementation of the Plan. Adoption of an IRWM Plan must follow the notification process in Water Code §10543.

**Advanced Payment –** For some projects, advanced funding prior to costs incurred can be requested. For a list of activities that are eligible for advancement, see Reimbursable Costs

**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)).

**American Recovery and Reinvestment Act of 2009 (ARRA) –** Funding provided by the federal government to assist in the construction of local public works projects. These funds are not considered State funds and may be used as Funding Match.

**Applicant –** the entity that is formally submitting a grant application. This is the same entity that would enter into an agreement with the State should the grant application be funded. The grant Applicant must be a public agency, non-profit organization, public utility, federally recognized Indian Tribe, state Indian Tribe listed on the Native American Heritage Commission's Tribal Consultation list, or a mutual water company (Water Code §79712 (a-b)).

**Application –** the electronic or hard copy submission to DWR that requests grant funding for a proposal that the Applicant intends to implement.

**Award Date –** The date the final funding decision is released.

**Basin Plan –** also referred to as Regional Water Quality Control Plan, identifies: 1) beneficial uses to be protected; 2) water quality objectives for their reasonable protection of beneficial uses; and 3) a program of implementation for achieving the water quality objectives as established by the RWQCBs or SWRCB.

**Beneficial Uses –** the uses of streams, lakes, rivers, and other water bodies to humans and other life. Beneficial uses are outlined in a Regional Water Quality Control Plan (Basin Plan).

**Benefit –** An action that leads to a positive response or outcome, or a lessening of an otherwise negative condition.

**Bond Management System (BMS) –** An on-line funding application submittal system used by Applicants to submit applications to DWR. This system was renamed GranTS in early 2013.

**Brackish Groundwater –** means a viable source of municipal water with a total dissolved solids (TDS) level greater than 1,000 parts per million (ppm) but less than 30,000 ppm and which is from a defined groundwater basin.

**California Native American Tribe –** all Indigenous Communities of California, which are on the contact list maintained by the Native American Heritage Commission, including those that are federally non-recognized and federally recognized, and those with allotment lands, regardless of whether they own those lands. Additionally, because some water bodies and Tribal boundaries cross State borders, this term may include Indigenous Communities in Oregon, Nevada, and Arizona that are impacted by water in California.

**Cost Share –** The Applicant's portion of funding the Funded Project. The cost-share portion of the funded project is provided by the Applicant and consists of funds qualifying as a Funding Match and other funds which do not qualify as a Funding Match (Other State Funding).

**Construction (Eligible Project type) –** A Construction project generally consists of the design and construction of a full-scale permanent desalination facility and related infrastructure to result in an operable municipal water supply project. A Construction project can include funding for design, but design will not be funded as a stand-alone project. Construction projects that depend upon future phases for an operable facility are not eligible. Construction projects shall have a completed feasibility study or facility plan. The project's permitting and design shall be either ready to proceed or already proceeding towards construction.

**De minimis –** too trivial or minor to merit consideration, especially in law.

**Design Pilot (Eligible Project type) -** A Design Pilot project is a small-scale prototype for a full-scale project or a full-scale component of a project and is intended to refine design criteria, aid site selection, or study particular technologies or methodologies (conventional or innovative) for the purpose of implementing an already proposed full-scale municipal desalination facility. The construction or fabrication of facilities and treatment trains, the testing of equipment and appurtenances in single or multiple configurations, and the analysis and reporting of collected data are all essential components of a Design Pilot project. A Design Pilot project shall have a completed feasibility study or facility plan to support the implementation of a specific full-scale project.

**Disadvantaged Community –** a community with an annual median household income that is less than 80 percent of the Statewide annual median household income (Water Code §79702(j), which cross references to Water Code §79505.5).

**DWR Grant –** The amount of funds requested by the Applicant for grant funding from the DWR Water Desalination Grant Program or awarded by DWR to the Applicant for an Eligible Project. Grant funds can be used to reimburse only eligible costs, as described in Section 4.3, that are incurred after the effective date of the grant agreement and before agreement termination.

**Economically Distressed Area –** a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger

municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the DWR: (1) financial hardship, (2) Unemployment rate at least 2 percent higher than the statewide average, or (3) low population density. (Water Code §79702(k)).

**Effective Date of the Grant Agreement –** The date that the grant agreement is signed by DWR.

**Eligible Cost –** Costs that are necessary and reasonable to perform a project within the scope of work approved by DWR, and that may be reimbursed by a DWR desalination grant and that may also be funded by funding sources qualifying as Funding Match.

**Eligible Project –** The portion of the total project that is considered consistent with the goals and scope of the DWR Water Desalination Grant Program as defined in Section 3.2 and is necessary for an operable project. The cost of the Eligible Project may include ineligible costs (see Non-Funded Portion of Eligible Project).

**Environmental Documentation (Eligible Project type) -** Environmental Documentation as a stand-alone project for compliance with CEQA or National Environmental Policy Act (NEPA) will be considered for a desalination project, as long as the basic feasibility study has already been completed and there is a likelihood for initiation of a construction project. As a requirement for funding, the completed portions of the feasibility study must be submitted with the application.

**Environmental Justice –** the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies (Government Code §65040.12 (e)).

**Excess Funding Match –** The portion of Funding Match in excess of the Minimum Funding Match. Excess Funding Match is not required for grant funding.

**Feasibility Study (Eligible Project type) -** A Feasibility Study is used to determine the need for a water supply project, to analyze the alternatives to meet the project objective, to determine whether a desalination project is the "preferred alternative", and if it is, to identify the implementation steps for the project. It is expected that the feasibility study project will complete the planning to a level to proceed to design and construction of a project. As such, environmental documentation or environmental special studies required for permit approval may be funded as part of a feasibility study. A reconnaissance-level master plan is not considered a feasibility study.

**Funding Match –** The non-state fund portion of cost-share made available by the Applicant to assist in financing the Eligible Project and in compliance the Funding Match criteria as described in Section 4.6. The Funding Match is the sum of the Minimum Funding Match and the Excess Funding Match.

**Funded Project –** The funded portion of the Eligible Project, which consists of only eligible costs as defined in Section 4.3. Funded Project costs are financed by the DWR Grant and the Applicant's Cost Share.

**Grantee** – a grant or funding recipient.

**Grants Review and Tracking System (GRanTS)** – An on-line funding application submittal system that will be used for grant application and review. It replaced BMS in 2013.

**Ineligible Portion of Total Project –** The portion of the total project which is considered outside the goals or scope of the DWR Water Desalination Grant Program or of the project for which funding is requested. The costs of the ineligible portions of the total project are not fundable or applicable to cost shares as defined in Cost-Share in this PSP.

**In-Kind Services** – work performed by the Grantee that furthers the scope of the grant, the cost of which is considered local cost share in-lieu of actual funds from the Grantee.

**Investor-owned utility (IOU)** – A public utility as defined in Sections 216 of the Public Utilities Code.

**IRWM Plan –** a comprehensive plan for a defined geographic area, the specific development, content, and adoption of which shall satisfy requirements developed pursuant to this part. At a minimum, an Integrated Regional Water Management Plan describes the major water-related objectives and conflicts within a region, considers a broad variety of resource management strategies, identifies the appropriate mix of water demand and supply management alternatives, water quality protections, and environmental stewardship actions to provide long-term, reliable, and high-quality water supply and protect the environment, and identifies disadvantaged communities in the region and takes the water-related needs of those communities into consideration. (Water Code §10530 *et seq*., in particular §10534)

**Local Cost Share –** non-State fund portion of Cost Share made available by the Applicant to assist in financing a project which can include in-kind-services directly related to the scope of work presented in the grant proposal. Local cost share expenses must meet reimbursable cost requirements (defined below). Local cost share may also include expenses, including in-kind services, incurred by a State agency, as long as the expenses are not otherwise funded by State funds. State Revolving Funds and American Recovery and Reinvestment Act funds are not considered State funds and may be used as Local Cost Share.

**Long-term –** a period of not less than 20 years.

**Minimum Funding Match –** The portion of Funding Match that is the minimum amount required to match the state grant. By statute, the Minimum Funding Match is at least 50 percent of the total cost of the project, which for the purposes of this PSP is 50 percent of the cost of the Funded Project, in no case less than the DWR grant.

**Mutual Water Company –** a private corporation or association organized for the purposes of delivering water to its stockholders and members at cost, including use of works for conserving, treating, and reclaiming water (Public Utilities Code §2725-2729).

**New potable water –** Water that without desalination treatment cannot be used for potable purposes and that augments the State potable water supply.

**Non-Funded Portion of Eligible Project** – The portion of Eligible Project that is necessary and reasonable for completion of an operable project but which consists of ineligible costs, as defined in Section 4.4.

**Non-profit Organization –** any non-profit corporation qualified to do business in California and qualified under §501(c)(3) of the Internal Revenue Code (Water Code §79702 (p)).

**Other State Funding –** The portion of Cost Share that comes from state funding other than the DWR Water Desalination Grant Program. Within GRanTS, this is referred to as Other Contributions.

**Physical Benefits** – measures of project accomplishments (expressed as numeric targets) such as amount of water supply, change in water quality, area, and types of properties protected by flood control features, habitat measured in acreage or flow, energy production or savings, recreation facilities, etc.

**Program Preferences –** components of a proposal that the State will give preference to, as defined in Water Code §79707.

**Proposal –** the electronic submission to DWR that requests funding for the proposed activities in the DAC Involvement Program.

**Proposition 1 –** "Water Quality, Supply, and Infrastructure Improvement Act of 2014" passed by California voters on November 4, 2014, and as set forth in Division 26.7 of the Water Code.

**Proposition 50 –** Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.

**Protection Act of 2002 (California Water Code Section 79500 et seq.) –** Enacted by California voter in 2002, it authorizes $3.44 billion in general obligation bonds to fund a variety of water projects: specified CALFED Bay-Delta Program projects including urban and agricultural water use efficiency projects; grants and loans to reduce Colorado River water use; purchasing, protecting and restoring coastal wetlands near urban areas; competitive grants for water management and water quality improvement projects; development of river parkways; improved security for state, local and regional water systems; and grants for desalination and drinking water disinfecting projects. The general obligation bonds are to be repaid from the State's General Fund.

**Public Agency –** any state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the State. (Water Code §79702 (s))

**Public Utility –** as defined in Public Utilities Code §216.

**Regional Water Management Group –** or RWMG means a group in which three or more local agencies, at least two of which have a statutory authority over water supply or water management, as well as those persons who may be necessary for the development and implementation of an IRWM Plan that meets the requirements in Water Code §10540 and §10541.

**Reimbursable Costs –** See Sections 4.3 and 4.4.

**Research Pilot (Eligible Project type) -** A Research Pilot project is a small-scale prototype for a full-scale device, equipment, process, or other technology and is intended to advance the knowledge base of new desalination technology, related infrastructure, and by-products treatment and disposal. A Research Pilot project is applied research

intended to further the development of new technology or methodologies toward practical application. Research Pilot projects should have a reasonable chance to lead to full-scale implementation of such technology or methodology to increase municipal water supply in the state. Research Pilot projects can serve specific project needs but cannot be for the sole purpose of assessing a specific project; the results must have broader application.

**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. Other agencies representatives, such as the State Water Resources Control Board or the Regional Water Control Boards, at the supervisory or management level may also be invited to participate on the Selection Panel.

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

**Stakeholder –** 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.

**State Agency –** Every state office, officer, department, division, bureau, board, and commission of the State of California.

**Technical Reviewers –** A group of qualified stakeholders assembled to evaluate the technical competence of a proposed project and the feasibility of the project being successful if implemented. Other State Agencies, such as the State Water Resources Control Board, California Coastal Commission, or the Ocean Protection Council, representatives may also be invited to participate as technical reviewers.

**Total Project Cost –** The cost associated with the total project as conceived by the Applicant and includes eligible, and may include ineligible, costs as defined in this PSP.

**Urban Water Supplier –** a supplier, either publicly or privately owned, that provides 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 adopted by the Karuk Tribe and an example Tribal Consultation Ordinance enacted by the Rincon Band of Luiseno Indians, along with 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://nahc.ca.gov/

# APPENDIX D: STATE AUDITOR GUIDELINES FOR GRANTEES

The lists below outline detailed documents/records that State Auditors would need to review in the event of a grant being audited. Grantees should ensure that such records are maintained for a **minimum** of three years after termination of the grant agreement.

A. Internal Controls

1. Organization chart (e.g., Funding Recipient's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
    a. Receipts and deposits
    b. Disbursements
    c. State reimbursement requests
    d. Expenditure tracking of State funds
    e. Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Funding Recipient internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

B. State Funding

1. Original Funding Agreement, any amendments, change orders, and budget, task, or schedule modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State for the Eligible Project.
3. A listing of all other funding sources for the Eligible Project.

C. Contracts

1. All subcontractor, consultant, and partnering contracts and related documents, if applicable, including subcontractors or consultants to Funding Recipient partners responsible for Project implementation.
2. Contracts between the Funding Recipient and other agencies or Project partners for implementation of the Project or operation of the Project after its completion.

