

**Department of Public Health**

**PUBLIC WATER SYSTEM DROUGHT EMERGENCY FUNDING GUIDELINES**

**March 28, 2014**

This program is funded pursuant to Senate Bill 103 (2014) amending the Budget Act of 2013, and shall be commonly known as the Public Water System Drought Emergency Response Program (“Program”).

**APPLICABLE LAW:**

Senate Bill 103 (February, 2014) amending 2013 Budget Act provides:

“Of the amount appropriated in Schedule (7), \$15,000,000 shall be available for encumbrance until June 30, 2016, for purposes consistent with subdivisions (a) and (c) of Section 75021 of the Public Resources Code for grants of up to \$500,000 per project for public water systems to address drought-related drinking water emergencies or threatened emergencies. The State Department of Public Health shall develop new guidelines for the allocation and administration of these moneys, including guidelines that dictate the circumstances under which the per-project limit of \$500,000 may be exceeded. These guidelines shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The department shall make every effort to use other funds available to address drinking water emergencies, including federal funds made available for the drought, prior to using the funds specified in this provision.”

**DEFINITIONS:**

“Acceptable result” means a project, when completed, provides for the most immediate and reliable supply of domestic water for the duration of the drought-related drinking water emergency or threatened emergency being addressed.

“CDPH” means the California Department of Public Health.

“Community Water System” is defined pursuant to Health and Safety Code Section 116275(i).

“Cost effective project” means a project that achieves an acceptable result at the most reasonable cost.

“Direct expenditure” means an expenditure by CDPH for the benefit of a public water system funding recipient.

“Domestic water supply” means a safe, dependable, and potable supply of water for human consumption.

“Drought” means the period of abnormally dry weather sufficiently prolonged to cause a serious hydrological imbalance and potential severe domestic water shortages. For the purposes of these

guidelines, drought includes, but is not limited to, periods of time covered by the Governor's declaration of a drought emergency either statewide or countywide.

"Drought related drinking water emergency" means a public water system that is experiencing a severe domestic water supply outage as a result of drought that requires immediate action to avoid or mitigate risk to public health and safety.

"Emergency funding" means funding provided under this program as grants or direct expenditures.

"Initial operation costs" means costs incurred for start-up and testing of project facilities and components to assure such facilities and components are properly operational; such costs do not include costs of operation or maintenance incurred subsequent to placing the facilities or components into service.

"Non-community Water System" is defined pursuant to Health and Safety Code Section 116275(j).

"Project" means activities determined by CDPH as necessary to resolve or mitigate one or more public water system's drought related drinking water emergency or threatened emergency.

"Public water system" is defined pursuant to Health and Safety Code Section 116275(h).

"Threatened emergency" means a public water system is experiencing an imminent threat of a severe domestic water supply outage as a result of drought that requires immediate action to avoid or mitigate risk to public health and safety.

"Water outage" means prolonged or repeated inability to provide a supply of domestic water sufficient to meet average daily demand, inability to provide water at adequate pressure as determined by California's applicable waterworks standards

### **ELIGIBLE RECIPIENTS**

An eligible recipient for assistance under this Program must be a community water system or a public water system owned by a public school district experiencing a drought related drinking water emergency or threatened emergency ("eligible recipient"). [Notes: 1) Other non-community public water systems may become eligible later in the season based on available funding. Such systems with potential future drought-related emergencies should remain in close contact with their regulatory partners (i.e., either CDPH district offices or the county environmental health agency).] 2) If a private domestic well owner(s), or a water system(s) which does not meet the statutory definition of public water system, becomes a permanent part/customer of a nearby public water system, that public water system would be eligible to request funding to address the drought-related emergency needs of their now extended public water system.]

### **MAXIMUM FUNDING:**

An eligible recipient may request emergency funding for only one (1) project per a single drought related drinking water emergency or threatened emergency. Emergency funding may not exceed

\$500,000 per project, including both grant and direct expenditures unless otherwise approved by CDPH in accordance with these guidelines. If CDPH approves a request for emergency funding, it may determine to provide the emergency funding as a grant to the eligible recipient, or CDPH may determine to expend the emergency funding on behalf of the eligible recipient, or some combination thereof.

A project that is funded by direct expenditure by CDPH may be via written or oral contract(s). Of the total amount of emergency funding provided to a Water System, an oral contract is limited to a maximum expenditure of \$10,000.

**OTHER FUNDS:**

CDPH will make every effort to access, and require an eligible recipient to access, other funds available for a project to address drought related drinking water emergencies or threatened emergencies, including other state, federal or local funds, prior to using the emergency funding made available under this Program. Note that it is necessary to preserve the limited funding currently available under Public Resources Code, section 75021 (Proposition 84 Emergency Funding), for non-drought related drinking water emergencies or other threatened emergencies; therefore Proposition 84 Emergency Funding will not be available for a project funded under this Program.

