

ITEM #5.A

Approval of Minutes of the October 17, 2022 Special Meeting



**REGULAR MEETING OF THE BOARD OF DIRECTORS
DEL PASO MANOR WATER DISTRICT**

DRAFT MINUTES

**October 17, 2022, 6:00 PM
1817 Maryal Drive, Suite 300, Sacramento 95864**

1. CALL TO ORDER:

President Saunders called the meeting to order at 6:00 p.m.

2. ROLL CALL:

Directors Present: President Ryan Saunders, Carl Dolk, Bob Matteoli and Gwynne Pratt

Directors Absent: Osmar Macias (excused)

Staff Present: General Manager Alan Gardner
Office Manager Victoria Hoppe
Field Manager Mike Jenner
General Counsel Mona Ebrahimi
Certified Public Accountant Robert Merritt

A quorum of the Board was present.

3. ADOPTION OF AGENDA: Members may pull an item from the agenda.

Director Dolk made a motion to adopt the agenda. The motion was seconded by Director Pratt. The agenda was adopted on a 4 Yes/0 No/1 Absent (Macias) roll call vote.

4. CLOSED SESSION:

Item 4.A: Public Employee Performance Evaluation pursuant to Gov. Code section 54957(b)(1); General Manager

This item was heard out of order and tabled to be heard after item 14.

5. PUBLIC COMMENTS: The Board of Directors welcomes participation at these meetings. Matters under the jurisdiction of the Board that are not posted on the agenda may be addressed by the public, California law prohibits the Board from acting on any matter which is not on the posted agenda, unless the members determines that it is an emergency or other situation specified in Government Code Section 54954.2. Public comments are limited to five (5) minutes per individual. Please make your comments directly to the DPMWD President. Comments will be accepted via teleconference and in writing.

(0:03 minutes)

President Saunders called for public comment.

Carol Rose spoke to the minutes and Policy No. 3220.1.5.

Roy Wilson spoke to the potential merger.

Seeing no further comment, President Saunders closed the public comment.

6. CONSENT CALENDAR: All items under Consent Calendar will be considered together by one action of the Board, any Member or members of the public may request that an item be removed and considered separately.

(0:10 minutes)

A request was made for Item 6.B to be discussed and considered separately.

Item 6.A: Approval of Minutes of the September 19, 2022 Special Meeting

Item 6.B: Approval of Minutes of the September 27, 2022 Special Meeting

Director Saunders requested General Counsel be changed to Mona Ebrihimi in attendance for that meeting.

President Saunders called for public comment. Seeing no one come forward, President Saunders closed the public comment.

Director Dolk made a motion to adopt Consent Calendar Item 6.B, as amended. The motion was seconded by Director Matteoli. The motion was approved on a 4 Yes/0 No/1 Absent (Macias) roll call vote.

Item 6.C: Approval of Additional Warrants After October 03, 2022 Regular Meeting

Director Dolk made a motion to adopt Consent Calendar Items 6.A and 6.C. The motion was seconded by Director Pratt. The motion was approved on a 4 Yes/0 No/1 Absent (Macias) roll call vote.

7. PUBLIC HEARING:

There were no Public Hearing items to consider.

8. OLD BUSINESS:

There were no Old Business items to consider.

9. NEW BUSINESS:

Item 8.A: Budget to Actuals

(0:15 minutes)

Certified Public Accountant Robert Merritt provided a summary of the written report and fielded questions from the Board.

President Saunders called for public comment.

Trish Harrington inquired on presentation material.

Seeing no further comment, President Saunders closed the public comment.

Item 9.B: Director Compensation and Meeting Stipend

(0:32 minutes)

General Manager Gardner and General Counsel Ebrahimi presented the staff report and fielded questions from the Board.

Director Matteoli provided a summary of the working groups findings and fielded questions from the Board.

President Saunders called for public comment.

Trish Harrington spoke to the merits of the change in stipend.

Seeing no further comment, President Saunders closed the public comment.

Discussion commenced amongst the Directors and direction was given to remain as status quo with no change.

Item 9.C: Amend the Del Paso Manor Water District Employee Salary Schedule

(1:04 minutes)

General Manager Gardener provided the staff report and fielded questions from the Board.

President Saunders called for public comment. Seeing no one come forward, he closed the public comment.