D. Invoices

1. Vendors and subcontractors invoices for expenditures submitted to the State for payments under the Funding Agreement.
2. Reimbursement requests submitted to the State pursuant to the Funding Agreement.

3. Documentation linking vendor and subcontractor invoices to State reimbursement, reimbursement requests, and related Funding Agreement budget line items.

E. Cash Documents

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents for expenditures reimbursed by the State.
4. Bank statements showing the deposit of the receipts from other funding sources.

F. Accounting Records

1. Ledgers showing entries for State funding receipts and cash disbursements of these funds.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Funding Agreement reimbursement.

G. Administration Costs

1. Supporting documents showing the calculation of administration costs.

H. Personnel

1. List of all contractors and Funding Recipient staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Funding Recipient personnel who provided services charged to the Project

I. Project Files

1. All supporting documentation maintained in the project files.
2. All Funding Agreement related correspondence.

# APPENDIX E: DISADVANTAGED COMMUNITIES

Proposition 1 allows for the continued use of the DAC definition as set forth in Water Code 79505.5 (a). "Disadvantaged community" means a community with an annual Median Household Income (MHI)that is less than 80 percent of the statewide annual MHI.

The American Community Survey (ACS) of the U. S. Census provides a dataset than can be used as a source toestimate a community's MHI. The most recent and most comprehensive data available is for the 5-year period of 2010-2014. The ACS data gives estimates of MHI for different census geographies, such as for states, counties, census places (incorporated cities and unincorporated towns), census tracts, and census block groups. Using the ACS data for the years 2010-2014, 80% of the statewide MHI is $49,191. For additional information on the ACS see the link listed in Appendix A.

DWR has developed a tool which utilizes the most current ACS data (2010-2014 ACS) to show the location and boundaries of DACs in the State, at the census place, tract, block group level, and other information. The tool allows users to view different geographies or combinations of geographies, using different base maps and to zoom in to various scales. For individuals with GIS capabilities GIS files representing the ACS data (and DAC status) for the three census geographies can also be found at the DAC mapping tool website. The DAC mapping tool can be found at the following link: http://www.water.ca.gov/irwm/grants/resources_dac.cfm.

DWR will update the MHI values and the DAC mapping tool as updated ACS data sets become available. Therefore, potential Applicants should check the DAC mapping tool website prior to submitting a grant application to verify that current information is being used.

The Applicant may use ACS data at the census place, census tract, or census block group geography levels to show whether a project serves a DAC, based on what geography is the most representative for that community. For DACs, the allowable alternative geographies are, respectively:

| Alternative Geography | DAC |
|---|---|
| The project serves an area that is contained within a census place for which the MHI is less than | $49,191 |
| The project serves an area that is contained within one or more census tracts and the MHI of each census tract is less than | |
| The project serves an area that is inscribed within one or more census block groups and the MHI of each block group is less than | |
| The project serves an area that is inscribed in one or more census tracts or block groups and some (but not all) of the census tracts or block groups have an MHI of less than | |

If a project serves a DAC and is divided among several contiguous census tracts or block groups, and some of the project area tracts or block groups do not meet the DAC criterion, the project will be considered a DAC project for the purpose of waiving local cost share requirements based on proportionality. For some projects, it may be more appropriate to use the proportion of the population served, the project cost, or geographic area served as the basis for proportioning the project into DAC/non-DAC segments.

In cases where the ACS 5-year survey data do not support a community as a DAC, DWR will consider use of other data that show the community is a DAC. For example, income survey data may be used to support the MHI of the project benefit area. In these instances, please contact DWR at the phone number or email listed in the Foreword for assistance on how alternate data may be used to determine whether a community is a DAC.

# APPENDIX F: ECONOMICALLY DISTRESSED AREA (EDA)

Proposition 1 includes a definition for an Economically Distressed Area (EDA). The EDA definition attempts to capture disadvantaged communities that have a state MHI between 80 and 85 percent of the statewide annual MHI. While the EDA definition is similar to the DAC definition in utilizing state MHI as a determining factor, the EDA definition also includes other factors such as financial hardship, unemployment and population density.

DWR developed the Economically Distressed Area Instructions and Mapping Tool to assist potential Applicants in determining whether the project is located in or benefits an EDA. The Instructions provide guidance on defining the relevant terms contained in the EDA definition and the current comprehensive data available for evaluating those terms; the Mapping Tool provides a user-friendly means to assess whether the area in question is an EDA.

The EDA Mapping Tool presents the different levels of geography, which include counties, census places (incorporated cities and unincorporated towns), census tracts, and census block groups and can be found at the following link: http://www.water.ca.gov/irwm/grants/resources_eda.cfm.

The Applicant may use data at the different geography levels to show whether a project serves an EDA, based on what geography is the most representative for the project location/benefit area. GIS files representing the data and EDA status for the provided geographies are also provided at the above-referenced link.

In cases where the outlined data does not adequately portray the project benefit area (such as census geography and the project area do not match), DWR will consider use of other data that shows the appropriate criteria of an EDA. For example, income survey data may be used to support the MHI of the project benefit area. In these instances, please contact DWR at the phone number or email listed in the Foreward on how alternate data may be used to demonstrate whether a project benefit area is an EDA.

# APPENDIX G: APPLICATION CHECKLIST

The following checklist is provided for the Applicant to use while preparing an application. The checklist is in the form of entering information or documents in GRanTS tabs (referred to as Parts in Section 11).

## APPLICANT INFORMATION TAB

Applicant Information

| | | |
|---|---|---|
| ☐ | Organization Name | Provide the name of the Agency/Organization submitting the application. Should the Proposal be successful, this Agency/Organization will be the Grantee. |
| ☐ | Point of Contact | Provide the name of the Applicant's contact, either from the list of registered users, or by adding the name as a registered user. |
| ☐ | Proposal Name | Provide the title of the Proposal. |
| ☐ | Proposal Objective | Brief statement about why the project is being done and how it addresses critical local, regional, Bay-Delta, or State water issues. |

Budget

For the proposal, the following budget items should be taken from Attachments 4 and 10.

| | | |
|---|---|---|
| ☐ | Other Contribution | Enter State funds being used. These are not matching funds. If none, enter zero. |
| ☐ | Local Contribution | Enter monetary funds obtained from participating agencies, wholesale agencies, or sources such as environmental groups or other organizations. These are Matching Funds. |
| ☐ | Federal Contribution | Enter monetary or in-kind Federal funds being used. These are Matching Funds. |
| ☐ | In-kind Contribution | Provide the total amount of in-kind services - work performed by the Grantee or other project participants. These are Matching Funds. |
| ☐ | Amount Requested | Provide the amount of total grant funds requested from DWR. |
| ☐ | Total Proposal Cost | This field automatically adds the other budget items entered above. |

Geographic Information

GRanTS requests latitude and longitude in degrees, minute, and seconds. There is an online tool on the GRanTS site to support this requirement.

| | | |
|---|---|---|
| ☐ | Latitude | Enter the Latitude of the location identified in the Location box. |
| ☐ | Longitude | Enter the Longitude of the location identified in the Location box. |
| ☐ | Longitude/ Latitude Clarification | Identify the coordinate system used to determine the latitude and longitude identified above. |

| | | |
|---|---|---|
| ☐ | Location | Identify the point corresponding to the latitude and longitude identified above. |
| ☐ | County | Use the drop down menu to identify the county in which the project is located. If it covers multiple counties, hold down the control key and select all that apply. |
| ☐ | Groundwater Basin(s) | Use the drop down menu to identify the groundwater basin(s) in which the project is located. If it covers multiple groundwater basins, hold down the control key and select all that apply. |
| ☐ | Hydrologic Region(s) | Use the drop down menu to identify the hydrologic region in which the project is located. If it covers multiple hydrologic regions, hold down the control key and select all that apply. |
| ☐ | Watershed(s) | Enter the name of the watershed. Use the map of California watersheds at: http://www.conservation.ca.gov/dlrp/wp/Documents/CALFED_Watershed_Map[1].pdf. If it covers multiple watersheds identify the watershed within which a majority of the project occurs. 250 character limit. |

Legislative Information

| | |
|---|---|
| ☐ | Using the drop down menus, enter State assembly, State senate, and U.S. congressional districts in which the region is located. For projects including more than one district, hold the control key down and select all that apply. |

**PROJECTS TAB**

Project Information

| | | |
|---|---|---|
| ☐ | Project Name | Provide the project name. |
| ☐ | Implementing Organization | Enter the same Organization Name from the Applicant Information tab. |
| ☐ | Secondary Implementing Organization | Enter the name of one other organization, if one other is directly involved in the project. If more than one organization is involved in the project, enter 'See Attachment 3'. If no other organization is involved in the project, enter 'Not Applicable'. |
| ☐ | Proposed Start Date | Enter the date the project is scheduled to begin, as MM/DD/YYYY. |
| ☐ | Proposed End Date | Enter the date the project is scheduled to end, as MM/DD/YYYY. |
| ☐ | Scope of Work | Enter "See Attachment 8". |
| ☐ | Project Description | Describe the project components and overall project objective. |
| ☐ | Project Objective | Copy the Project Objective provided in the Applicant Information tab. |

Benefits

This section is optional. The Applicant may, but is not required to, provide one or more benefits here. Benefits are required to be submitted in Attachment 14.

| | | |
|---|---|---|
| ☐ | Benefit Level | Identify the level of benefit being described as primary, secondary, etc. |
| ☐ | Benefit type | Select the benefit type that most closely matches the intended benefit of the project. Multiple benefits may be defined here. |
| ☐ | Measurement | Quantify the Benefit using a unit of measurement (i.e., acre feet, acres, square miles, cubic feet, etc.). |
| ☐ | Description | Provide a brief description of how the benefit will be attained. |

Budget

This is to be the same as the information provided in the Applicant Information Tab. Use the "Copy Budget data from Applicant Tab" to automatically transfer the data.

Geographic Information

This is to be the same as the information provided in the Applicant Information Tab. Use the "Copy Budget data from Applicant Tab" to automatically transfer the data.

Legislative Information

This is to be the same as the information provided in the Applicant Information Tab. Use the "Copy Budget data from Applicant Tab" to automatically transfer the data.

**ELIGIBILITY TAB**

Questions in this part relate to both eligibility and information that will be used in project evaluation, see Section 11.3 of the PSP. Examples of informational questions are questions 18 and 19 which allow for preference in scoring but are not related to minimum eligibility requirements.

The answers to the questions in this section will be used in processing the application and determining eligibility and completeness. If the answer to the question is "non applicable", submit a placeholder document for the question stating the reasons why the question is not applicable.

DWR reserves the right to shift an application from one category to another. If shifting is proposed, DWR will contact the Applicant for consent.

| | | |
|---|---|---|
| ☐ | Question 1 | This project applies for the following category of desalination grant funding (select one): |
| ☐ | Question 2 | Is the project located within the State of California? |
| ☐ | Question 3 | What type of organization is the Applicant as entered in Part 1 of the application (select one)? |
| ☐ | Question 4 | Are there any pending, planned, or potential patents that would or could evolve from the proposed pilot research? |
| ☐ | Question 5 | Provide information on the source of the feed water for the planned desalination facility. For groundwater sources, it is assumed that the groundwater basin identified in Part 1 of the application is the basin from which groundwater will be extracted. |

| | | |
|---|---|---|
| ☐ | Question 6 | What is the TDS (mg/L) of the feed water prior to treatment? |
| ☐ | Question 7 | What is the estimated start date for the project (mm/yyyy)? |
| ☐ | Question 8 | What is the estimated duration for the project in months? |
| ☐ | Question 9 | Is the Applicant able to use the state agreement? If this is a construction project, what is the expected lifetime of the proposed facility in years? |
| ☐ | Question 10 | What CEQA document(s) has been, is being, or will be prepared? |
| ☐ | Question 11 | If the CEQA document identified in Question 10 is complete, provide the State Clearinghouse Number or document website address. |
| ☐ | Question 12 | Provide information on the source of the feed water for the planned desalination facility. For groundwater sources, it is assumed that the groundwater basin identified in Part 1 of the application is the basin from which groundwater will be drawn. If the CEQA document identified in Question 10 is not complete, provide the estimated completion date (mm/yyyy). |
| ☐ | Question 13 | Are the design documents complete? |
| ☐ | Question 14 | Will 3rd party construction management be used? |
| ☐ | Question 15 | Will an entity other than the Grantee own the constructed facility now or in the future? (Note that there may be restrictions on transferring ownership to an entity other than the Grantee.) |
| ☐ | Question 16 | Will an entity other than the Grantee operate the constructed facility? |
| ☐ | Question 17 | Describe any known active, pending, or planned legal challenges to the project. Otherwise, enter “None” in the box. |
| ☐ | Question 18 | Is the Applicant a member of an IRWM group? |
| ☐ | Question 19 | Is the project or study proposed for a grant in this application identified in an IRWM plan? |

