

Frequently Asked Questions



General Drought Funding Questions

Q: What programs are available to fund my drought project?

A: DWR has established two funding programs for drought: Small Community Drought Relief Program and Urban & Multibenefit Drought Relief Program. Table below provides detail information about these two Programs.

	Small Community	Urban Community & Multibenefit
Eligibility	Project must serve a small community (3,000 connections or less).	Open to communities of all sizes
Purpose of the Funding	Urgent and immediate action for Interim or immediate relief to ensure availability of safe drinking water, to protect public health and safety.	To address drought impacts through multibenefit projects.
When can you apply?	Now! This funding is available now and awarded on a first come first serve basis.	Grant solicitation opens in Fall of 2021
How much is available?	\$192,000,000	Approximately \$190 million in Fall 2021
Cost Share Required	None	None

Q: How do I apply for funding?

A: The Guidelines and instructions for applying to the Small Communities funding can be found [here](#). The Urban & Multibenefit Program will open the grant solicitation this fall. There are also a variety of funding sources available through the California State Water Resources Control Board. It's recommended that you contact your County Office of emergency Services (OES) if you are in need of emergency funding.

Q: Who is eligible to apply for drought funding?

A: Entities that are eligible to apply are listed below:

- Public agencies
- Public utilities
- Special districts
- Colleges and universities
- Mutual water companies
- 501(c)3 Non-profit organizations
- Regional water management groups, as defined in Section 10539 of the Water Code
- Federally recognized California Native American Tribes
- Non-federally recognized Native American Tribes on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004

Q: What type of projects can the drought funding support?

A: The drought funding lists eight types of eligible projects (see below). The seventh item, G, includes other capital projects that support immediate drought response.

(A) Hauled water.

(B) Temporary community water tanks.

(C) Bottled water.

(D) Water vending machines.

(E) Emergency water interties.

(F) New wells or rehabilitation of existing wells.

(G) Construction or installation of permanent connections to adjacent water systems, recycled water projects that provide immediate relief to potable water supplies, and other projects that support immediate drought response.

(H) Fish and wildlife rescue, protection, and relocation.

Q: I have a question about the funding. Who do I contact?

A: For the Small Community Drought Relief program, please email at SmallCommunityDrought@water.ca.gov. The Urban & Multibenefit Drought Relief Program can be contacted at urbandrought@water.ca.gov.

Small Community Drought Grant Program Relief Questions

Q: Are water meter installation or meter replacement projects eligible for this grant funding?

A: Water meter installation or meter replacement projects are not one of the eligible project types. However, eligible projects that also include some meter installation or replacement may be considered.

Q: Does an applicant need to be a disadvantaged community (DAC) to apply?

A: DAC is not an eligibility requirement for this grant. A DAC is a community with an annual median household income (MHI) that is less than 80% of the Statewide annual MHI.

Q: Can an application be submitted prior to the governing board approving the authorizing resolution?

A: Yes. If the resolution has not been adopted prior to the applicant's submission, indicate in the proposal document when a signed resolution will be received by DWR. The authorizing resolution must be signed and submitted prior to the execution of a grant agreement with the State.

Q: Are leaking water distribution system pipeline replacement projects eligible for this grant funding?

A: Yes.

Q: My private well has gone dry. Can I apply for funding from this grant program?

A: No. The Small Community Drought Relief Program is for small communities and individual well owners are not eligible. Individual well owners who need assistance are encouraged to contact their county's office of emergency services and to report their dry well on the State's [Household Water Supply Shortage Reporting System \(ca.gov\)](#)

Q: Will the Small Community grant program accept multiple applications from the same agency, or should projects for multiple communities be included in one application?

A: A Separate application should be submitted for each community. However, if a project involves multiple communities, we will consider that too.

Q: Can a city applying for the program apply for multiple projects (i.e., pipeline replacement, storage tank, and well rehabilitation) or are separate applications required?

A: An application should include all projects related to the infrastructure improvements of the community with a clear justification for each project.

Q: What population size is considered small community under this program?

A: There are no population criteria under this program. However, a system is considered small when they are not supplied by an urban water supplier as defined in California Water Code (CWC) Sec 10617. Urban water suppliers are those that provide drinking water with more than 3,000 connections or more than 3,000 acre-feet per year of water supply.

Q: Is there a fillable application available?

A: Not at this time. Use check list provided in the program guidelines.

Q: Are small desalination plants eligible under this program?

A: Small desalination plants are eligible as long as they provide immediate relief to potable water supplies.

Q: Where can the "Funding Agreement Template" be found?

A: The Funding Agreement Template has not been published yet. Contact the Small Community Drought Program via SmallCommunityDrought@water.ca.gov to obtain a copy of the template.

Q: Is it possible for a county or a local non-profit organization (501 c3) to apply for funding on behalf of a small community?

A: Yes.

Urban and Multibenefit Drought Relief Questions

Q: Are any of these resources drawn from the Proposition 1 IRWM Implementation Grant Program Round 2 funding? Will these opportunities impact the expected timeline for release of the IRWM PSP or deadlines to submit proposals?

A: No, these resources are not drawn from Proposition 1 Round 2. The draft Proposal Solicitation Package and Guidelines for Round 2 will be released in Fall of 2021. The timeline for applications in IRWM Prop 1 Round 2 remains the same (deadlines of March and September).

Eligible Project Questions

Q: Can an application bundle multiple projects into one application?

A: Yes, and DWR encourages applicants to do this with smaller projects in order to meet the minimum grant award requirement.

Budget Questions

Q: Will advanced pay still be available? If so, what percentage of the grant can be given as advanced pay?

A: Advanced pay will still be available for any projects that show a cash flow issue. Up to 25% of the grant award can be requested (by the grant recipient) as advanced pay.

Q: Will there be a minimum requirement for cost/funding match?

A: There is no requirement for cost/funding match.

Q: When would reimbursement start?

A: Costs incurred after award date are eligible for reimbursement in arrears. DWR will reimburse for costs after a signed agreement is in place. Eligible costs include technical assistance, site acquisitions, and costs directly related to the provision of each project.

Q: Can I charge administrative expenses if indirect expenses are ineligible?

A: Yes, administrative expenses are an eligible expense. General indirect charges are not an eligible expense due to legal restrictions. However, administrative expenses directly related the project are eligible. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the grant manager. The allocation method must be fully documented for auditors.
- The administrative costs can never include things like conference fees, building depreciation, etc
- Alternatively, a "Fully burdened labor rate" Can be used to capture these costs.
- Using a general overhead percentage is always illegal and cannot be included in any grant program.

Schedule Questions

Q: When can I start and complete my project?

A: Projects can start immediately. DWR will reimburse eligible costs incurred after the award date but will not be able to process the payment until a signed agreement is in place. However, the funding is only available until June 2026 and therefore projects must be completed by March 2026 to account time for the closeout process.