Director Dolk made a motion to adopt Attachment 3 as the salary schedule with the corrected tabulations. The motion was seconded by Director Pratt. The motion was approved on a 3 Yes/1 No (Matteoli)/1 Absent (Macias) roll call vote.

10. FIELD REPORT: Verbal report

(1:31 minutes)

Field Manager Mike Jenner provided a field report.

President Saunders called for public comment. Seeing no one come forward, he closed the public comment.

11. GENERAL MANAGERS COMMENTS: Verbal report

(1:33 minutes)

Item 11.A: RPPG Update

General Manager Alan Gardner provided a brief report on Item 11.A, provided an update on District matters, and fielded questions from the Board.

President Saunders called for public comment. Seeing no one come forward, he closed public comment.

12. DIRECTORS COMMENTS: Verbal information, non-action comments.

(1:59 minutes)

Director Dolk, Director Matteoli, Director Pratt, and President Saunders provided brief comments.

13. FUTURE AGENDA REQUESTS: Directors can suggest topics they would like on future agendas

(2:08 minutes)

Director Matteoli requested report regarding Well #2, update from RPPG (Renne), discussion regarding water rights, update on 2x2. Support was given for all matters to be on a future agenda.

President Saunders called for public comment.

Carol Rose spoke in support of requests.

Trish Harrington spoke in support of a report on Well #2.

Seeing no further comment, President Saunders closed public comment.

4. CLOSED SESSION:

(2:24 minutes)

Item 4.A: Public Employee Performance Evaluation pursuant to Gov. Code section 54957(b)(1); General Manager

This item was heard out of order.

President Saunders called for public comment. Seeing no one come forward, he closed the public comment.

President Saunders recessed the open session and convened the closed session at 8:25 p.m.

The open session reconvened at 9:52 p.m.

General Counsel Ebrahimi reported there was no reportable action.

14. ADJOURNMENT: Next Regular Board of Directors meeting is scheduled for November 7, 2022

Director Pratt made a motion to adjourn. Director Matteoli seconded the motion. There being no further business, the Board of Directors meeting adjourned at 9:52 p.m.

APPROVAL:

ATTEST:

Ryan Saunders, President of the Board

Norma I. Alley, MMC, Clerk of the Board

ITEM #5.B

Approval of Additional Warrants After November 07, 2022 Regular Meeting

Del Paso Manor Water District NOVEMBER 2022 VENDORS FOR APPROVAL
(For Approval After 11/07/2022)

VENDORS NAME	DESCRIPTION	CIP	AMOUNT	CHECK #
ADP	Payroll			
ADP Taxes	Payroll Taxes			
AT&T Mobility	Cell Phones; iPads		\$411.44	
BSK	Labs		\$158.00	
Forsgren Associates, Inc.	Services Rendered Thru 10/26/2022 (On-Call Services FY 22/23)		\$5,520.00	
Forsgren Associates, Inc.	Services Rendered Thru 10/26/2022 (Planning Support)		\$2,736.25	
Forsgren Associates, Inc.	Services Rendered Thru 10/26/2022 (2x2 Support)		\$8,821.41	
Forsgren Associates, Inc.	Services Rendered Thru 10/26/2022 (Prop 218 Support)		\$5,340.00	
Forsgren Associates, Inc.	Services Rendered Thru 10/26/2022 (Wide Env. Site Assessment)		\$1,743.75	
Forsgren Associates, Inc.	Services Rendered Thru 10/26/2022 (Well 2 Planning)		\$3,533.75	
Forsgren Associates, Inc.	Services Rendered Thru 10/26/2022 (Well 9 Planning)		\$3,298.37	
Kronick, Moskovitz, Tiedemann & Girard	Services Rendered Through August 2022		\$22.48	
Leaf	Photocopy Machine Lease		\$124.11	
Mozingo Construction, Inc.	Refund for Hydrant Use Permit/Fees		\$857.70	
Munibilling	Heartland Return Fee (October 2022)		\$10.00	
Regional Government Services (RGS)	October 2022 Clerk Services		\$1,170.00	
Renne Public Law Group	October 2022 Monthly Retainer		\$3,000.00	
Robert Merritt	CPA - Services Rendered Through October 2022		\$1,092.50	
Sacramento Suburban Water District (SSWD)	Mutual Aid Agreement (09/01/2022 - 09/30/2022)		\$278.21	
Sacramento Suburban Water District (SSWD)	Mutual Aid Agreement (10/01/2022 - 10/31/2022)		\$3,357.33	
Sierra Chemical Company	Chemicals		\$263.76	
Sierra Chemical Company	Chemicals		\$301.44	
Terrapin Technology Group	Software / Computers		\$315.10	
MONTHLY TOTAL----->		\$0.00	\$42,355.60	