**ATTACHMENTS TAB**

| | **Attachment** | **Title** | **Filename Root** | **File Format** | **Application Media*** |
|---|---|---|---|---|---|
| ☐ | 1 | Signature Page | Signature | Template | Hard copy |
| ☐ | 2 | Authorization | Authorization | Template | Hard copy |
| ☐ | 3 | Other Participating Organizations | Participants | Template | Hard copy |
| ☐ | 4 | Cost Share Sources | Cost Share | Template | Hard copy |
| ☐ | 5 | Funding Match Agreement(s) | Agreements | Applicant-provided | Hard copy |
| ☐ | 6 | Project Background | Background | Applicant-provided | Hard copy |
| ☐ | 7 | Technical/Scientific Merit | Merit | Applicant-provided | Hard copy |

| | Attachment | Title | Filename Root | File Format | Application Media* |
|---|---|---|---|---|---|
| ☐ | 8 | Scope of Work | Scope | Applicant-provided | Hard copy |
| ☐ | 9 | Work Plan | WorkPlan | Applicant-provided | Hard copy |
| ☐ | 10 | Project Budget | Budget | Template | Hard copy |
| ☐ | 11 | Project Schedule | Schedule | Applicant-provided | Hard copy |
| ☐ | 12 | Greenhouse Gas Estimation | GHGest | Template | Hard copy |
| ☐ | 13 | Outreach, Community Involvement, and Acceptance | Community | Applicant-provided | Hard copy |
| ☐ | 14 | Project Benefits | Benefits | Applicant-provided | Hard copy |
| ☐ | 15 | Environmental Documentation | EnviroDoc | Applicant-provided | Electronic** |
| ☐ | 16 | Feasibility Study | Feasibility | Applicant-provided | Electronic** |
| ☐ | 17 | Project Plans and Specifications | Specs | Applicant-provided | Electronic** |
| ☐ | 18 | Project Team Qualifications | Quals | Applicant-provided | Hard copy |
| ☐ | 19 | Plan Of Study For Feasibility Study | PlanOfStudy | Applicant-provided | Hard copy |
| ☐ | 20 | Economic Analysis | EconAnal | Applicant-provided | Hard copy |
| ☐ | 21 | Other Information | Other | Applicant-provided | To be determined by applicant |
| ☐ | 22 | Reduction or Waiver of Cost Share for Disadvantaged Communities or Economically Distressed Areas | DAC | Template | Hard copy |

* How the attachment is to be included in the copy to be delivered to DWR

** For documents provided electronically only for the grant application, DWR may request a hard copy if the grant is awarded.

# APPENDIX H: PROJECT BENEFITS

There are limited benefit types and benefits available to the Applicant to choose from in Part 2 within GRanTS. These benefit types are predetermined in GRanTS and there is no flexibility for modification by the Applicant. Lists are prefiltered depending on the Benefit Type selected. Because of the limitations of the options, the following table is provided to assist Applicants in identifying an applicable benefit to include in this section based on Desal PSP qualified project types as listed in the far right Column (fourth). The fourth column in the table provides some guidance on which benefit types could be used for specific types of projects for which the application is being submitted. Also note that the last two levels are incorrectly spelled as quniary and septiary. (They should be quinary and senary.)

The Applicant is required to select benefits in this table; however, the project benefits described in Attachment 14 will be used for scoring the application. Therefore, the Applicant is encouraged to provide more information on project benefits in Attachment 14.

Table: Benefit Selection Support within the Online Submittal Tool.

| Benefit Type | Benefits | Measurement | Comments Lists which project type(s) can be applied to this benefit category? |
|---|---|---|---|
| Monitoring | Water Quality: Constituents -- Salinity | | C, P&D, R&D, FS |
| Infrastructure Improvement | (Tentative*) New Water Supply Facility | mgd | C |
| Infrastructure Improvement | (Tentative*) Rehabilitate/Repair Existing Water Supply Facility | mgd | C |
| Infrastructure Improvement | (Tentative*) Water Quality Infrastructure-Other | mgd | C |
| Infrastructure Improvement | Other-Improved Water Supply Facilities | mgd | C |
| Infrastructure Improvement | Other | --- | C |
| Water Management | Desalination-Other | average acre-ft per year | C, P&D, FS |
| Water Management | Desalination-Water Quality Improvement | average acre-ft per year | C, P&D, FS |
| Water Management | Desalination-Water Supply Enhancement | average acre-ft per year | C, P&D, FS |
| Water Management | Water Storage -- Groundwater-Recharge area developed | average acre-ft per year | C, P&D, FS |
| Water Management | Water Storage -- Groundwater-Recharge area protected | average acre-ft per year | C, P&D, FS |
| Water Management | Water Storage -- Groundwater-Water Quality Improvement | acres | C, P&D, FS |
| Water Management | Water Storage -- Groundwater-Water Supply Enhancement | average acre-ft per year | C, P&D, FS |
| Water Management | Water Storage -- Groundwater-Other | --- | C, P&D, FS |
| Water Management | (Tentative*) Water Supply - Conjunctive | average acre-ft per year | C, P&D, FS |
| Water Management | (Tentative*) Water Supply - Surface | average acre-ft per year | C, P&D, FS |
| Water Management | (Tentative*) Water Supply - Groundwater | average acre-ft per year | C, P&D, FS |
| Water Management | (Tentative) Water Supply - Recycled Water | average acre-ft per year | C, P&D, FS |
| Water Management | (Tentative*) Water Supply - Other | average acre-ft per year | C, P&D, FS |
| Water Management | (Tentative*) Water Quality | | C, P&D, FS |
| Water Management | Other-Impaired water bodies -- improved water body | acre-feet improved | C, P&D, FS |
| Water Management | Other-Pilot Projects | --- | P&D |
| Water Management | Other | --- | C, P&D, FS |
| Technical Assistance | Training and Outreach | --- | C, P&D, R&D, FS |
| Technical Assistance | (Tentative*) Other | --- | C, P&D, R&D, FS |
| Research/Planning (including Science) | Feasibility Studies -- Flood Control/Water Supply | --- | FS |
| Research/Planning (including Science) | (Tentative*) Modeling - Groundwater | --- | C, P&D, R&D |
| Research/Planning (including Science) | (Tentative*) Modeling - Subsidence Reversal/Carbon Sequestration | --- | C, P&D, R&D |
| Research/Planning (including Science) | (Tentative*) Modeling - Surface Storage | --- | C, P&D, R&D |
| Research/Planning (including Science) | Modeling-Other | --- | C, P&D, R&D, FS |
| Research/Planning (including Science) | Water Quality Treatment Technology | --- | P&D, R&D |
| Research/Planning (including Science) | Other-Hydrogeological | --- | P&D, R&D |
| Research/Planning (including Science) | Other-Water quality in general | | P&D, R&D |
| Tentative signifies that the online submittal tool may add this benefit. | | | |
| Four project types: C= Construction, P&D = Pilot and Demonstration, R&D = Research, FS = Feasibility Study | | | |

# APPENDIX I: FEASIBILITY STUDY DOCUMENTATION

The Feasibility Study or Facilities Plan is used to determine the need for a water supply project, analyze the alternatives to meet the project objective, select a desalination project as the preferred alternative, and identify the implementation steps for the project. It is expected that planning be completed to a level to proceed to design and construction of a project and include the analyses specified in Water Quality Control Plan Ocean Waters Of California (referred to as the California Ocean Plan, prepared by the SWRCB in 2015) Section III.M. The feasibility study should include a thorough cost-effectiveness analysis conducted for all potential alternatives. Such an analysis includes evaluation of economics, environmental and social factors, and technical feasibility. Environmental, technical, and institutional issues are identified and potential obstacles are resolved in the analysis. All necessary facilities of the recommended project have been identified, and the project is described with sufficient detail to seek funding and approvals by regulatory agencies. Public participation should have been a part of the planning process such that public acceptance issues are resolved. The feasibility study should include a detailed cost estimate and construction financing plan, which will be reflected in the other PSP components regarding grant amounts, match funds, and overall project budget. The feasibility study should include a revenue program based on the estimate of operation and maintenance costs, debt service, sources of revenue and pricing structures for the product water. Formal discussions should have taken place with water suppliers, wholesalers, and retailers that will be involved in the project and the feasibility study should identify the institutional arrangements or agreements that will be necessary.

Feasibility Studies completed either with this grant funding, or submitted as part of the grant application should include the following:

Section 1: Study Area

- Geography
- Geology
- Climate
- Groundwater basins
- Surface waters
- Land use
- Population growth

Section 2: Water Supply Characteristics and Facilities

- Agency jurisdictions
- Sources and qualities of supplies
- Description of major facilities and existing capacities
- Water use trends
- Future facilities needs
- Groundwater management and problems

- Present and future freshwater costs
- Subsidies
- Customer prices

Section 3: Potential Desalination Source Water Characteristics

- Types and locations of potential sources of water
- Water quality
- Characteristics of groundwater aquifers that are sources or that will be affected by a desalination project
- Sustainability of groundwater sources
- Characteristics of coastal environments

Section 4: Potential Brine Disposal Area Characteristics

- Locations
- Site characteristics
- Environmental considerations

Section 5: Project Alternative Analysis

- Planning and design assumptions
- Evaluation of the full array of alternatives to achieve the water supply and other project objectives
- Preliminary screening of alternatives based on feasibility criteria
- Selection of limited alternatives for more detailed review, including one or more desalination alternatives and at least one base alternative that does not involve desalination for comparison
- For each alternative, present capital and operation and maintenance costs, engineering feasibility, economic analyses, financial analyses, energy analysis, water quality effects, public acceptance, water rights effects, environmental and social effects; and
- Comparison of alternatives and selection, including the following alternatives:
    a. water desalination alternatives: types of intakes, types of treatment, treatment processes, pipeline route alternatives, storage alternatives, brine disposal or use alternatives.
    b. potable water or other water supply or management alternatives to desalinated water.
    c. water conservation or other demand management measures.
    d. no project alternative.

Section 6: Recommended Plan and Implementation

- Description of proposed facilities
- Preliminary design criteria
- Projected cost
- Institutional arrangements and commitments
- Projected quantity of deliveries
- Reliability of supply
- Implementation plan
- Operational plan

Section 7: Potential Construction Financing Plan and Revenue Program

- Sources and timing of funds for design and construction
- Pricing policy of product water
- Cost allocation issues
- Projection of future desalinated water sales
- Desalinated water prices
- Potable water prices
- Projected annual costs
- Unit costs and prices
- Sources and amounts of revenue
- Subsidies
- Sunk costs and indebtedness
- Analysis of sensitivity to changed conditions

# APPENDIX J: REVIEW AND SCORING CRITERIA

The following review and scoring criteria framework is provided as guidance for the Applicants in preparing their proposals. The final decision for the grant funding awards is at the discretion of DWR and may include allocations based on geography, DAC status, or other factors. DWR reserves the right to use other publicly available information to support proposal evaluation other than that provided in the proposal.
Section 3.4 Minimum Project Benefits of the PSP, which is based on California Water Code Section 79767, is used as the basis for a competitive proposal evaluation framework as provided below:

Projects must receive at least 70 percent of the total possible points for the Project Type to be eligible for funding. In addition, projects are required to receive at least 16 points combined for Scoring Criteria 3 through 5 and at least half of the available points in each of Scoring Criteria 7 through 16 to be considered for funding. Research Pilot projects must receive at least half of available points in Scoring Criterion 6.

NA indicates not applicable.

