

# Round 2 Proposition 1 IRWM Implementation May 6 Workshop Questions & Answers



## Round 2 Application Process

Q: Will regions be able to choose which deadline they want to apply for (March 2022 or September 2022)?

A: The Financial Assistance Branch will ask each IRWM Region for their preferred deadline. Based on the responses from all Regions, DWR will determine the deadline for each Funding Area.

Q: Does an entire funding area need to agree on application date (March or September), or can individual regions choose their own date?

A: Funding Areas that will request more funding than is available will need to agree on the same date for all IRWM regions. Funding Areas that have agreed not to request more than the available funding can have IRWM regions apply on different dates, however, DWR would prefer to set one date for the entire Funding Area.

Q: If DWR hopes to have about half the applications in March and half in September, will there be a cap on the number of applicants in each cycle?

A: We do not plan to put a hard cap on the number of applicants, but it will depend on the requests we receive. However, DWR would prefer to have an even split of Funding Areas between two deadlines.

Q: Would the awards for the group that apply in March 2022 go out before September 2022?

A: The expectation is that the first batch of awards would be released in summer of 2022. However, the schedule for Round 2 is not yet finalized, hence both application deadlines and final award dates may change.

Q: Will pre-application workshops be required?

A: There will not be any pre-application workshop similar to Round 1. Pre-application workshops will be replaced with informal meetings between IRWM Region and DWR. The meeting is entirely optional.

Q: Will there be more than one application submittal (i.e., a pre-application submittal or other submittal requirement)?

A: No.

Q: DWR has suggested a couple of dates for the regional application due dates. Given these dates, when does DWR expect to get regional contracts in place?

A: We anticipate executing the grant agreements within six months after the release of final awards. However, that depends greatly on the responsiveness of the grantee and local project sponsors.

Q: Will regions be able to have their one-on-one workshops with DWR after the Final Proposal Solicitation Package is released, even if applying under the first deadline?

A: Yes, these optional meetings are offered earlier for the IRWM regions that are already working on project selection. They will also be available after release of the Final Proposal Solicitation Package.

Q: After the application is submitted, can DWR ask clarifying questions of applicants/regions? This would be helpful for disadvantage communities who do not have experience with grant writing.

A: We will do an initial check of the application for eligibility and completeness. Applicants will be given a time window (possibly 7 days) to resolve any issues that are identified and submit requested materials. However, we will not allow submission of any new materials after that point and we must score the application based on the submitted materials.

Q: Since we are about to enter the summer of 2021, can we get more detail as to what month the draft Proposal Solicitation Package will be released by DWR?

A: We will release a draft schedule for the solicitation with more detail as soon as we receive clarity on the state's budget and direction on drought preparedness.

Q: Can you please clarify the two-cycle approach?

A: Yes, by two cycle we mean that there will be two application deadlines, and the Funding Areas may choose which one to use.

## Round 2 Proposal Solicitation Package

Q: Can DWR provide a list of projects that have received point(s) in Round 1 for using innovative technologies? Can DWR provide a handout about what counts as an innovative technology?

A: We are currently working on clarifying the definition of "innovative technology" with our legal counsel. We will consider providing examples and/or a handout to help clarify the term.

Q: Will pilot projects still be eligible as Decision Support Tools?

A: Pilot projects are eligible as a Decision Support Tool if the project meets the definition of a Decision Support Tool as per guidance provided by DWR. We encourage applicants to reach out to DWR early to discuss the project.

Q: Can you give examples of which sections of the Proposal Solicitation Package will be removed for Disadvantaged Communities (DACs) in Round 2?

A: We are not eliminating sections (related to DAC) of the Proposal Solicitation Package, but we are streamlining the application to help all interested parties including DACs.

Q: How will diversity, equity and inclusion be translated into priority points?

A: Diversity, equity, and inclusion will be included by considering scoring points for disadvantaged communities and Human Right to Water projects.

Q: You mentioned removing language for Criteria 16 in the presentation. What is Criteria 16?

A: Criteria 16 was a question (in Round 1 PSP) about the cost considerations of a project.

Q: Will the Guidelines also be updated?

A: Yes. The draft Guidelines will be released for public comments at the same time as the draft Proposal Solicitation Package.

## Tribes & Disadvantaged Communities

Q: Can general implementation funds be spent on projects that benefit members of disadvantaged communities?

A: Yes, Disadvantaged Community projects receiving general funds will still be eligible for waivers including cost-share waiver.

Q: Will you waive or be flexible with CEQA requirements for Disadvantaged Communities or URC projects?

A: Projects that benefit Disadvantaged Communities (and meet the requirements outlined in the PSP) are exempt from the placeholder requirements (as mentioned in Round 1). They will still need to complete all the necessary CEQA requirements before we can reimburse for construction costs or land purchase.

Q: Will NEPA documents be acceptable to satisfy CEQA requirements for tribal projects and will DWR provide guidance on their concurrence for NEPA documentation.

A: The award of state funds triggers CEQA for all grant recipients. We do not complete concurrence for NEPA but will need to receive it along with copies of all required permits as deliverables for a project before we can reimburse for construction costs.