ITEM #8.A

Budget to Actuals

Del Paso Manor Water District
Expense Budget To Actual Comparison
July 1, 2022 to October 31, 2022

Notes

	Year to Date July 1, 2022 to October 31, 2022	Budget	Percent of Budget
Employee Related			
Management Salaries	44,998	146,610	30.69%
Staff Salaries	68,279	285,285	23.93%
Director Fees	4,000	30,000	13.33%
Payroll Taxes	8,972	38,000	23.61%
Staff Bonuses	-	15,525	0.00%
PERS Retirement	33,281	100,500	33.12%
Health	23,305	80,000	29.13%
Retiree Health Benefits & OPEB	22,533	120,000	18.78%
Total Employee Related	205,368	815,920	25.17%
Administration			
Insurance	40,726	47,000	86.65%
Office Expense	33,367	82,300	40.54%
Building Maintenance	594	2,000	29.70%
Audit Fees	-	12,000	0.00%
Legal Fees	50,458	236,000	21.38%
Election Related	-	3,000	0.00%
Miscellaneous	141	5,000	2.82%
Professional Administration Fees	24,712	106,700	23.16%
Bank Charges	812	2,000	40.60%
Professional Dues	35,793	57,600	62.14%
Professional Meetings	-	10,000	0.00%
Cert/Continuing Education	215	6,000	3.58%
Total Administration	186,818	569,600	32.80%
Operations			
Power	30,858	123,000	25.09%
Conservation	6,284	-	N/A
Repairs & Maintenance	67,144	268,000	25.05%
Lab Fees	4,457	6,000	74.28%
Backflow Program	-	2,000	0.00%
Engineering	97,620	80,000	122.03%
City Water	-	6,000	0.00%
Total Operating	206,363	485,000	42.55%
Total Employee Related, Administration and Operating Expenses	598,549	1,870,520	32.00%
C.I.P.			
New Pipeline	66,512	350,000	19.00%
New Well/Well Additions/Generators	-	1,300,000	0.00%
Interest Expense & Principal Debt Payment	-	325,000	0.00%
Total C.I.P.	66,512	1,975,000	3.37%