**CONSTRUCTION PROJECT SCORING CRITERIA**

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 1. Does the project have benefits described in Attachment 14 such as those identified in Section 3 of the PSP? | yes/no | yes | This project achieves water supply or reliability benefits or other public benefits, including at least one state benefit as listed in PSP Section 3.4. The project will be scored. |
| | | no | This project will not likely achieve significant water supply or reliability benefits or other state benefits as listed in PSP Section 3.4, or the project has inherent flaws. The project will not be scored. |
| 2. Is the proposal typed as a Construction Project as given in Section 3.3 of the PSP and is the application complete? | yes/no | yes | This project qualifies as an eligible project type and the application is complete. The project will be scored. |
| | | no | This project does not qualify for as an eligible project type or the application is incomplete. The project will not be scored. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 3. To what degree does the proposal provide information that the project will result in a water supply reliability improvement per PSP Section 3.4 (CWC §79767(a))? | 15 | 11-15 | The proposal provides sufficient information that demonstrates that the project is essential to increase reliability for public water supply and when implemented will improve water supply. |
| | | 5-10 | The proposal provides information that demonstrates that the project will likely increase reliability for public water supply and when implemented likely will improve water supply. |
| | | 0-4 | The proposal does not provide sufficient information that demonstrates that the project will likely increase reliability for public water supply and when implemented will not improve water supply. |
| 4. To what degree does the proposal provide information that the project will result in water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows per PSP Section 3.4 (CWC §79767(b), §12946)? | 8 | 6-8 | The proposal provides sufficient information that demonstrates the project when implemented will achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |
| | | 2-5 | The proposal does not provide information that demonstrates the project when implemented will achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal provides little to no information that demonstrates the project when implemented will achieve water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |
| 5. To what degree does the proposal provide information that the project will result in public health benefits from improved drinking water quality or supply per PSP Section 3.4 (CWC §79767(c))? | 8 | 6-8 | The proposal provides sufficient information that demonstrates the project when implemented will achieve significant public health benefits from improved drinking water quality or supply. |
| | | 2-5 | The proposal does not provide information that demonstrates the project when implemented will achieve significant public health benefits from improved drinking water quality or supply. The project may provide some of these benefits but to a lesser degree than significant. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 0-1 | The proposal provides little to no information that demonstrates the project when implemented will achieve public health benefits from improved drinking water quality or supply. |
| 6. Will the project employ new or innovative technology or practices in desalination treatment, water intake, or brine management? Objectives of the technology may be improved cost-effectiveness, energy efficiency, treated water quality, reduce adverse environmental impacts or other benefits? | 10 | 7-10 | The proposal provides sufficient information that the project employs new or innovative technologies or practices and will provide significant multi-benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduce adverse environmental impacts, or other benefits. |
| | | 3-6 | The proposal provides some information that the project employs new or innovative technologies or practices and will provide some benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduce adverse environmental impacts, or other benefits. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-2 | The proposal provides little to no information that the project employs new or innovative technologies or practices or the benefits achieved are not clearly demonstrated or are deemed minor. |
| 7. Are the necessary project documents complete to the point that the project could commence within 3 to 6 months of completing state contracting? Necessary project documents could include CEQA documents, permits, access agreements, interagency resolutions and/or agreements. | 10 | 9-10 | The Applicant has fully identified its necessary project documents, such as feasibility study, and completed them. The documents are thorough, clearly written, and adequately address key issues. CEQA has been fulfilled, documents are or will be made available to DWR staff, and DWR may conduct a Responsible Agency findings. Permits, agreements, and cost sharing are approved or secured. Design, plans, and specifications are complete. |
| | | 7-8 | The Applicant has fully identified its necessary project documents and has nearly completed them. Completion is expected within 6 months and an action plan has been provided to meet this goal. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 5-6 | The Applicant has identified its necessary project documents. Documents are currently being prepared and will take more than 6 months to complete. The provided action plan indicates some potential constraints. |
| | | 3-4 | The Applicant has identified its necessary project documents. Some documents are incomplete. Some constraints may delay completion, but are not considered insurmountable. Scheduled completion is not determined. |
| | | 1-2 | Significant constraints prevent the Applicant from completing necessary project documents. |
| | | 0 | No necessary project documents have been completed. |
| 8. Does the project team have the experience, ability, appropriate licenses, and availability to complete the project as described in the application? For Applicants that previously received State or federal funding, was performance of the agreement and the project completed satisfactorily? | 10 | 9-10 | Project team leader and team members have direct relevant experience with similar projects. Project team leader is committed to fulfilling agreement obligations. Project team members have completed similar projects together before. The proposed project organization will facilitate successful project completion. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. Construction management and engineering support will be adequate during construction. |
| | | 7-8 | One or two project team members have direct relevant experience with some work together on similar projects. The proposed project organization will facilitate successful project completion. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 5-6 | Project team members have relevant project experience, but not direct experience with similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 3-4 | Project team experience and organization has some relationship to the proposed project. Previous contract with State or federal was completed, but with challenges. |
| | | 1-2 | Project team experience and organization has minimal relationship to the proposed project. Previous contract with State or federal was not successfully completed. |
| | | 0 | No information on project team experience or organization was provided. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 9. Have the project alternatives been clearly weighed against others to support the selection of the proposed project? | 10 | 9-10 | A feasibililty study with well-documented review of considered options is provided, with respect to both non-desalination and desalination alternatives. Desalination is the preferred alternative. |
| | | 7-8 | A feasibility study with well-documented review of considered options is provided, with respect both to non-desalination and desalination alternatives. Desalination was a highly ranked alternative, but not the highest. |
| | | 5-6 | Some alternative review was conducted, but was not thoroughly documented. Desalination was highly ranked. |
| | | 3-4 | Some alternative review was conducted, but was not thoroughly documented. Desalination was not highly ranked. |
| | | 1-2 | Minimal alternative analysis was conducted. |
| | | 0 | No alternative analysis has been conducted. |
| 10. Does the project have community support and an established public outreach program? Does the Public Outreach Plan indicate continuous public involvement? | 10 | 9-10 | Applicant has a well-developed and implemented public outreach approach. It has provided letters, newspaper articles, hearing information and other information to show public outreach and support. It has an active community involvement group and shows continuous outreach with plans to continue outreach throughout the project. Applicant has provided information on opposition to the project and how the public outreach resolved or attempted to resolve the opposition issues. |
| | | 7-8 | Applicant conducted extensive public outreach, but does not have an active community committee. |
| | | 5-6 | Applicant conducted public meetings and hearings. |
| | | 3-4 | Some community outreach has occurred. |
| | | 1-2 | Minimal community outreach or involvement has occurred. |
| | | 0 | Applicant does not have a public outreach program or the project has significant public opposition. |
| 11. Are the scope of work and work plan complete, implementable, and clearly written? | 10 | 9-10 | The scope of work and work plan are complete, implementable, and clearly written. They provide the information and methodology necessary to successfully conduct the project to completion and to operate and maintain after completion. |
| | | 7-8 | The scope of work and work plan are generally complete, but missing one or two minor components. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 5-6 | The scope of work and work plan are generally complete, but missing one or two major components. |
| | | 3-4 | The scope of work and/or work plan indicate that there are challenges to completing the project. |
| | | 1-2 | The scope of work and/or work plan indicate that the project does not appear to be implementable as proposed. |
| | | 0 | No scope of work and/or work plan was provided. |
| 12. Is the budget complete, implementable, and clearly written? Is the cost share secure? | 10 | 9-10 | Detailed project costs have been provided, including thorough justification, and the costs provided are reasonable and appear to be sufficient for the project as described. Components of the project budget are fully complete. Funding sources are secured and adequate to cover cash flow needs during project performance. Administrative costs do not exceed 10 percent of the total budget. |
| | | 7-8 | Project costs appear to be reasonable, although not all justification or supporting documentation is included or do not have sufficient detail. Administrative costs do not exceed 10 percent of the total budget. Funding sources are identified but not secured. |
| | | 5-6 | Costs do not appear to be fully reasonable or supporting documentation is lacking for a majority of the project budget items. |
| | | 3-4 | Project costs have minimal detailed budget information, do not have supporting information, or do not appear to be reasonable. |
| | | 1-2 | No detailed budget information is provided. |
| | | 0 | No budget information is provided. |
| 13. Is the schedule complete and implementable? | 5 | 5 | The schedule is consistent with the work plan and budget, is reasonable, and demonstrates a readiness to begin the project within 3 to 6 months of contracting. |
| | | 4 | The schedule is consistent with the work plan and budget, is reasonable, and but beginning the project will be more than 6 months after contracting is complete. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 3 | The schedule is consistent with the work plan and budget, but is lacking one key component necessary to begin work within one year of contracting. |
| | | 2 | The schedule is consistent with the work plan and budget, but is lacking multiple key components necessary to begin work within one year of contracting. |
| | | 1 | The schedule is not consistent with the work plan or budget or is not reasonable to accomplish the identified tasks. |
| | | 0 | No schedule is provided. |
| 14. Has the benefits and cost analysis been completed and does the project provide positive benefit? | 15 | 14-15 | The project is likely to provide a high level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis and clear and complete documentation. Attachment 20 is complete and data and assumptions are documented. |
| | | 11-13 | The project is likely to provide a high level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. Attachment 20 is complete but documentation has weaknesses. |
| | | 8-10 | The project is likely to provide a moderate level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis and clear and complete documentation. Attachment 20 is not complete but adequate alternative economic analysis is provided to substantiate benefit relative to cost. |
| | | 5-7 | The project is likely to provide a moderate level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. Attachment 20 is not complete and alternative economic cost information is weak. |
| | | 1-4 | The project is likely to provide a low level of benefit in relation to cost. Varying degree of quality of the analysis and supporting documentation. |
| | | 0 | No net benefit is demonstrated. |
| 15. Have the greenhouse gas emission calculations been completed per CEQA and does the project include dedicated renewable energy production capabilities or use reflected in Attachment 12? How does the ratio of product water to | 5 | 5 | CEQA GHG emissions analysis completed. Project-specific renewable energy sources are identified in site-specific energy profile submitted as Attachment 12. No inconsistencies were identified during review. The project power sources include significant project created or sponsored, dedicated or arranged, permanent |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| feedwater capacities compare to either other seawater projects or brackish water projects? | | | use of renewable energy beyond that achievable or provided by the regional or statewide electrical grid sources. |
| | | 4 | CEQA GHG emissions analysis completed. Renewable energy sources are identified in site-specific energy profile submitted as Attachment 12. Some minor inconsistencies were identified during review. The project power sources include some dedicated or arranged use of renewable energy beyond that achievable or provided by the regional or statewide electrical grid sources. |
| | | 3 | CEQA GHG emissions analysis is or will be completed. No renewable energy sources identified in site-specific energy profile submitted as Attachment 12. Some minor inconsistencies were identified during review. |
| | | 2 | CEQA GHG analysis and Attachment 12 are completed. Some major inconsistencies were identified during review. |
| | | 1 | CEQA GHG analysis is inadequate or poorly documented. |
| | | 0 | CEQA GHG analysis and Attachment 12 are not provided. |
| | 5 | 1-5 | Compared to projects of similar source water salinity (that is, brackwater and seawater projects), the ratio of product water to feedwater capacities is compared with higher ratios earning higher points within the source category. |
| | | 0 | The ratio of product water to feed water capacities is not provided in Table 12.2. |
| 16. Is the project technically feasible and justifiable? | 10 | 6-10 | Project facility components analyzed, design criteria described and justified, flow and capacities are reasonable and justified based on water demand projections and peaking factors, groundwater hydrology analysis performed for impact and sustainability, open water intakes (where applicable) were adequately analyzed and environmentally acceptable, brine disposal options are feasible and environmentally acceptable, all proposal components are essential for a successful project, all necessary facilities for an operable project will be implemented upon grant project completion. |
| | | 0-5 | There are significant deficiencies in any of the above criteria. |
| 17. is the project identified in an IRWM plan? | 5 | 1-5 | The project is identified in an IRWM plan. The project in the IRWM plan may not be identical to the proposed project in the application or may have varying levels of supporting information in the plan. Points are assigned according to the degree the |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | | project in the IRWM plan is the same as the proposed grant project and the degree of supporting documentation. |
| | | 0 | The project is not identified in an IRWM plan. |
| 18. General comments | | | Provide any additional comments that have not been addressed in the scoring questions above that are relevant to whether the project should be funded or not. |

**DESIGN PILOT PROJECT SCORING CRITERIA**

(The Design Pilot project will be considered throughout scoring for its role in design for a planned full-scale project.)