**REQUESTS FOR FUNDING:**

In order to initiate a request for emergency funding, an eligible recipient, or a local Health Officer or the local Director of Environmental Health acting on behalf of an eligible recipient must first contact the local CDPH DWP (Drinking Water Program) District Office (the "District Office") having regulatory responsibility for the eligible recipient public water system. The jurisdiction, location and contact information for CDPH's District Offices can be found at the following link:

<http://www.cdph.ca.gov/programs/Documents/DDWEM/OriginalDistrictMapCDPH.pdf>

**EMERGENCY FUNDING PRIORITIZATION:**

Subject to the availability of funding under this Program, requests for emergency funding, as well as known drought related drinking water emergencies or threatened emergencies for which a request for emergency funding will be forthcoming, will be prioritized as follows: first priority shall be given to eligible recipients who are experiencing a drought related drinking water emergency followed by those who are experiencing a threatened emergency with those determined to be the most imminent receiving higher priority over those determined to be less imminent, regardless of when the request for emergency funding is received by CDPH. Funding requests may be submitted on a continuing basis.

**PROJECT ELLIGIBILITY CRITERIA:**

Eligible project activities include, but are not limited to, the following:

1. Provision of interim alternate water supplies, including hauled water and bottled water.

2. Improvements or temporary repairs to existing water systems necessary to provide other sources of safe drinking water, including but not limited to:
  - A. Establishing connection(s) to an adjacent public water system;
  - B. Replacement wells;
  - C. Well rehabilitation;
  - C. Temporary treatment systems;
  - D. Rented, borrowed or purchased equipment;
  - E. Design, installation and initial operation costs for an acceptable result.

Factors which, at a minimum, will be considered by CDPH in determining funding under this Program include the following:

1. The severity of the drought related drinking water emergency or threatened emergency.
2. Whether there is an actual documented water outage, and the duration and extent of the outage(s).
3. Whether the threatened emergency is documented with an estimated timeframe of when a water outage is likely to occur.
4. Whether the drought related drinking water emergency or threatened emergency is, or is expected to be, acute (of short term duration) or chronic (long term duration).
5. Any drinking water drought response actions taken by the eligible recipient's Local Health Officer or the local Director of Environmental Health.
6. Whether the eligible recipient has implemented water conservation measures, and whether such conservation measures are mandatory or voluntary.
7. Whether the proposed project will provide an acceptable result.
8. Whether the proposed project is cost-effective.
9. Whether there are other available sources of funds to resolve the drought related drinking water emergency or threatened emergency for which funds are requested.
10. Whether the eligible recipient has an available emergency reserve or other unrestricted reserves to fund in part or whole the project.

11. Whether the Project can be completed in a timely manner so as to provide an acceptable result during the current drought period.
12. Whether the eligible recipient has submitted a California Safe Drinking Water State Revolving Fund (“SDWSRF”) pre-application for funding for a permanent solution to address the drought related drinking water emergency or threatened emergency.

Note that CDPH field staff will assist with some of these determinations as part of the technical assistance provided.

CDPH has no duty to disburse already approved emergency funding unless and until the eligible recipient demonstrates to CDPH that the project is fully funded, and has submitted a resolution of its governing body authorizing the emergency funding and designating person(s) authorized to sign a funding agreement.

Eligible recipients awarded a grant under this Program must agree to complete the project in a timely and expeditious manner and shall agree to accept other sources of available funding in addition to, or in lieu of emergency funding as determined by CDPH.

#### **EXCEEDING MAXIMUM FUNDING**

A project which provides a cost-effective acceptable result for a drought related drinking water emergency or threatened emergency faced by more than one eligible recipient may be funded under this Program in an amount not to exceed \$500,000 per eligible recipient.

In addition, if sufficient funds are available under this Program, CDPH may approve emergency funding in excess of \$500,000 for a project if all of the following conditions are met:

1. There is no other feasible interim or permanent cost effective acceptable result that can be funded in whole with the \$500,000 maximum funding provided under this Program, and
2. There are no other available funding sources for the project to ensure a fully funded project, including but not limited to, any unrestricted or emergency reserves of the eligible recipient, or available federal, state or local funding, and
3. CDPH determines that there is available emergency funding relative to the known emergency funding need of other eligible recipients, and
4. An application for SDWSRF funding for the project has been submitted and CDPH has determined that SDWSRF funding is not readily available.

#### **CDPH FUNDING RECOMMENDATION PROCESS:**

Requests for emergency funding from eligible recipients received by CDPH’s District Offices will be investigated and reported in a memo to the CDPH Drinking Water Program headquarters office in Sacramento, CA for determination of eligibility of emergency funding and prioritization of such funding.

**DISCLAIMER:**

CDPH reserves the right to modify these guidelines, and may consult with appropriate stakeholder groups, as necessary to effectively implement this program. Per Chapter 2, Statutes of 2014, the development of these guidelines is not subject to the Administrative Procedure Act (Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code. The most recent guidelines will be used for evaluation of a request for funding under this program.