Total water sales through October 2022

522,815

Planned system maintenance charges through October 2022

195,174

A 2022 Chevrolet 2500 truck was purchased in September 2022 for \$76,093

The balance in the operating bank account at October 31, 2022 was \$725,000

The balance in the L.A.I.F. account at October 31, 2022 was \$2,264,830

Amounts above are not audited

July 1, 2022 to

	<u>October 31, 2022</u>	<u>Budget</u>	<u>Percentage of Budget</u>
Employee Related			
5102.10 · Management salaries	44,998.00	146,610.00	30.69%
5102.15 · Field salaries	43,422.00	215,162.00	20.18%
5102.20 · Office manager salary	24,857.00	70,123.00	35.45%
5102.05 · Director fees	4,000.00	30,000.00	13.33%
5102.30 · Payroll soc sec	7,271.00	29,000.00	25.07%
5102.35 · Payroll medc	1,701.00	9,000.00	18.90%
5102.40 · Staff bonuses	0.00	15,525.00	0.00%
6451.00 · PERS/retirement	33,281.00	100,500.00	33.12%
6501.00 · Employee healthcare (CalPers)	23,305.00	80,000.00	29.13%
6502.00 · Retiree health benefits	22,533.00	70,000.00	32.19%
6441.00 · OPEB	0.00	50,000.00	0.00%
Administration			
5251.00 · Insurance			
5251.05 · Liability	33,750.00	28,500.00	118.42%
5251.10 · Property	3,915.00	3,500.00	111.86%
5251.15 · Workers Compensation	3,060.00	15,000.00	20.40%
6151.00 · Office expense			
6151.05 · District office lease	12,250.00	33,000.00	37.12%
6151.10 · Phone service	1,266.00	4,300.00	29.44%
6151.15 · Internet provider	1,430.00	5,500.00	26.00%
6151.20 · Sewer & garbage (Lusk)	988.00	1,500.00	65.87%
6151.21 · Miscellaneous (office other)	1,184.00	0.00	N/A
6151.25 · Postage	7,213.00	12,000.00	60.11%
6151.30 · Printing	0.00	1,000.00	0.00%
6151.35 · Computers & supplies	4,085.00	3,500.00	116.71%
6151.40 · Office supplies	1,947.00	7,500.00	25.96%
6151.45 · Answering service	1,849.00	5,500.00	33.62%
6151.50 · Office furniture	0.00	2,000.00	0.00%
6151.55 · Payroll preparation	515.00	2,000.00	25.75%
6151.60 · GASB 75 valuation	0.00	2,000.00	0.00%
6151.70 · Janitorial	640.00	2,500.00	25.60%
6152.00 · Building maintenance	594.00	2,000.00	29.70%
6251.00 · Audit	0.00	12,000.00	0.00%
6255.00 · Election related	0.00	3,000.00	0.00%
6301.00 · Legal	50,458.00	236,000.00	21.38%
6401.00 · Misc	141.00	5,000.00	2.82%
5121.00 · Conservation	6,284.00	0.00	N/A
6601.00 · Professional Admin fees			
6601.05 · SWRCB annual fees	0.00	16,000.00	0.00%
6601.10 · NDPES permit	0.00	1,500.00	0.00%
6601.15 · Cal Pers actuarial reports	700.00	700.00	100.00%
6601.25 · Air Quality permits	0.00	5,000.00	0.00%
6601.30 · Encroachment permits	0.00	500.00	0.00%
6601.35 · CPA fees	3,753.00	18,000.00	20.85%
6601.00 · Professional admin fees - other	20,260.00	25,000.00	81.04%
6601.50 · Public relations	0.00	30,000.00	0.00%
6601.55 · Salary and staffing level study	0.00	10,000.00	0.00%

6171.00 · Bank fees	812.00	2,000.00	40.60%
6561.00 · Professional dues			
6561.05 · ACWA	4,867.00	11,000.00	44.25%
6561.10 · AWWA	237.00	700.00	33.86%
6561.15 · CSDA	3,807.00	8,000.00	47.59%
6561.20 · CRWA	714.00	1,000.00	71.40%
6561.25 · RWA	4,106.00	9,700.00	42.33%
6561.30 · SGA	21,187.00	25,000.00	84.75%
6561.35 · SAWWA	0.00	1,000.00	0.00%
6561.00 · Professional dues - other	874.00	1,200.00	72.83%
6551.00 · Professional meetings	0.00	10,000.00	0.00%
6610.00 Certification/continuing education	215.00	6,000.00	3.58%
Operations			
5151.00 · Power			
5151.05 · PG&E	33.00	3,000.00	1.10%
5151.10 · SMUD	30,825.00	120,000.00	25.69%
5201.00 · R & M			
5201.05 · Leak repairs	43,250.00	104,000.00	41.59%
5201.10 Field Equipment	0.00	2,000.00	0.00%
5201.15 · Field supplies	9,711.00	35,000.00	27.75%
5201.20 · Fuel for vehicles	1,217.00	9,000.00	13.52%
5201.25 Vehicle repair and maintenance	110.00	3,000.00	3.67%
5201.30 Temporary Help	0.00	0.00	N/A
5201.35 · Chlorine	3,886.00	11,000.00	35.33%
5201.45 · Well repair & maintenance	1,358.00	0.00	N/A
5201.55 · Field staff cellular service	1,647.00	6,000.00	27.45%
5201.60 Tesco Services Contract (Well #8)	0.00	0.00	N/A
5201.65 Aqua Sierra Service Contract	0.00	8,000.00	0.00%
5201.00 R & M other	5,965.00	0.00	N/A
5201.70 SSWD Mutual Aide Field Staff	0.00	90,000.00	0.00%
5301.00 · Lab fees (H2O testing)	4,457.00	6,000.00	74.28%
5451.00 City water	0.00	6,000.00	0.00%
5452.00 Backflow program	0.00	2,000.00	0.00%
5351.00 Engineering	97,620.00	80,000.00	122.03%
CIP			
Pipes			
Miscellaneous	0.00	50,000.00	0.00%
Interties	66,512.00	300,000.00	22.17%
Wells			
Well #2	0.00	1,000,000.00	0.00%
Well # 9	0.00	300,000.00	0.00%
Debt Service			
Interest expense and principal	0.00	325,000.00	0.00%
Equipment			
2022 Chevrolet 2500	76,093.00		