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 1. Does the project have benefits described in Attachment 14 such as those identified in Section 3 of the PSP? | yes/no | yes | This project achieves water supply or reliability benefits or other public benefits, including at least one state benefit as listed in PSP Section 3.4. The project will be scored. |
| | | no | This project will not likely achieve significant water supply or reliability benefits or other state benefits as listed in PSP Section 3.4, or the project has inherent flaws. The project will not be scored. |
| 2. Is the proposal typed as a Construction Project as given in Table 1 in Section 3.3 of the PSP and is the application complete? | yes/no | yes | This project qualifies as an eligible project type and the application is complete. The project will be scored. |
| | | no | This project does not qualify for as an eligible project type or the application is incomplete. The project will not be scored. |
| 3. To what degree does the proposal provide information that the project will result in a water supply reliability improvement per PSP Section 3.4 (CWC §79767(a))? | 15 | 11-15 | The proposal provides sufficient information that demonstrates that the project is essential to increase reliability for public water supply and when implemented will improve water supply |
| | | 5-10 | The proposal provides information that demonstrates that the project will likely increase reliability for public water supply and when implemented likely will improve water supply. |
| | | 0-4 | The proposal does not provide sufficient information that demonstrates that the project will likely increase reliability for public water supply and when implemented will not improve water supply. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 4. To what degree does the proposal provide information that the project will result in water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows per PSP Section 3.4 (CWC §79767(b), §12946)? | 8 | 6-8 | The proposal provides sufficient information that demonstrates the project when implemented achieves significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |
| | | 2-5 | The proposal does not provide information that demonstrates the project when implemented achieves significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal provides little to no information that demonstrates the project when implemented will achieve water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |
| 5. To what degree does the proposal provide information that the project will result in public health benefits from improved drinking water quality or supply per PSP Section 3.4 (CWC §79767(c))? | 8 | 6-8 | The proposal provides sufficient information that demonstrates the project when implemented will achieve significant public health benefits from improved drinking water quality or supply. |
| | | 2-5 | The proposal does not provide information that demonstrates the project when implemented will achieve significant public health benefits from improved drinking water quality or supply. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal provides little to no information that demonstrates the project when implemented will achieve public health benefits from improved drinking water quality or supply. |
| 6. Will the project employ new or innovative technology or practices in desalination treatment, water intake, or brine management? Objectives of the technology may be improved cost-effectiveness, energy efficiency, | 10 | 7-10 | The proposal provides sufficient information that the project employs new or innovative technologies or practices and will provide significant multi-benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduce adverse environmental impacts, or other benefits. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| treated water quality, reduce adverse environmental impacts or other benefits? | | | |
| | | 3-6 | The proposal provides some information that the project employs new or innovative technologies or practices and will provide some benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduce adverse environmental impacts, or other benefits. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-2 | The proposal provides little to no information that the project employs new or innovative technologies or practices or the benefits achieved are not clearly demonstrated or are deemed minor. |
| 7. Are the necessary projects documents complete to the point that it could commence within 3 to 6 months of completing state contracting? Necessary pilot documents could include CEQA documents, permits, access agreements, interagency resolutions and/or agreements. | 10 | 9-10 | The Applicant has fully identified its necessary project documents, such as feasibility study, and completed them. The documents are thorough, clearly written, and adequately address key issues. CEQA, if necessary, has been fulfilled, documents are or will be made available to DWR staff, and DWR may conduct a Responsible Agency findings. Permits, agreements, and cost sharing are approved or secured. |
| | | 7-8 | The Applicant has fully identified its necessary project documents and has nearly completed them. Completion is expected within 6 months and an action plan has been provided to meet this goal. |
| | | 5-6 | The Applicant has identified its necessary project documents. Documents are currently being prepared and will take more than 6 months to complete. The provided action plan indicates some potential constraints. |
| | | 3-4 | The Applicant has identified its necessary pilot documents. Some documents are incomplete. Some constraints may delay completion, but are not considered insurmountable. Scheduled completion is not determined. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 1-2 | Significant constraints prevent the Applicant from completing necessary project documents. |
| | | 0 | No necessary project documents have been completed. |
| 8. Does the project team have the experience, ability, appropriate licenses, and availability to complete the project as described in the application? For Applicants that previously received State or federal funding, was performance of the agreement and the project completed satisfactorily? | 10 | 9-10 | Project team leader and team members have direct relevant experience with similar projects. Project team leader is committed to fulfilling agreement obligations. Project team members have completed similar projects together before. The proposed project organization will facilitate successful project completion. The proposed project organization will facilitate successful project completion. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 7-8 | One or two project team members have direct relevant experience with some work together on similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 5-6 | Project team members have relevant project experience, but not direct experience with similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 3-4 | Project team experience and organization has some relationship to the proposed project. Previous contract with State or federal was completed, but with challenges. |
| | | 1-2 | Project team experience and organization has minimal relationship to the proposed project. Previous contract with State or federal was not successfully completed. |
| | | 0 | No information on project team experience or organization was provided. |
| 9. Have the full-scale project alternatives or other alternative design pilot options been clearly weighed against others? Is the design pilot timing appropriate with respect to the overall project? | 10 | 9-10 | A feasibility study with well-documented review of considered options is provided, with respect to both the overall project and design pilot options. Timing of the pilot is optimal for design of the overall project and the pilot is critical for design of the project. |
| | | 7-8 | A feasibility study with well-documented review of considered options is provided, with respect both to non-desalination and desalination alternatives. Desalination as |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | | an overall project was a highly ranked alternative, but not the highest. Is the timing of the pilot is adequate for the overall project design. |
| | | 5-6 | Some alternative review was conducted, but was not thoroughly documented. Desalination was highly ranked. Some assessment of pilot options, importance, and necessity was conducted. |
| | | 3-4 | Some alternative review was conducted, but was not thoroughly documented. Desalination was not highly ranked and the pilot provides some information for the project design. |
| | | 1-2 | Minimal alternative analysis was conducted. |
| | | 0 | No alternative analysis has been conducted. |
| 10. Does the project have community support and an established public outreach program? Does the Public Outreach Plan indicate continuous public involvement? | 10 | 9-10 | Applicant has a well-developed and implemented public outreach approach for the overall project. It has provided letters, newspaper articles, hearing information and other information to show public outreach and support. It has an active community involvement group and shows continuous outreach with plans to continue outreach throughout the project. Applicant has provided information on opposition to the project and how the public outreach resolved or attempted to resolve the opposition issues. |
| | | 7-8 | Applicant conducted extensive public outreach, but does not have an active community committee. |
| | | 5-6 | Applicant conducted public meetings and hearings about the overall project. |
| | | 3-4 | Some community outreach has occurred. |
| | | 1-2 | Minimal community outreach or involvement has occurred. |
| | | 0 | Applicant does not have a public outreach program or the project has significant public opposition. |
| 11. Are the scope of work and work plan complete, implementable, and clearly written? | 10 | 9-10 | The scope of work and work plan are complete, implementable, and clearly written. They provide the information and methodology necessary to successfully conduct the pilot to completion and incorporate the findings into the overall project design. |
| | | 7-8 | The scope of work and work plan are generally complete, but missing one or two minor components. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 5-6 | The scope of work and/or work plan are generally complete, but missing one or two major components. |
| | | 3-4 | The scope of work and/or work plan indicate that there are challenges to completing the pilot. |
| | | 1-2 | The scope of work or work plan indicate the pilot does not appear to be implementable as proposed. |
| | | 0 | No scope of work and/or work plan was provided. |
| 12. Is the budget complete, implementable, and clearly written? Is the cost share secure? | 10 | 9-10 | Detailed project costs for the design pilot have been provided, including thorough justification, and the costs provided are reasonable and appear to be sufficient for the pilot. Components of the project budget are fully complete. Funding sources are secured and adequate to cover cash flow needs during completion of the pilot. Administrative costs do not exceed 10 percent of the total budget. |
| | | 7-8 | Pilot costs appear to be reasonable, although not all justification or supporting documentation is included or do not have sufficient detail. Administrative costs do not exceed 10 percent of the total budget. Funding sources are identified but not secured. |
| | | 5-6 | Costs do not appear to be fully reasonable or supporting documentation is lacking for a majority of the pilot budget items. |
| | | 3-4 | Pilot costs have minimal detailed budget information, do not have supporting information, or do not appear to be reasonable. |
| | | 1-2 | No detailed budget information is provided. |
| | | 0 | No budget information is provided. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 13. Is the schedule complete and implementable? | 5 | 5 | The schedule is consistent with the work plan and budget, is reasonable, and demonstrates a readiness to begin the pilot within 3 to 6 months of contracting. |
| | | 4 | The schedule is consistent with the work plan and budget, is reasonable, but beginning the project will be more than 6 months after contracting is complete. |
| | | 3 | The schedule is consistent with the work plan and budget, but is lacking one key component necessary to begin work within one year of contracting. |
| | | 2 | The schedule is consistent with the work plan and budget, but is lacking multiple key components necessary to begin work within one year of contracting. |
| | | 1 | The schedule is not consistent with the work plan or budget or is not reasonable to accomplish the identified tasks. |
| | | 0 | No schedule is provided. |
| 14. Has the benefits and cost analysis of the overall project been completed and does the project provide positive benefit? | 5 | 5 | The overall project is likely to provide a high level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis and clear and complete documentation. |
| | | 4 | The overall project is likely to provide a high level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. |
| | | 3 | The overall project is likely to provide a moderate level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis and clear and complete documentation. |
| | | 2 | The overall project is likely to provide a moderate level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. |
| | | 1 | The overall project is likely to provide a low level of benefit in relation to cost. Varying degree of quality of the analysis and supporting documentation. |
| | | 0 | No net benefit of the overall project is demonstrated. |
| 15. Have the greenhouse gas emission calculations been completed per | 5 | 5 | CEQA GHG emissions analysis completed. Project-specific renewable energy sources are identified in site-specific energy profile submitted as Attachment 12. No |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| CEQA, if necessary for the design pilot, and if so, does the pilot include dedicated renewable energy production capabilities or use reflected in Attachment 12? | | | inconsistencies were identified during review. The project power sources include significant project created or sponsored, dedicated or arranged, permanent use of renewable energy beyond that achievable or provided by the regional or statewide electrical grid sources. |
| | | 4 | CEQA GHG emissions analysis completed. Renewable energy sources are identified in site-specific energy profile submitted as Attachment 12. Some minor inconsistencies were identified during review. The project power sources include some dedicated or arranged use of renewable energy beyond that achievable or provided by the regional or statewide electrical grid sources. |
| | | 3 | CEQA GHG emissions analysis is or will be completed. No renewable energy sources identified in site-specific energy profile submitted as Attachment 12. |
| | | 2 | CEQA GHG analysis and Attachment 12 are completed. Some major inconsistencies were identified during review. |
| | | 1 | CEQA GHG analysis is inadequate or poorly documented. The project compares poorly with alternatives. |
| | | 0 | CEQA GHG analysis and Attachment 12 are not provided. |
| 16. Is the design pilot technically feasible and justifiable? | 10 | 6-10 | Project facility components analyzed, design criteria described and justified, flow and capacities are reasonable and justified based on water demand projections and peaking factors, groundwater hydrology analysis performed for impact and sustainability, open water intakes (where applicable) were adequately analyzed and environmentally acceptable, brine disposal options are feasible and environmentally acceptable, all proposal components are essential for a successful project, all necessary facilities for an operable project will be implemented upon grant project completion. |
| | | 0-5 | There are significant deficiencies in any of the above criteria. |
| 17. is the project identified in an IRWM plan? | 5 | 1-5 | The project is identified in an IRWM plan. The project in the IRWM plan may not be identical to the proposed project in the application or may have varying levels of supporting information in the plan. Points are assigned according to the degree the |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | | project in the IRWM plan is the same as the proposed grant project and the degree of supporting documentation. |
| | | 0 | The project is not identified in an IRWM plan. |
| 18. General comments | | | Provide any additional comments that have not been addressed in the scoring questions above that are relevant to whether the project should be funded or not. |