Q: Will DWR have an exception/exemption for regions that do not have eligible tribal entities in them?

A: The region is not required to include Tribal projects although we strongly encourage inclusion of Tribes in the IRWM process.

Q: Can Disadvantaged Communities project application costs be included as eligible costs for reimbursement? Application costs are too high for Disadvantaged Communities.

A: Proposition 1 Implementation Program cannot reimburse for application costs. However, application costs can be claimed as cost share. Some Funding Areas also have funding available through the Disadvantaged community and Tribal Involvement Program for application preparation.

Q: Will Tribal partner projects be treated the same as Disadvantaged Communities projects when it comes to CEQA?

A: Yes.

Q: Can you define URC and DAC?

A: URC is Under-Represented Community and DAC is Disadvantaged Community. A Disadvantaged Community is defined as 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)). An Under-Represented Community is defined as being a Disadvantaged Community, Severely Disadvantaged Community, and Economically Distressed Areas; Tribal Lands/Tribes; California Communities Environmental Health Screening Tool (CalEnviroScreen 3.0) Classified DACs (Environmentally Disadvantaged Communities or EnvDACs); and Fringe Communities.

Q: Will Tribes who are not federally recognized and who do not have Tribal Land be eligible to receive cost share waivers and other benefits that federally recognized Tribes are eligible for?

A: Yes, the cost share waivers and other benefits apply to any Tribe that is an eligible applicant under Proposition 1. Eligible Tribes are federally recognized tribes and any tribes on the California Heritage Commission list.

### CEQA Requirements

Q: How will low risk permitting be defined?

A: We are currently working on this language and considering exempting all ministerial permits and all permits that cannot be acquired until the project contract bidding is complete.

### Drought/Budget Revise

Q: Is there a chance that DWR IRWM would get more money in the May budget revise, or is it more likely that DWR IRWM money will get reallocated? And reallocation of IRWM money from Prop 1 could mean that it goes to non-IRWM state programs that are water related, correct?

A: The Proposition 1 funding may have a heavier drought emphasis, but it cannot be repurposed. As a voter approved bond, the funds must be spent as authorized by Proposition 1. IRWM may receive additional funding through the May Revise to the budget. If so, DWR will receive direction on how to expend that funding, whether through a grant solicitation or other directed actions.

Q: Regional water conservation programs seemed to have more restrictions in Proposition 1 Round 1. Do you expect Round 2 to also be fairly restrictive or more open due to drought conditions?

A: Regional water conservation programs need to meet all the same eligibility requirements as other projects. The main restriction that affects water conservation programs is the requirement for the project to meet a 15-year useful life.

Q: Will DWR prioritize (i.e., assign more points to) water supply projects due to drought conditions?

A: DWR may revise the Proposal Solicitation Package as directed to address drought conditions. As of now, we have not received any direction to do so.

Q: With California's drought conditions, and city and county cutbacks of water, can these funds also be used for constructions projects within State projects?

A: Bond funds may not be used on state projects.

### Miscellaneous

Q: The term of agreements in Proposition 1 extends through the post-performance period (an additional 3 years), and yet no additional grant funding is allocated through this period. Can DWR consider providing additional funding for post-performance compliance costs?

A: The bond funding cannot be used to reimburse for post-performance monitoring.

Q: Will advanced pay still be available in Round 2? If so, what percentage of total costs can be given as advanced pay?

A: Advanced pay will still be available in Round 2 for any projects that are eligible, including disadvantaged communities. Up to 50% of the grant award can be approved as advanced pay.

Q: Will there be a minimum requirement for project match? Will that match be required by applicant or regionally?

A: Each application is required to provide 50% of its total project costs (at the proposal/agreement level) in non-state cost share funds. Projects benefitting Disadvantaged Communities or Tribes may receive cost share waivers and reduce the total amount of cost share required for the whole application.

Q: Will the redistribution of awarded funds if project drops out be within the same region?

A: If the region has an eligible backup project, we will redistribute funds to that eligible project.

Q: Will a funding area coordinator be required as "go between" the funding area and DWR?

A: We do not anticipate that a funding area coordinator will be necessary.

Q: In Round 1, expenses incurred prior to the award date were not eligible for reimbursement. Will this change for round 2?

A: No. However, expenses incurred prior to the award date but after January 1, 2015 can be submitted as cost share.

Q: Will there be a Round 3? If so, when?

A: We do not anticipate a Round 3 for Proposition 1 Implementation Grant Program.

Q: Why does the remaining amount of funding available plus the previous amount not add up to the total allocation?

A: To make the PowerPoint easy to read, columns were removed that show the administrative costs and bond management costs. This information can be found in detail in the Proposal Solicitation Package.

Q: Will funding be available for GSAs for Groundwater management?

A: GSAs will be eligible to receive funding in Round 2 if the proposed projects and the project sponsors meet the eligibility requirements as per the Guidelines and Proposal Solicitation Package.

Q: Is the IRWM Program still open to complex projects that provide multiple benefits and involve multiple partners?

A: Yes, complex projects with multiple benefits and partners are eligible if they meet all the requirements and are an eligible project type.