**Del Paso Manor Water District
Fiscal 2022 L.A.I.F Activity
July 1, 2022 to October 31, 2022**

Beginning balance, July 1, 2022	\$2,252,931.60
July 2022 quarterly interest payment	4,217.96
October 2022 quarterly interest payment	<u>7,680.25</u>
Ending balance, October 31, 2022	<u><u>\$2,264,829.81</u></u>

ITEM #8.B

Presentation and Status of RPPG's Efforts to Find Funding for The District

DEL PASO MANOR WATER DISTRICT
REGULAR BOARD MEETING

DATE: November 21, 2022

Item: 8.B

SUBJECT: Status of RPPG's efforts to find funding for the District

CONTACT:

Alan Gardner, General Manager

The District retained RPPG, who has expertise in finding grants and loans, to help determine what might be available to fund infrastructure projects.

Attached is their status report as of November, 2022.

The findings are:

1. Because the SWRCB updated what is a distressed community after the last census, the District no longer qualifies for most grants.
2. The District's Well 7 and Well 4 projects can qualify for the Small System Drought Program, but the funding is limited. I have requested RPPG to proceed with the application(s).
3. There are no State grants for pipes, except lead, and we don't have any.
4. There are FEMA grants for up to 75% of a project that can include the Wells and pipes, but the study takes about a year to complete. The application takes about the same amount of time. LAFCO discouraged this since it could not more quickly start to meet District needs. The District can still do it for some of its needs.
5. What is available are State low interest Revolving Fund loans. There is a 10 year loan for planning and a 30 year loan for construction. BUT, we must first have sufficient rates in place to make the payments to qualify. This Revolving Fund could be used for the steel replacements since it would be the cheapest money absent any help from FEMA.

ATTACHMENTS

1. RPPG Funding Opportunities for DPMWD Priority Projects

ENVIRONMENTAL CONSIDERATIONS

The consideration and approval of the above resolution is not a project for purposes of CEQA.

November 15, 2022

To: Alan Gardner
Del Paso Manor Water District

From: Jake Whitaker
Renne Public Policy Group

RE: Funding Opportunities for DPMWD Priority Projects

Dear Mr. Gardner,

RPPG's team has reviewed the recommended projects and the list of priority projects prepared by Forsgren Associates Inc. to assess potential state funding opportunities.

Drinking Water State Revolving Fund (DWSRF)

- *Agency:* State Water Resources Control Board
- *Eligible Applicants:* Publicly-owned community water systems; Privately-owned community water systems; Non-profit or publicly-owned non-community water systems.
- *Funding Uses:* Treatment systems; **Distribution systems**; Interconnections; Consolidations; Pipeline extensions; Water sources; Water meters; Water storages.
- *Funding Amount:* Maximum amount based on borrower's ability to repay loan.
- *Loan Terms:* For a construction loan, the standard term is the lesser of 30 years or the useful life of the financed facilities (up to 40 years for disadvantaged communities). For a planning loan, the standard term is 5 – 10 years. The interest rate is adjusted annually, set at 50% of California's general obligation bond rate. The interest rate for 2022 is set at 1.1%.
- *Application Period:* Ongoing.

The Drinking Water State Revolving Fund (DWSRF) provides low-interest loans to support drinking water infrastructure projects needed to achieve or maintain compliance with Safe Drinking Water Act (SDWA) requirements. DPMWD would be able to use revenue generated from a Proposition 218 hearing rate increase to back the loan, allowing the District to finance necessary infrastructure improvements. All funding applicants to the DWSRF evaluate the feasibility of consolidation to be eligible for DWSRF construction funding.

Recommended Projects: 2D-3 Pipeline Replacement, 2D-1 Pipeline Replacement, 2D-2 Pipeline Replacement, 2C Pipeline Replacement.