**FEASIBILITY STUDY SCORING CRITERIA**

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 1. Does the project have benefits described in Attachment 14 such as those identified in Section 3 of the PSP? | yes/no | yes | This project achieves water supply or reliability benefits or other public benefits, including at least one state benefit as listed in PSP Section 3.4. The project will be scored. |
| | | no | This project will not likely achieve significant water supply or reliability benefits or other state benefits as listed in PSP Section 3.4, or the project has inherent flaws. The project will not be scored. |
| 2. Is the proposal typed as a Feasibility Study Project as given in Section 3 of the PSP and is the application complete? | yes/no | yes | This project qualifies as an eligible project type and the application is complete. The project will be scored. |
| | | no | This project does not qualify for as an eligible project type or the application is incomplete. The project will not be scored. |
| 3. To what degree does the proposal provide information that the project will result in a water supply reliability improvement per PSP Section 3.4 (CWC §79767(a))? | 15 | 11-15 | The proposal provides sufficient information that demonstrates that the study is essential to address a strong need to increase public water supply and improve water supply reliability. |
| | | 5-10 | The proposal provides information that demonstrates that the study will likely result in an increase in public water supply and improvement in water supply reliability. |
| | | 0-4 | The proposal does not provide sufficient information that demonstrates that the study will likely result in an increase in public water supply and improvement in water supply reliability. |
| 4. To what degree does the proposal provide information that the project will result in water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or | 8 | 6-8 | The proposal provides sufficient information that demonstrates the study will lead to a project that when implemented will achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| instream flows per PSP Section 3.4 (CWC §79767(b), §12946)? | | | |
| | | 2-5 | The proposal does not provide information that demonstrates the study will lead to a project that when implemented will achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal provides little to no information that demonstrates the study will lead to a project that when implemented will achieve water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |
| 5. To what degree does the proposal provide information that the project will result in public health benefits from improved drinking water quality or supply per PSP Section 3.4 (CWC §79767(c))? | 8 | 6-8 | The proposal provides sufficient information that demonstrates the study will lead to a project that when implemented will achieve significant public health benefits from improved drinking water quality or supply. |
| | | 2-5 | The proposal does not provide information that demonstrates the study will lead to a project that when implemented will achieve significant public health benefits from improved drinking water quality or supply. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal provides little to no information that demonstrates the study will lead to a project that when implemented will achieve public health benefits from improved drinking water quality or supply. |
| 6. Will the project employ new or innovative technology or practices in desalination treatment, water intake, or brine management? Objectives of the technology may be improved cost- | NA | | |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| effectiveness, energy efficiency, treated water quality, reduce adverse environmental impacts or other benefits? | | | |
| 7. Are the necessary projects documents complete to the point that it could commence within 3 to 6 months of completing state contracting? Necessary project documents could include agreements, interagency resolutions and/or agreements. Has Attachment 15 (Environmental Documentation) been submitted? | 10 | 9-10 | The Applicant has demonstrated in the Scope of Work and Attachment 19 (Plan of Study) that the Feasibililty Study is very likely to result in a final report consistent with Appendix I (Feasibility Study Documentation). There are no missing elements or alternatives to be analyzed in the study plan that will need to be added before commencing the study or entering into grant agreement. Necessary partnership agreements, cost sharing, or other elements of study implmentation are identified and secured. The project is expected to proceed within 3 to 6 months. |
| | | 7-8 | The Applicant has demonstrated in the Scope of Work and Attachment 19 (Plan of Study) that the Feasibililty Study is likely to result in a final report consistent with Appendix I (Feasibility Study Documentation). There may be missing elements or alternatives to be analyzed in the study plan that will need to be added before commencing the study or entering into grant agreement. Necessary partnership agreements, cost sharing, and other elements of study implementation are identified and are or are close to being secured. Readiness to proceed is expected within 6 months and an action plan has been provided to meet this goal. |
| | | 5-6 | The Applicant has demonstrated in the Scope of Work and Attachment 19 (Plan of Study) that the Feasibililty Study is likely to result in a final report generally consistent with Appendix I (Feasibility Study Documentation). There may be missing elements or alternatives to be analyzed in the study plan that will need to be added before commencing the study or entering into grant agreement. Necessary partnership agreements, cost sharing, or other elements of study implementation are yet to be secured. Documents are currently being prepared and will take more than 6 months to complete. The provided action plan indicates some potential constraints, but are not considered insurmountable. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | 3-4 | The Applicant has not demonstrated in the Scope of Work and Attachment 19 (Plan of Study) that the Feasibililty Study is likely to result in a final report consistent with Appendix I (Feasibility Study Documentation). The documents are incomplete. There may be missing elements or alternatives to be analyzed in the study plan that will need to be added before commencing the study or entering into grant agreement. Necessary partnership agreements, cost sharing, or other elements of study implementation are not secured. Significant constraints appear to prevent the Applicant from completing necessary project documents or actions to proceed within a reasonable time beyond 6 months and scheduled completion is not determined. |
| | | 1-2 | Significant constraints prevent the Applicant from completing necessary project documents or actions to proceed. |
| | | 0 | No necessary project documents have been completed. Attachment 15 was not submitted. |
| 8. Does the project team have the experience, applicable licenses, ability, and availability to complete the project as described in the application? For Applicants that previously received State or federal funding, was performance of the agreement and the project completed satisfactorily? | 10 | 9-10 | Project team leader and team members have direct relevant experience with similar projects. Project team leader is committed to fulfilling agreement obligations. Project team members have completed similar projects together before. The proposed project organization will facilitate successful project completion. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 7-8 | One or two project team members have direct relevant experience with some work together on similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 5-6 | Project team members have relevant project experience, but not direct experience with similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | 3-4 | Project team experience and organization has some relationship to the proposed project. Previous contract with State or federal was completed, but with challenges. |
| | | 1-2 | Project team experience and organization has minimal relationship to the proposed project. Previous contract with State or federal was not successfully completed. |
| | | 0 | No information on project team experience or organization was provided. |
| 9. Have the alternatives to be considered in the feasibility study been clearly identified? Do they represent a reasonable suite of alternatives to be considered, including both desalination and other alternatives? | 10 | 8-10 | The proposed list of alternatives is thorough and provides a wide-range of options to be considered, with respect to both non-desalination and desalination alternatives. |
| | | 5-7 | A wide range of alternatives will be considered by the feasibility study with reasonable expectation that a preferred alternative can be determined and supported by the study. |
| | | 3-4 | A moderate range of alternatives are proposed, but there are obvious gaps and limitations. |
| | | 1-2 | A minimal range of alternatives have been proposed for analysis. |
| | | 0 | No alternative have been suggested in the application. |
| 10. Has the Applicant assembled a wide range of local and regional agencies and interested public members to serve as an advisory committee and outlined a public involvement program? | 10 | 9-10 | Applicant has a well-developed and implemented outreach to other agencies and groups involved in local and regional water supply planning. It has involved other agencies in the planning of the project and the alternatives to be considered. It has formed an advisory committee comprised of diverse organization and individuals that will meet throughout the project and will provide input on the alternatives analysis. It has prepared a plan for a continuous community outreach with plans to continue outreach |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | | throughout the design and construction of the proposed alternative project. |
| | | 7-8 | Applicant has initiated public and interagency outreach, but does not have an active community committee. It has a general plan for public involvement during the feasibility study. |
| | | 5-6 | Applicant plans to conduct at least one public meeting during the feasibility study but little or no other public involvement or outreach is planned. |
| | | 1-4 | Minimal community outreach or involvement has occurred or is planned. |
| | | 0 | Applicant does not have a public outreach program or the project has significant public opposition. |
| 11. Are the scope of work and work plan complete, implementable, and clearly written? | 10 | 9-10 | The scope of work and work plan are complete, implementable, and clearly written. They provide the information and methodology necessary to successfully conduct the project to completion and to operate and maintain after completion. |
| | | 7-8 | The scope of work and work plan are generally complete, but missing one or two minor components. |
| | | 5-6 | The scope of work and work plan are generally complete, but missing one or two major components. |
| | | 3-4 | The scope of work and/or work plan indicate that there are challenges to completing the project. |
| | | 1-2 | The scope of work and/or work plan indicate that the project does not appear to be implementable as proposed. |
| | | 0 | No scope of work and/or work plan was provided. |
| 12. Is the budget complete, implementable, and clearly written? Is cost share secure? | 10 | 9-10 | Detailed project costs have been provided, including thorough justification, and the costs provided are reasonable and appear to be sufficient for the project as described. Components of the project budget are fully complete. Funding sources are secured and |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | | adequate to cover cash flow needs during project performance. Administrative costs do not exceed 10 percent of the total budget. |
| | | 7-8 | Project costs appear to be reasonable, although not all justification or supporting documentation is included or do not have sufficient detail. Administrative costs do not exceed 10 percent of the total budget. Funding sources are identified but not secured. |
| | | 5-6 | Costs do not appear to be fully reasonable or supporting documentation is lacking for a majority of the project budget items. |
| | | 3-4 | Project costs have minimal detailed budget information, do not have supporting information, or do not appear to be reasonable. |
| | | 1-2 | No detailed budget information is provided. |
| | | 0 | No budget information is provided. |
| 13. Is the schedule complete and implementable? | 5 | 5 | The schedule is consistent with the work plan and budget, is reasonable, and demonstrates a readiness to begin the project within 3 to 6 months of contracting. |
| | | 4 | The schedule is consistent with the work plan and budget, is reasonable, and but beginning the project will be more than 6 months after contracting is complete. |
| | | 3 | The schedule is consistent with the work plan and budget, but is lacking one key component necessary to begin work within one year of contracting. |
| | | 2 | The schedule is consistent with the work plan and budget, but is lacking multiple key components necessary to begin work within one year of contracting. |
| | | 1 | The schedule is not consistent with the work plan or budget or is not reasonable to accomplish the identified tasks. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 0 | No schedule is provided. |
| 14. Is the approach to conducting the benefits and cost analysis for the feasibility study proposed? Is the study itself a beneficial activity? | 5 | 4-5 | The proposed approach to conducting the cost-benefit analysis including an economic analysis should support a thorough evaluation of the proposed alternatives. The study itself has strong inherent benefit in relation to study costs to evaluate future needs and alternatives. |
| | | 1-3 | The proposed approach to conducting the cost-benefit analysis including an economic analysis may provide reasonable evaluation of the proposed alternatives. The study itself has inherent benefit in relation to study costs to evaluate future needs and alternatives. |
| | | 0 | No net benefit is demonstrated for the study itself or the potential future outcome of study results. |
| 15. Are greenhouse gas emissions included as part of the feasibility study to evaluate alternatives? | 5 | 4-5 | The proposed approach to conducting CEQA GHG emissions analysis should support a thorough evaluation of the proposed alternatives. |
| | | 1-3 | The proposed approach to conducting CEQA GHG emissions analysis may provide reasonable evaluation of the proposed alternatives. |
| | | 0 | CEQA GHG analysis are not planned to be included. |
| 16. Is the project technically feasible and justifiable and likely to result in a thorough feasibility study? | 10 | 8-10 | Completing a feasibility study as proposed in the Scope of Work and in Attachment 19 (Plan of Study) is likely to result in a comprehensive final report consistent with Appendix I (Feasibility Study Documentation) by providing a thorough analysis of water supply issues in the area, covering sufficient geographic scope to develop feasible project alternatives to address the issues, identifying appropriate desalination and non-desalination alternatives to analyze, evaluating the alternativesand using the key feasibility factors (technical, economic, financial, environmental, public acceptance, and others), and and providing a preliminary implementation plan. The Scope of Work and Plan of Study identify study components, including project facility components to be analyzed, design criteria and justification, flows and capacities to be |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | | justified based on water demand projections and peaking factors, groundwater hydrology analysis to be performed for impact and sustainability, open water intakes (where applicable) to be adequately analyzed and environmentally acceptable, and brine disposal options to be analyzed and environmentally acceptable The study will cover all facility components essential for a successful and operational project. |
| | | 5-7 | Completing a feasibility study as described above is likely to result in a satisfactory final report consistent with Appendix I, but elements are missing that may need inclusion or the approach in conducting the study is weak. |
| | | 0-4 | There are significant deficiencies in any of the above criteria. |
| 17. is the project identified in an IRWM plan? | 5 | 1-5 | The project is identified in an IRWM plan. The project in the IRWM plan may not be identical to the proposed project in the application or may have varying levels of supporting information in the plan. Points are assigned according to the degree the project in the IRWM plan is the same as the proposed grant project and the degree of supporting documentation. |
| | | 0 | The project is not identified in an IRWM plan. |
| 18. General comments | | | Provide any additional comments that have not been addressed in the scoring questions above that are relevant to whether the project should be funded or not. |

