

# Status of Grants

**Presentation to Palmdale Water District Board of Directors**

**June 28, 2017**

# Status of Grant Applications

- **Water Supply and Sustainability Act 2014 (Proposition 1)**
- **U.S. Bureau of Reclamation**
  - WaterSMART – Small Scale Water Projects
  - WaterSMART - Title XVI Water Reclamation and Reuse Program

# Proposition 1 - Grant Program

- **Passed by popular vote November 4, 2014**
  - \$7.5 billion water revenue bond
  - \$600 million for water recycling
- **PWD submitted planning grant application**
  - Awarded a planning grant of \$75,000 -
- **Submitted Construction Grant/Funding Application**
  - Initial Submittal June 16<sup>th</sup>, 2015 (1 page General Info. Package)
  - Revised General Info package June 27<sup>th</sup>, 2016
  - Revised General Info package June 22<sup>nd</sup>, 2017

# Proposition 1 - Status of Planning Grant

- **Draft Feasibility Report**
  - Submitted June 2016
  - Approved October 2016
- **Final Feasibility Report**
  - Submitted June 2017
- **Funding Reimbursement of \$75,000**
  - \$37,500 approved for payment June 12, 2017
  - Remaining \$37,500 after final report approved

# Status of Design & Construction Loan Application

Package	Date Submitted	Status of Review
General Info	4/21/15 6/27/16	Approved
Technical	6/13/16	Approved
Environmental	6/15/16	Approved
Financial	10/10/16	In progress <u>1</u>
<u>1</u> / Waiting on letter from Holman Capital		

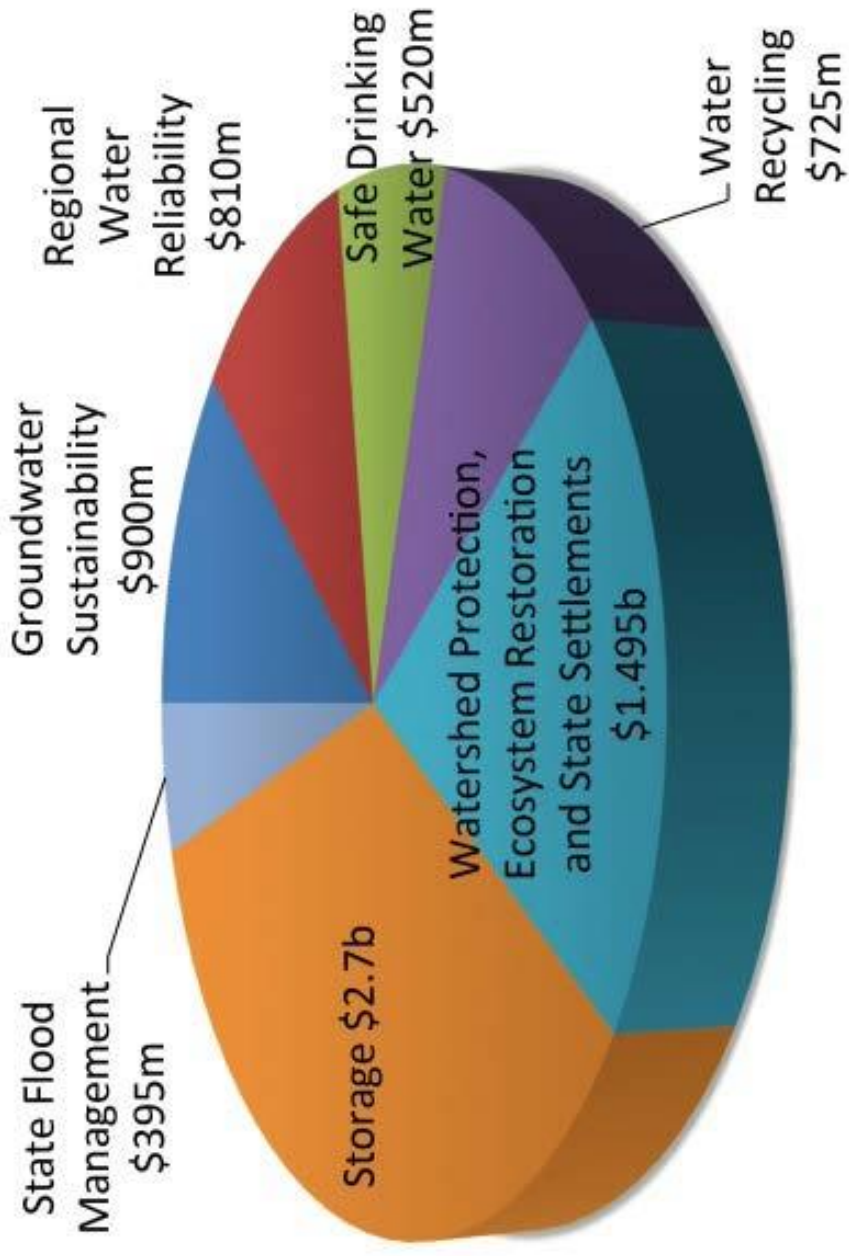
# 1<sup>st</sup> Agreement - Planning and Design