Small Community Drought Relief Program

- *Agency:* California Department of Water Resources
- *Eligible Applicants:* Public agencies; Public utilities; Special districts; Colleges and universities; Mutual water companies; Nonprofit organizations; Federally recognized Native American Tribes; State recognized Native American Tribes.
- *Funding Uses:* Temporary mitigation measures (Hauled water; Temporary community water tanks; Bottled water; Water vending machines; Emergency water interties); Projects that create reliable water supply sources; **New wells or rehabilitation of existing wells**; Water system storage; **Replace aging and leaking pipelines**; Backup power sources for system operation; Reasonable cost of studies; Project implementation costs (Engineering; Design; Project Construction; Land Acquisition; Other work directly related to the project).
- *Funding Amount:* No minimum or maximum amount specified.
- *Match Requirement:* No match requirement, but local cost share is encouraged.
- *Performance Period:* 3 years.
- *Deadline:* Applications will be accepted on a rolling basis until funding is exhausted.

The intent of the Small Community Drought Relief Program is to provide immediate and near-term financial and technical support to help small communities survive this and future droughts. Eligible communities are those who do not receive water from an urban water supplier. Urban water suppliers defined as those that provide drinking water with 3,000 connections or more or more than 3,000 acre-feet per year. The well rehabilitation projects would be the strongest candidates since there is a direct connection to increasing water supply. The pipe replacement projects could qualify, but the District would need to demonstrate water savings from avoided system losses to justify the need.

Recommended Projects: Well 7 Rehabilitation, Well 4 Rehabilitation.

Small-Scale Water Efficiency Projects (SWEP)

- *Agency:* U.S. Bureau of Reclamation
- *Eligible Applicants:* States, federally recognized Native American Tribes, Irrigation Districts, Water Districts, Regional Authorities, Local Government Entities with water or power delivery authority, Other organizations with water or power delivery authority, Nonprofit conservation organizations acting in partnership with an entity that has water or power delivery authority.
- *Funding Uses:* Canal lining/piping; **Municipal metering**; Irrigation flow measurement; **Supervisory Control and Data Acquisition and Automation (SCADA)**; Landscape Irrigation measures; High-Efficiency Indoor Appliances and Fixtures; Upgrades to Commercial Cooling Systems to Improve Water Use Efficiency.

- *Funding Amount:* Maximum of \$100,000 per applicant. Total project costs should generally be \$225,000 or less.
- *Match Requirement:* At least 50% of the total project cost.
- *Funding Cycle:* Application period closed 4/28/2022. FY 23 cycle anticipated Q1 2023.

Through the WaterSMART Small-Scale Water Efficiency Projects Reclamation provides 50/50 cost share funding to irrigation and water districts, tribes, states and other entities with water or power delivery authority for small water efficiency improvements that have been identified through previous planning efforts. Projects eligible for funding include installation of flow measurement or automation in a specific part of a water delivery system, lining of a section of a canal to address seepage, or other similar projects that are limited in scope.

Potential Projects: Well 4 Integration with District SCADA System. Future Municipal Metering Project.

Water and Energy Efficiency Grants (WEEG)

- *Agency:* U.S. Bureau of Reclamation
- *Eligible Applicants:* States, federally recognized Native American Tribes, Irrigation Districts, Water Districts, Regional Authorities, Local Government Entities with water or power delivery authority, Other organizations with water or power delivery authority, Nonprofit conservation organizations acting in partnership with an entity that has water or power delivery authority.
- *Funding Uses:* Canal Lining/Piping; **Municipal Metering**; Irrigation Flow Measurement; **Supervisory Control and Data Acquisition and Automation (SCADA)**; Landscape Irrigation Measures; High-Efficiency Indoor Appliances and Fixtures; Commercial Cooling Systems; Installing New Hydropower Facilities; Increasing capacity of existing Hydropower Facilities; Restoring functionality for a Hydropower Facility; Installing solar-electric, wind energy, or geothermal power systems.
- *Funding Amount:* Maximum of \$500,000 (Funding Group I), Maximum of \$2,000,000 (Funding Group II).
- *Match Requirement:* 50% of the total project cost.
- *Performance Period:* Projects funded under Funding Group I should be completed within two years. Projects selected under Funding Group II may be funded on an annual basis, for a period of up to 3 years.
- *Funding Cycle:* Application period closed 7/28/2022. FY 23 cycle anticipated Q2 2023.