## ENVIRONMENTAL DOCUMENTATION SCORING CRITERIA

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 1. Does the project have benefits described in Attachment 14 such as those identified in Section 3 of the PSP? | yes/no | yes | This project achieves water supply or reliability benefits or other public benefits, including at least one state benefit as listed in PSP Section 3.4. The project will be scored. |
| | | no | This project will not likely achieve significant water supply or reliability benefits or other state benefits as listed in PSP Section 3.4, or the project has inherent flaws. The project will not be scored. |
| 2. Is the proposal typed as an Environmental Documentation Project as given in Section 3.3 of the PSP and is the application complete? | yes/no | yes | This project qualifies as an eligible project type and the application is complete. The project will be scored. |
| | | no | This project does not qualify for as an eligible project type or the application is incomplete. The project will not be scored. |
| 3. To what degree does the proposal provide information that the project will result in a water supply reliability improvement per PSP Section 3.4 (CWC §79767(a))? | 15 | 11-15 | The proposal provides sufficient information that demonstrates that the project is an essential component to increase reliability for public water supply and when implemented will improve water supply? |
| | | 5-10 | The proposal provides information that demonstrates that the project will likely increase reliability for public water supply and when implemented will improve water supply? |
| | | 0-4 | The proposal does not provide sufficient information that demonstrates that the project will likely increase reliability for public water supply and when implemented will improve water supply? |
| 4. To what degree does the proposal provide information that the project will result in water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows per PSP Section 3.4 (CWC §79767(b), §12946)? | 8 | 6-8 | The proposal provides sufficient information that demonstrates the project is an essential components to achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | 2-5 | The proposal does not provide information that demonstrates the project when implemented will achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal provides little to no information that demonstrates the project when implemented will achieve water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |
| 5. To what degree does the proposal provide information that the project will result in public health benefits from improved drinking water quality or supply per PSP Section 3.4 (CWC §79767(c))? | 8 | 6-8 | The proposal provides sufficient information that demonstrates the project is an essential component to achieve significant public health benefits from improved drinking water quality or supply. |
| | | 2-5 | The proposal does not provide information that demonstrates the project when implemented will achieve significant public health benefits from improved drinking water quality or supply. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal provides little to no information that demonstrates the project when implemented will achieve public health benefits from improved drinking water quality or supply. |
| 6. Will the project employ new or innovative technology or practices in desalination treatment, water intake, or brine management? Objectives of the technology may be improved cost-effectiveness, energy efficiency, treated water quality, reduce adverse environmental impacts or other benefits? | 10 | 7-10 | The proposal provides sufficient information that the project employs new or innovative technologies or practices and will provide significant multi-benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduce adverse environmental impacts, or other benefits. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | 3-6 | The proposal provides some information that the project employs new or innovative technologies or practices and will provide some benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduce adverse environmental impacts, or other benefits. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-2 | The proposal provides little to no information that the project employs new or innovative technologies or practices or the benefits achieved are not clearly demonstrated or are deemed minor. |
| 7. Are the necessary projects documents complete to the point that it could commence within 3 to 6 months of completing state contracting? Necessary project documents could include agreements, interagency resolutions and/or agreements. Has Attachment 15 (Environmental Documentation) been submitted? | 10 | 9-10 | The Applicant has fully identified its necessary project documents, such as feasibility study, and completed them. The documents are thorough, clearly written, and adequately address key issues. Interagency or other agreements and cost sharing are in place. Readiness is expected within 3 to 6 months. |
| | | 7-8 | The Applicant has fully identified its necessary project documents or agreements and has nearly completed them. Completion is expected within 6 months and an action plan has been provided to meet this goal. |
| | | 5-6 | The Applicant has identified its necessary project documents or agreements. Documents or agreements are currently being prepared and will take more than 6 months to complete. The provided action plan indicates some potential constraints. |
| | | 3-4 | The Applicant has identified its necessary project documents or agreements. Some documents or agreements are incomplete. Some constraints may delay completion, but are not considered insurmountable. Scheduled completion is not determined. |
| | | 1-2 | Significant constraints prevent the Applicant from completing necessary project documents or agreements. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 0 | No necessary project documents or agreements have been completed. Attachment 15 was not submitted. |
| 8. Does the project team have the experience, ability, appropriate licenses, and availability to complete the project as described in the application. For Applicants that previously received State or federal funding, was performance of the agreement and the project completed satisfactorily? | 10 | 9-10 | Project team leader and team members have direct relevant experience with similar projects. Project team leader is committed to fulfilling agreement obligations. Project team members have completed similar projects together before. The proposed project organization will facilitate successful project completion. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 7-8 | One or two project team members have direct relevant experience with some work together on similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 5-6 | Project team members have relevant project experience, but not direct experience with similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 3-4 | Project team experience and organization has some relationship to the proposed project. Previous contract with State or federal was completed, but with challenges. |
| | | 1-2 | Project team experience and organization has minimal relationship to the proposed project. Previous contract with State or federal was not successfully completed. |
| | | 0 | No information on project team experience or organization was provided. |
| 9. Have the project alternatives to be analyzed been clearly identified? Do they provide an appropriate distribution of options to be considered in the environmental document? | 10 | 9-10 | Wide-range of options are to be considered, with respect to both non-desalination and desalination alternatives and geographic range, if appropriate, for the completed document to result in a thorough environmental document. The documentation will cover all facility components that are needed to result in an operable project. The alternatives are consistent with the feasibility study completed or underway (Attachment 16). Desalination was ranked in the |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | | feasibility study as the highest or is likely to be recommended for implementation. |
| | | 7-8 | Wide-range of options are to be considered, with respect to both non-desalination and desalination alternatives and geographic range, if appropriate, for the completed document to result in a thorough environmental document, but some options may not be adequately addressed. Desalination was a highly ranked alternative in the feasibility study (Attachment 16), but not the highest. |
| | | 5-6 | Some alternative review was conducted in the feasibility study, but was not thoroughly documented or lacked important alternatives. Desalination was highly ranked, but not the highest. |
| | | 3-4 | Alternatives proposed to be analyzed are too limited or may not cover the most environmentally acceptable desalination options. Desalination was not highly ranked in the feasibility study (Attachment 16).. |
| | | 1-2 | Minimal alternative analysis will be conducted. |
| | | 0 | No alternative analysis will be conducted. |
| 10. Does the project have community support and an established public outreach program? Does the Public Outreach Plan indicate continuous public involvement? | 10 | 9-10 | Applicant has a well-developed and implemented public outreach approach. It has provided letters, newspaper articles, hearing information and other information to show public outreach and support. It has an active community involvement group and shows continuous outreach with plans to continue outreach throughout the project. Applicant has provided information on opposition to the project and how the public outreach resolved or attempted to resolve the opposition issues. |
| | | 7-8 | Applicant has initiated public and interagency outreach, but does not have an active community committee. It has a general plan for public involvement during the environmental documentation study. |
| | | 5-6 | Applicant plans to conduct at least one public meeting during the environmental documentation study but little or no other public involvement or outreach is planned. |
| | | 1-4 | Minimal community outreach or involvement has occurred or is planned. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 0 | Applicant does not have a public outreach program or the project has significant public opposition. |
| 11. Are the scope of work and work plan complete, implementable, and clearly written? | 10 | 9-10 | The scope of work and work plan are complete, implementable, and clearly written. They provide the information and methodology necessary to successfully conduct the project to completion and to operate and maintain after completion. |
| | | 7-8 | The scope of work and work plan are generally complete, but missing one or two minor components. |
| | | 5-6 | The scope of work and work plan are generally complete, but missing one or two major components. |
| | | 3-4 | The scope of work and/or work plan indicate that there are challenges to completing the project. |
| | | 1-2 | The scope of work and/or work plan indicate that the project does not appear to be implementable as proposed. |
| | | 0 | No scope of work and/or work plan was provided. |
| 12. Is the budget complete, implementable, and clearly written? Is cost sharing secured? | 10 | 9-10 | Detailed project costs have been provided, including thorough justification, and the costs provided are reasonable and appear to be sufficient for the project as described. Components of the project budget are fully complete. Funding sources are secured and adequate to cover cash flow needs during project performance. Administrative costs do not exceed 10 percent of the total budget. |
| | | 7-8 | Project costs appear to be reasonable, although not all justification or supporting documentation is included or do not have sufficient detail. Administrative costs do not exceed 10 percent of the total budget. Funding sources are identified but not secured. |
| | | 5-6 | Costs do not appear to be fully reasonable or supporting documentation is lacking for a majority of the project budget items. |
| | | 3-4 | Project costs have minimal detailed budget information, do not have supporting information, or do not appear to be reasonable. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 1-2 | No detailed budget information is provided. |
| | | 0 | No budget information is provided. |
| 13. Is the schedule complete and implementable? | 5 | 5 | The schedule is consistent with the work plan and budget, is reasonable, and demonstrates a readiness to begin the project within 3 to 6 months of contracting. |
| | | 4 | The schedule is consistent with the work plan and budget, is reasonable, and but beginning the project will be more than 6 months after contracting is complete. |
| | | 3 | The schedule is consistent with the work plan and budget, but is lacking one key component necessary to begin work within one year of contracting. |
| | | 2 | The schedule is consistent with the work plan and budget, but is lacking multiple key components necessary to begin work within one year of contracting. |
| | | 1 | The schedule is not consistent with the work plan or budget or is not reasonable to accomplish the identified tasks. |
| | | 0 | No schedule is provided. |
| 14. Has the benefits and cost analysis been completed in the feasibility study and will a potential implementation project provide positive benefit? Is the Environmental Study project itself a beneficial activity? | 5 | 5 | Based on feasibility study results (Attachment 16), a project is likely to be developed that will provide a high level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis including Attachment 20 and clear and complete documentation. The Environmental Documentation project itself has inherently high benefit in relation to its costs to evaluate the environmental impacts of alternatives for future needs. |
| | | 4 | Based on feasibility study results (Attachment 16), a project is likely to be developed that will provide a high level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. The Environmental Documentation project itself has inherent benefit in relation to its costs to evaluate the environmental impacts of alternatives for future needs. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 3 | Based on feasibility study results (Attachment 16), a project is likely to be developed that will provide a moderate level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis and clear and complete documentation. The Environmental Documentation project itself has inherent benefit in relation to its costs to evaluate the environmental impacts of alternatives for future needs. |
| | | 2 | A project is likely to be developed that will provide a moderate level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. The Environmental Documentation project itself has weak benefit in relation to its costs to evaluate the environmental impacts of alternatives for future needs. |
| | | 1 | A project is likely to be developed that will provide a low level of benefit in relation to cost. Varying degree of quality of the analysis and supporting documentation or there is little likelihood of a project being developed as a result of the Environmental Study project. The Environmental Documentation project itself has weak benefit in relation to its costs to evaluate the environmental impacts of alternatives for future needs. |
| | | 0 | No net benefit is demonstrated. |
| 15. Are greenhouse gas emissions included as part of the feasibility study to evaluate alternatives? | 5 | 4-5 | The proposed approach to conducting CEQA GHG emissions analysis should support a thorough evaluation of the proposed alternatives. |
| | | 1-3 | The proposed approach to conducting CEQA GHG emissions analysis may provide reasonable evaluation of the proposed alternatives. |
| | | 0 | CEQA GHG analysis are not planned to be included. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 16. Is the project technically feasible and justifiable and likely to result in a thorough Environmental Documentation project? | 10 | 5-10 | Completing a Environmental Documentation project as proposed in the Scope of Work is likely to result in a comprehensive environmental analysis to supplement a feasibililty study and support implementation of a future project. The Scope of Work identifies study components, including project facility components to be analyzed, flows and capacities to be justified based on water demand projections and peaking factors, groundwater hydrology analysis to be performed for impact and sustainability, open water intakes (where applicable) to be adequately analyzed and environmentally acceptable, and brine disposal options to be analyzed and environmentally acceptable The study will cover all facility components essential for a successful and operational project |
| | | 0-4 | There are significant deficiencies in any of the above criteria. |
| 17. is the project identified in an IRWM plan? | 5 | 1-5 | The project is identified in an IRWM plan. The project in the IRWM plan may not be identical to the proposed project in the application or may have varying levels of supporting information in the plan. Points are assigned according to the degree the project in the IRWM plan is the same as the proposed grant project and the degree of supporting documentation. |
| | | 0 | The project is not identified in an IRWM plan. |
| 18. General comments | | | Provide any additional comments that have not been addressed in the scoring questions above that are relevant to whether the project should be funded or not. |

**RESEARCH PILOT PROJECT SCORING CRITERIA**

(The Research Pilot project will be considered throughout scoring for its role in research for new or innovative technology or practice aspects.)

