



California Department of Water Resources Water Desalination Grant Program

WATER DESALINATION GRANT PROGRAM PROPOSITION 4 - DRAFT PROPOSAL SOLICITATION PACKAGE (PSP)

JUNE 22, 2026 WORKSHOP Q&A

The Water Desalination Grant Program (Program) held a virtual meeting on June 22, 2026 to provide an overview of the Program and discuss upcoming Proposition 4 desalination grant funding opportunities. The purpose of the workshop was to gather feedback on previous Water Desalination Grant Program solicitations, hear perspectives on the upcoming solicitation, review new Proposition 4 requirements, and present a draft schedule for the Proposal Solicitation Package (PSP) process. The following summarizes the comments and questions received during the online workshop.

1. One of the challenges of Prop 1 funding was that innovation did not seem to be a strong priority for projects. If it was a scoring criterion, it didn't really end up with much innovation in the projects you actually funded.

Answer: This will be strengthened when the scoring criteria are reviewed.

2. How applications were scored was not clear initially to the applicant until we met with staff

Answer: The scoring criteria were described in the PSP and each applicant was provided with the scoring sheet after the application was reviewed.

3. A two-step proposal process is a great idea.

Answer: A two-step application process will be included in the PSP.

4. Prescreening by DWR will help save time. Only submitting if you are competitive.

Answer: Agree

5. It would be great if costs could become eligible at the time of award!

Answer: Reimbursable costs may be retroactively paid from the award date; however, invoices cannot be submitted until the funding agreement has been fully executed.

6. "Innovation" is not a yes-or-no, or Boolean variable - there are ranges of innovation in any potential project - there should be some means of scoring the level, depth or degree of innovation, not just checking an "innovation box". Suggest you convene an independent set of water desalination experts to score the level of innovation in each proposed project.

Answer: The scoring criteria will include a range of values assigned to "innovation".

7. LBL has an entire division of specialists in solar energy technologies and could provide some guidance on what a "meaningful" level of renewable energy utilization would be for a project. I encourage the DWR team to connect with them.

Answer: Solar is not the only type of renewable energy that will be considered.

8. Proposition 4 specifies that the funding must support "capital investments", not "construction" investments. "Capital" generally includes all costs necessary for the completion of a project, including planning and permitting.

Answer: The Program will limit funding to construction costs due to time constraints to including reimbursement of planning and design activities.

9. Would the two-step process lengthen the process as a whole?

Answer: Yes, prescreening by DWR will help save time. Only submitting if you are competitive. During screening if the project does not have a timeline compatible with the program timeline of three years, then it will be recommended for a later round of funding.

10. Would there be room to allow for eligible costs to begin once the entity has received the award notification instead of needing to wait until the agreement is executed?

Answer: Reimbursable costs may be retroactively paid from the award date; however, invoices cannot be submitted until the funding agreement has been fully executed

11. Can we discuss eligible project types and eligible phases before we vote on these options?

Option 1 - One round in 2027/2028 with continuous application in 2028, if funds are available

Option 2 - Two main rounds - 2027/2028 and 2028/2029 (remaining funds) with continuous applications after 2029, if funds are available.

Answer: Construction of brackish water desalination projects that will produce new potable water. Only construction costs will be eligible for reimbursement.

12. Are you anticipating that the full balance of the \$62.5M will be approved for allocation during this year's budget cycle?

Answer: No. Proposition 4 funds will be allocated in FY 2027/28, which aligns with the program's anticipated schedule of first round of Proposition 4 awards. Of the total \$62.5 million, only \$57.7 million will be available for grants. The remaining funds will be used for bond cost and program administration.

13. Proposition 4 language seems to include a "priority" for desal projects that utilize "incremental eligible renewable energy" sources. Can you please discuss what this means and how the program intends to incorporate this into the guidelines?

Answer: At this stage, we do not yet have the specific details, as the program guidelines are still under development. More information will be provided in the draft PSP. However, based on the language in Proposition 4, the intent appears to be to prioritize desalination projects that incorporate incremental eligible renewable energy sources, such as solar or other renewable technologies, to power or support project operations. As we develop the guidelines, we will consider how to reflect this requirement and how applicants should demonstrate compliance. Additional clarification will be included in the draft PSP.

14. When will Prop 4 funding draft guidelines be available for DWR's Water Desalination Grant Program? And when will these presentation slides be available online as well?

Answer: According to our draft schedule the draft PSP will be available for public comments in early 2027. The presentation will be available on our website in the next two weeks.

15. "New water" - we need a clearer definition of this. If a well is currently used as a drinking water source, but is contaminated and unsafe to drink, would a project that uses desalination to treat that water to potable standards qualify as "new water"?

Answer: Funded desalination projects would be required to have salt removal as its primary objective to produce new potable water. Additional contaminants can be removed, as well as managing salts in a basin. However, neither contaminant removal without salt removal nor salinity management would be funded without production of new potable water.

New water will be defined as water that is currently unable to be used for potable supply because of high concentration of salt, greater than 1,000 mg/L. Desalination enables this water to be used as potable supply.

16. Could you please confirm whether university-led research projects are eligible for this Proposition 4 Water Desalination Grant Program, or is eligibility limited to implementation projects?

Answer: Proposition 4 funding is limited to implementation of brackish water desalination projects.

17. While you may have been scoring some projects higher with "innovation" - what criteria were you using to judge the level of innovation.

Answer: The scoring criteria will include a range of values assigned to "innovation".

18. Is there a targeted project timeframe, time to spend the funding? With the assumed awards in early 2028

Answer: Three to five years. This language will be clearly included in the PSP.

19. Will pilot projects be eligible for Prop 4 funding?

Answer: No, Proposition 4 funds will be provided to construction projects only.

20. Would Construction projects that include final design be eligible?

Answer: Yes, construction projects that include final design will be eligible. However, only construction-related costs will be reimbursable. Final design costs are not eligible for reimbursement. Construction must be completed within the 3-5 year timeframe.

21. I believe that I heard the Doheny Desal Project mentioned my agency would like to use the PRIMA landfill to be a component of powering the project. Is this clarified in the grant guidelines?

Answer: Yes, the PSP will include a scoring criteria for renewable energy sources. Landfill energy sources will be one of multiple options, including other renewable resources.

22. Are there restrictions to which kinds of local agencies are eligible? For example, can it be groundwater agencies and county agencies? And if they are partnering, should they apply as a consortium, or simply specify their partners?

Answer: Eligible applicants are defined in Proposition 4 and will be included in the PSP. The lead-responsible agency will be the applicant.

23. How can P3 Projects be funded, assuming a partner is with a water agency?

Answer: Yes, if the public agency is the applicant as long as they are an eligible applicant as defined in Proposition 4.

24. Are eligible costs only those that occur after contract execution?

Answer: Reimbursable costs may be retroactively paid from the award date; however, invoices cannot be submitted until the funding agreement has been fully executed.

Poll questions

1. Would you prefer a two-step process?

a) Yes

b) No

Answer: 85% Yes / 14% No

2. Which option would you prefer?

a) Option 1 - One round in 2027/2028 with continuous application in 2028, if funds are available

b) Option 2 - Two main rounds - 2027/2028 and 2028/2029 (remaining funds) with continuous applications after 2029, if funds are available.

Answer: 34% Option 1 / 65% Option 2.