- Timeline – one or two months after Holman Capital Letter
- Covers planning, design, permitting, construction management
- Can draw on past expenditures for reimbursement to initiate design
  - \$2,400,000 immediately available for request with Agreement No. 1
- Construction Loan – 1.7% Interest Rate
- Repayment starts – one year after construction completed

# Next Steps - Design and Construction

Task	2017	2018	2019	2020	2021
Permitting	█	█			
Select Consultant	█				
Collect Design Data		█			
Design & Construction		█	█	█	
Start Operation				▲	
Start Repayment					▲

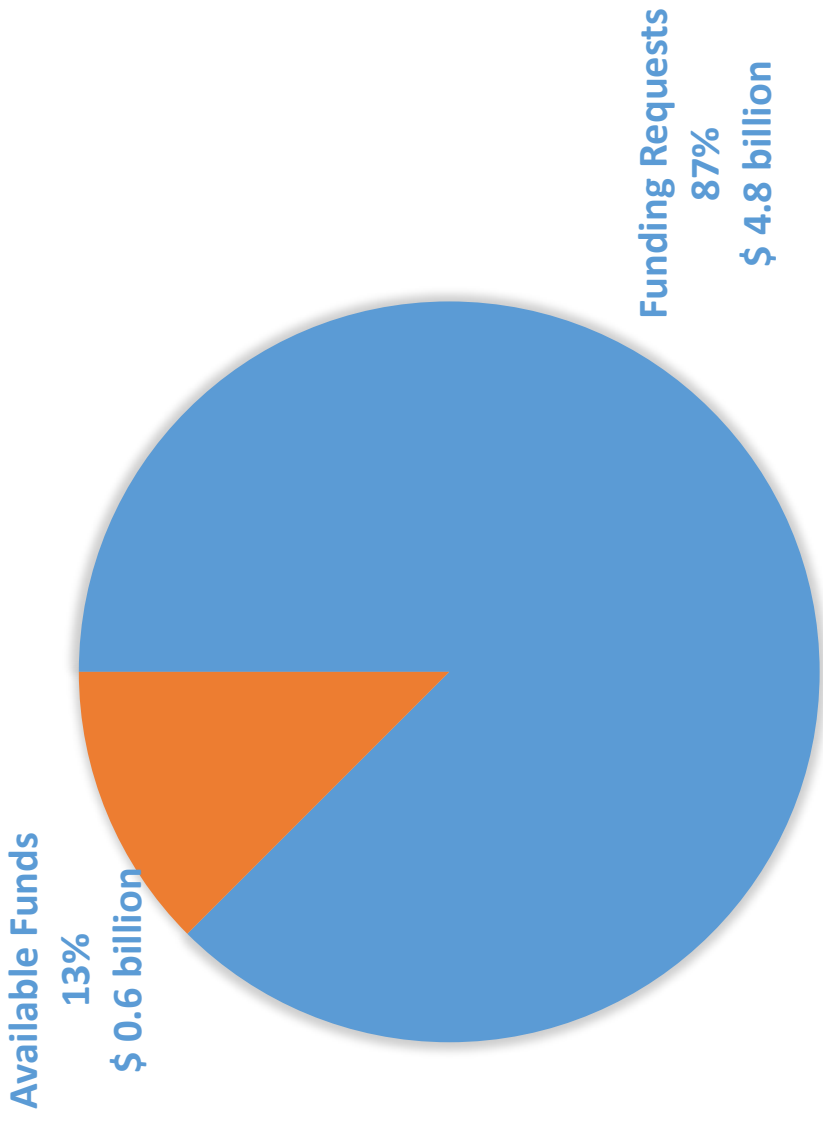
# Proposition 1 – “Water Bond” Breakdown



**Total: \$7.5 billion**



# Reality Check – Comparison of Available and Requested Water Recycling Funding



# Bureau of Reclamation - Grant Program

- **WaterSMART – Small Scale Water Projects**
  - Rebates, cash for grass and similar
  - PWD awarded \$75,000 for cash for grass (2017)
- **WaterSMART – Title XVI Water Reclamation and Reuse Program**
  - Passed by Congress in about 1992
  - First authorized a specific number of projects
  - WIN (Water Infrastructure and Improvement Act (December 2016))
    - Set asides funds for water recycling – competitive selection basis

# U.S. Bureau of Reclamation

- **WaterSMART – Title XVI Water Reclamation and Reuse Program**
- Up to 25% cost of construction funding
- To be considered for construction
  1. Must have a Bureau of Reclamation approved feasibility report
  2. Palmdale Groundwater Recharge and Recovery Project report approved in April 2017 by Bureau of Reclamation
  3. Report will be submitted by Bureau of Reclamation to Washington D.C.

# Our Next Steps – Title XVI

- Need to get on list of projects to be funded in either 2017 or 2018
  - Solicitation coming out any day to respond with the merits of our project
- Met with U.S. Bureau of Reclamation in Denver – June 7<sup>th</sup>
- Met with U.S. Bureau of Reclamation Temecula Office June 22<sup>nd</sup>
- Apprise Congressional Representatives