The Water and Energy Efficiency Grants (WEEG) program provides funding for projects that result in quantifiable water savings, implement renewable energy components, and support broader sustainability benefits. These projects conserve and use water more efficiently, increase the production of renewable energy, mitigate conflict risk in areas at high risk of future water conflict,

and accomplish other benefits that contribute to sustainability in the western United States. Applicants may apply for funding under both Funding Group I and Funding Group II in the same competition, but an individual applicant can only be awarded up to \$2,000,000. Units of government apply for funding through Category A, nonprofit conservation organizations apply for funding through Category B.

Potential Projects: SCADA System Improvements. Municipal Metering Installation.

Hazard Mitigation Grant Program (HMGP)

- *Agency:* California Governor's Office of Emergency Services (CalOES)
- *Eligible Applicants:* State Agencies, Local Governments, Special Districts, and federally recognized Native American Tribes. Applicants must have a FEMA-approved and locally adopted Local Hazard Mitigation Plan (LHMP).
- *Funding Uses:* Updates to Local Hazard Mitigation Plans; Wildfire Projects; Whole Community Risk Reduction; Large Critical Infrastructure Wildfire Projects; Large Critical Infrastructure Projects for Other Hazard Types; Planning Related Activities; Five Percent Initiative Projects.
- *Funding Amount:* No maximum or minimum amount.
- *Match Requirement:* 25% of the total project cost.
- *Funding Cycle:* Anticipated upcoming funding tied to the annual disaster declaration for California Wildfire Season across all 58 counties.

The Hazard Mitigation Grant Program (HMGP) provides funding to address the risk of future natural disasters as part of the response to federally declared disaster codes through FEMA. Projects should be related to the jurisdiction's Local Hazard Mitigation Plan (LHMP). If a jurisdiction does not have an LHMP, they are eligible to apply for grant funds to develop one (\$150,000 for single jurisdiction plans, \$250,000 for multi-jurisdiction plans). Since Del Paso Manor Water District is not covered under the Sacramento County LHMP, an LHMP would need to be developed specifically for the jurisdiction. This would elongate the process of applying for grant funding, and FEMA's timelines are already notoriously lengthy. However, if the District proceeded with developing an LHMP, it is possible that a nexus could be established between the pipe system failure and a loss of service justifying the cost-benefit of replacing the system. Based on the FEMA BCA Calculator, the value of potable water service is calculated at \$116 per customer per day of service loss. An analysis showing that system failure would result in a prolonged service loss of 22 days or more would justify the cost effectiveness of the system replacement.

Potential Projects: 2D-3 Pipeline Replacement, 2D-1 Pipeline Replacement, 2D-2 Pipeline Replacement, 2C Pipeline Replacement.

Disadvantaged Community Status Determination

One of the limiting factors in relation to DPMWD's eligibility for grant funding is the State of California's emphasis on directing funding to Disadvantaged Communities (DACs) and Severely Disadvantaged Communities (SDACs).

For the purposes of DWSRF, "Disadvantaged Community" means the entire service area of a Community Water System, or community therein, in which the Median Household Income (MHI) is less than 80% of the statewide annual MHI.

The Municipal Services Review for Del Paso Manor Water District, published by Sacramento LAFCo as a public review draft in October 2022, contains a detailed analysis of the District's potential status as a Disadvantaged Community. In short, LAFCo's analysis found that the service area of DPMWD does not qualify as a DAC. While there are areas surrounding the District that do qualify, they are already served by Sacramento Suburban Water District. Although some of the state's mapping tools do show that one of the Census Tracts overlapping the District would be classified as disadvantaged, the Census Block analysis shows that the disadvantaged areas are outside of the District's service area.

Grant Programs for Pipe Replacement

Grant programs that provide funding for pipe replacement are focused on replacing pipes with lead contamination. There is funding available through the U.S. Environmental Protection Agency (EPA) that supports these types of projects. Unfortunately, although DPMWD's pipes are extremely old, they would not be eligible for replacement through the EPA's pipe replacement grant programs.