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 1. Does the project have benefits described in Attachment 14 such as those identified in Section 3 of the PSP? | yes/no | yes | This project achieves water supply or reliability benefits or other public benefits, including at least one state benefit as listed in PSP Section 3.4. The development and employment of new or innovative technology or practices are obtained through the research nexus. The project will be scored. |
| | | no | This project will not likely achieve significant water supply or reliability benefits or other state benefits as listed in PSP Section 3.4, or the project has inherent flaws. The project will not be scored. |
| 2. Is the proposal typed as a Pilot Research Project as a as given in Section 3.3 of the PSP and is the application complete? | yes/no | yes | This project qualifies as an eligible project type and the application is complete. The project shall have a focus on the development and employment of new or innovative technology or practices. The project will be scored. |
| | | no | This project does not qualify for as an eligible project type or the application is incomplete. The project will not be scored. |
| 3. To what degree does the proposal provide information that the project will result in a water supply reliability improvement per PSP Section 3.4 (CWC §79767(a))? | 5 | 4-5 | The proposal provides sufficient information that demonstrates that the project has significant likelihood to contribute to future projects essential to increase reliability for public water supply and when implemented will improve water supply. |
| | | 2-3 | The proposal provides information that demonstrates that the project will likely have moderate likelihood to contribute to future projects that will increase reliability for public water supply and when implemented likely will improve water supply. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal does not provide sufficient information that demonstrates that the project will likely contribute to future projects that will increase reliability for public water supply and when implemented will not improve water supply. |
| 4. To what degree does the proposal provide information that the project will result in water quality and ecosystem benefits related to decreased reliance on | 5 | 4-5 | The proposal provides sufficient information that demonstrates the project has significant likelihood to contribute to future projects that will achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| diversions from the Delta or instream flows per PSP Section 3.4 (CWC §79767(b), §12946)? | | | |
| | | 2-3 | The proposal provides information that demonstrates that the project will likely have moderate likelihood to contribute to future projects that will achieve significant water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal does not provide sufficient information that demonstrates that the project will likely contribute to future projects that will achieve water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows. |
| 5. To what degree does the proposal provide information that the project will result in public health benefits from improved drinking water quality or supply per PSP Section 3.4 (CWC §79767(c))? | 5 | 6-8 | The proposal provides sufficient information that demonstrates the project has significant likelihood to contribute to future projects that will achieve significant public health benefits from improved drinking water quality or supply. |
| | | 2-5 | The proposal provides information that demonstrates that the project will likely have moderate likelihood to contribute to future projects that will achieve significant public health benefits from improved drinking water quality or supply. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-1 | The proposal does not provide sufficient information that demonstrates that the project will likely contribute to future projects that will achieve public health benefits from improved drinking water quality or supply. |
| 6. Will the project employ new or innovative technology or practices in desalination treatment, water intake, or brine management? Objectives of the innovation may be to improved cost-effectiveness, energy efficiency, treated water quality, reliability, resiliency, or | 15 | 11-15 | The proposal provides sufficient information that the project employs new or innovative technologies or practices and will provide significant multi-benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduced adverse environmental impacts, or other benefits. The nexus between the proposed research and the public benefits declared in the proposal are clear and plausible. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| reduction in adverse impacts to the water environment, or other benefits? | | | |
| | | 5-10 | The proposal provides some information that the project employs new or innovative technologies or practices and will provide some benefits such as cost-effectiveness, energy efficiency, improved treated water quality, reduce adverse environmental impacts, or other benefits. The nexus between the proposed research and the public benefits declared in the proposal are somewhat lacking in clarity and may not all be plausible. The project may provide some of these benefits but to a lesser degree than significant. |
| | | 0-4 | The proposal provides little to no information that the project employs new or innovative technologies or practices or the benefits achieved are not clearly demonstrated or are deemed minor. The nexus between the proposed research and the public benefits declared in the proposal are lacking, or are not plausible, or not made with sufficient information or scientific merit. |
| 7. Are the necessary project documents complete to the point that the project could commence within 3 to 6 months of completing state contracting? Necessary project documents include CEQA documents, permits, access agreements, interagency resolutions and/or agreements. | 10 | 9-10 | The Applicant has fully identified its necessary project documents, such as prerequisite basic research or conceptual studies, and completed them. The documents are thorough, clearly written, and adequately address key issues. Partnerships, agreements, permits, and cost sharing are secured. CEQA has been fulfilled, documents are or will be made available to DWR staff, and DWR may conduct a Responsible Agency findings. The project can commence within 3 to 6 months. |
| | | 7-8 | The Applicant has fully identified its necessary project documents, such as prerequisite basic research or conceptual studies, and has nearly completed them. Partnerships, agreements, permits, and cost sharing are nearly secured. Completion is expected within 6 months and an action plan has been provided to meet this goal. |
| | | 5-6 | The Applicant has identified its necessary project documents, partnerships, agreements, permits, and cost sharing. There are currently being prepared and will take more than 6 months to complete. The provided action plan indicates some potential constraints. |
| | | 3-4 | The Applicant has identified its necessary project documents, partnerships, agreements, permits, and cost sharing. Some documents are incomplete. Some |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| | | | constraints may delay completion, but are not considered insurmountable. Scheduled completion is not determined. |
| | | 1-2 | Significant constraints prevent the Applicant from completing necessary prerequisite tasks. |
| | | 0 | No necessary project documents have been completed. |
| 8. Does the project team have the experience, ability and availability to complete the project as described in the application? For Applicants that previously received State or federal funding, was performance of the agreement and the project completed satisfactorily? | 10 | 9-10 | Project team leader and team members have direct relevant experience with similar projects. Project team leader is committed to fulfilling agreement obligations. Project team members have completed similar projects together before. The proposed project organization will facilitate successful project completion. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 7-8 | One or two project team members have direct relevant experience with some work together on similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 5-6 | Project team members have relevant project experience, but not direct experience with similar projects. If the Applicant has had State or federal funding, the performance of the agreement and the project was satisfactorily completed. |
| | | 3-4 | Project team experience and organization has some relationship to the proposed project. Previous contract with the State or federal was completed, but with challenges. |
| | | 1-2 | Project team experience and organization has minimal relationship to the proposed project. Previous contract with State or federal was not successfully completed. |
| | | 0 | No information on project team experience or organization was provided. |
| 9. Have the project alternatives been clearly weighed against others? | NA | | |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
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| 10. Will the Research Pilot results be disseminated? | 5 | 3-5 | The Applicant has provided Attachment 13 that describes plans to disseminate the results of the project through published papers, conference presentations, or other outreach. |
| | | 0-2 | The Applicant has not provided documentation that demonstrates a significant intention to disseminate the results of the project. |
| 11. Are the scope of work and work plan complete, implementable, and clearly written? | 10 | 9-10 | The scope of work and work plan are complete, implementable, and clearly written. They provide the information and methodology necessary to successfully conduct the project to completion and to operate and maintain after completion. |
| | | 7-8 | The scope of work and work plan are generally complete, but missing one or two minor components. |
| | | 5-6 | The scope of work and work plan are generally complete, but missing one or two major components. |
| | | 3-4 | The scope of work and/or work plan indicate that there are challenges to completing the project. |
| | | 1-2 | The scope of work and/or work plan indicate that the project does not appear to be implementable as proposed. |
| | | 0 | No scope of work and/or work plan was provided. |
| 12. Is the budget complete, implementable, and clearly written? | 10 | 9-10 | Detailed project costs have been provided, including thorough justification, and the costs provided are reasonable and appear to be sufficient for the project as described. Components of the project budget are fully complete. Funding sources are secured and adequate to cover cash flow needs during project performance. Administrative costs do not exceed 10 percent of the total budget. |
| | | 7-8 | Project costs appear to be reasonable, although not all justification or supporting documentation is included or do not have sufficient detail. Administrative costs |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | | do not exceed 10 percent of the total budget. Funding sources are identified but not secured. |
| | | 5-6 | Costs do not appear to be fully reasonable or supporting documentation is lacking for a majority of the project budget items. |
| | | 3-4 | Project costs have minimal detailed budget information, do not have supporting information, or do not appear to be reasonable. |
| | | 1-2 | No detailed budget information is provided. |
| | | 0 | No budget information is provided. |
| 13. Is the schedule complete and implementable? | 5 | 5 | The schedule is consistent with the work plan and budget, is reasonable, and demonstrates a readiness to begin the project within 3 to 6 months of contracting. |
| | | 4 | The schedule is consistent with the work plan and budget, is reasonable, and but beginning the project will be more than 6 months after contracting is complete. |
| | | 3 | The schedule is consistent with the work plan and budget, but is lacking one key component necessary to begin work within one year of contracting. |
| | | 2 | The schedule is consistent with the work plan and budget, but is lacking multiple key components necessary to begin work within one year of contracting. |
| | | 1 | The schedule is not consistent with the work plan or budget or is not reasonable to accomplish the identified tasks. |
| | | 0 | No schedule is provided. |
| 14. Has the benefits and cost analysis been completed and does the project provide positive benefit? | 5 | 5 | The project is likely to provide a high level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis and clear and complete documentation. |
| | | 4 | The project is likely to provide a high level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. |
| | | 3 | The project is likely to provide a moderate level of benefit in relation to cost and this finding is supported by detailed, high-quality analysis and clear and complete documentation. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| | | 2 | The project is likely to provide a moderate level of benefit in relation to cost, but the quality of the analysis and clear or complete documentation is lacking. |
| | | 1 | The project is likely to provide a low level of benefit in relation to cost. Varying degree of quality of the analysis and supporting documentation. |
| | | 0 | No net benefit is demonstrated. |
| 15. Does the Research Pilot project have the potential to produce results that could reduce GHG emissions associated with future desalination projects? | 5 | 4-5 | The proposed project is intended to address technology that has the potential to produce results that could reduce GHG emissions in future projects or the project could have these results as a secondary benefit. |
| | | 3 | The proposed project is not intended to address technology that has the potential to produce results that could reduce GHG emissions in future projects. |
| | | 0-2 | NA |
| 16. Is the project technically feasible and justifiable? | 10 | 5-10 | The Applicant has provided documentation, especially in Attachment 7 (Technical Merit) and Attachment 8 (Scope of Work) that the project is based on sound science and is technically feasible. The context of the innovation (technologies, practices, methodologies, and combinations ) and how it is proposed to be implemented is explained and the further development under "real world" conditions as a pilot study is sufficiently explained and supported by the proposal. |
| | | 0-4 | There are significant deficiencies in any of the above criteria. |
| 17. is the project identified in an IRWM plan? | 5 | 1-5 | The project is identified in an IRWM plan. The project in the IRWM plan may not be identical to the proposed project in the application or may have varying levels of supporting information in the plan. Points are assigned according to the degree the project in the IRWM plan is the same as the proposed grant project and the degree of supporting documentation. |
| | | 0 | The project is not identified in an IRWM plan. |

| Scoring Criteria | Possible Points | Score | Scoring Standards |
|---|---|---|---|
| 18. General comments | | | Provide any additional comments that have not been addressed in the scoring questions above that are relevant to whether the project should be funded or not. |

# APPENDIX K: GHG AND CLIMATE CHANGE ANALYSIS

There are various executive orders (EO), policies, and legislation dealing with climate change. The following are important regarding the State's response to climate change, including how planning efforts analyze climate change on a project level for funding in this program:

- **EO S-3-05** and the California Global Warming Solutions Act of 2006 (AB 32; amending California Health and Safety Code Division 25.5, §38500, *et seq*.) lay the foundation for California's response to climate change.
- **Public Resources Code §21083.05** requires periodic updates to the CEQA Guidelines for analyzing mitigation of GHG or the effects of GHG emissions in CEQA documents.
- **EO S-13-08**, signed by the Governor on November 14, 2008, directed the preparation of a sea level rise impact study, a transportation systems vulnerability assessment, and preparation of the California Climate Adaptation Strategy.
- **OPC Resolution**, adopted on March 11, 2011, this policy adopted by the Ocean Protection Council (OPC) requires the vulnerabilities associated with Sea-Level Rise (SLR) to be considered for all projects or programs receiving funding from the State. In 2013, OPC issued a SLR guidance document.
- **EO B-30-15**, signed by the Governor on April 29, 2015, expanded EO S-3-05 by establishing an additional California GHG reduction target of 40 percent below 1990 levels by 2030. EO B-30-15 also emphasized the need for State agencies to take climate change into account in planning and investment decisions.

a. Resources to Assess Vulnerabilities and Adaptation Strategies

Effects of climate change have been identified in a variety of California resources. Appendix A provides links to various Climate Change resources and tools discussed below. Regional information can be found in the *California Climate Adaptation Planning Guide*, as well as through on-line tools, such as *Cal-Adapt*. Applicants should consider whether more detailed and downscaled analyses should be pursued as applicable to the project scope and planning status. Vulnerability evaluation tools, from simple checklists to more complex ones, are available on-line and at the links provided in Appendix A.

The *Climate Change Handbook for Regional Water Planning* is a handbook designed for used for integrating climate change into Regional plans which may aid Applicants for project specific assessments; not only in identifying effects and evaluating vulnerabilities, but also in providing an analytical framework for incorporating climate change impacts into regional, watershed, and supply planning approaches affecting feasibility of project alternatives. The handbook also presents various case studies to help improve decisions about water resource management systems in adapting them to

current and future climate change. Regional aspects may not pertain to some projects in the Water Desalination Grant Funding Program. Applicants should contact DWR staff early in the grant process if questions arise.

Applicants should incorporate strategies to eliminate or minimize the prioritized vulnerabilities into a broader planning context that considers the uncertainties associated with climate change and show these considerations within submitted documentation for a specific project solicitation.

It is essential that project specific plans for grant funded water supply development projects stem from local community or regional planning policies or procedures that promote adaptive management. As more effects of climate change manifest, new tools are developed, and new information becomes available. Natural resource management will need to adjust strategies and integrate new knowledge (technology and data) into those management plans and projects at all levels. Section 7 of the *Climate Change Handbook for Regional Water Planning* describes several approaches for handling uncertainty and incorporating new information as it becomes available.

b. Climate Change Mitigation (GHG Reduction)

In 2005, California Governor Schwarzenegger's Executive Order S-3-05 committed the State to reduce GHG emissions. One year later, the Governor signed the "Global Warming Solutions Act of 2006" (AB 32), which legally obligates the state to reduce GHG emissions to 1990 levels by 2020. Analysis of GHG emissions was made a requirement in the CEQA Guidelines in December 2009, becoming effective March 18, 2010.

Additional information on climate change may be found at DWR's Climate Change Clearinghouse. http://www.water.ca.gov/climatechange/docs/IRWM-ClimateChangeClearinghouse.pdf.

The close connection between water resource management and energy is an important consideration for helping the State meet its GHG emission reduction goals. All aspects of water resource management have an impact on GHG emissions, including the development and use of water for habitat management and recreation; domestic, municipal, industrial, and agricultural supply; hydroelectric power production; and flood control.

Local and regional natural resource management activities (plans and policies) can help mitigate climate change by reducing energy consumption, especially the energy embedded in water development and use, ultimately reducing GHG emissions. Meeting water management goals results in the consumption of energy in California and the accompanying production of GHG emissions when implementing and maintaining water supply development projects including:

- using energy intensive processes such as desalination techniques to render wastewater, and natural brackish and ocean quality waters, and other contaminated fresh waters beneficial for human or environmental sustainability.

- pumping raw or finished water long distances across watersheds or over significant elevations.
- Using (end-uses) water plays an important role in energy consumption. According to the California Energy Commission (2005), 19% of the electricity and 30% of the non-power plant natural gas of the State's energy consumption (i.e., 12% of all energy used in California) are spent on water-related activities, primarily related to end-uses of water. What the customer does with the water results in 10% of the total energy used. (2016 IRWM Program Guidelines Page 71)
- CEQA project-level analyses in the area of climate change are required for state funding and should be integrated with regional and local evaluations of GHG emissions with other water supply development project alternatives. An analysis of GHG emissions on a project – performed so that it not only serves to evaluate that aspect of a project for the purposes of regional and local project selection, but also satisfies the requirements of CEQA – may be a useful analysis that satisfies multiple purposes. In preparing a project-level GHG emissions analysis, project proponents should estimate GHG emissions from the project; establish significance criteria; identify those project components that may support carbon sequestration; and, explain how the project may help in adapting to effects of climate change. Section 3 of the *Climate Change Handbook for Regional Water Planning* provides guidance on how to evaluate GHG emissions.

Additional information on climate change may be found in DWR's Climate Change Document Clearinghouse: http://www.water.ca.gov/climatechange/docs/IRWM-ClimateChangeClearinghouse.pdf.

# APPENDIX L: GROUNDWATER MANAGEMENT AND MEASUREMENT REQUIREMENTS

This appendix addresses requirements related to groundwater management and measurement that affect the eligibility of an Applicant to apply for grant funding or the eligibility of the proposed project to receive grant funding.

**Groundwater Management** – Grant eligibility related to groundwater management is changing with the passage of the Sustainable Groundwater Management Act (SGMA) (CWC §10720 *et seq*.). When fully implemented, Groundwater Sustainability Agencies (GSA) and Groundwater Sustainability Plans (GSP) will supplant groundwater management plans (GWMP) (CWC §10750 *et seq.*). 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 (CWC §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 (CWC §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 CWC §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 CWC §10753.7.

**Groundwater Monitoring Program 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.