# **Alternative Water Supply Funding - Guidelines**

## **PURPOSE AND BACKGROUND**

The State of Florida has long recognized the importance of developing alternative water supplies for our growing economy and to sustain water resources and related natural systems. The Florida Department of Environmental Protection (DEP) works in partnership with water management districts to provide funding assistance for priority alternative water supply (AWS) projects. Under the General Appropriations Act, \$40 million was made available for AWS projects statewide in Fiscal Year (FY) 2020-2021. Proposed AWS projects may be eligible for grant funds from General Appropriations or the Water Protection and Sustainability Program (WPSP) Trust Fund.

#### STATE AND DISTRICT PRIORITIES

Per Chapter 373, Water Resources, Florida Statutes (F.S.), protecting and improving the quality and quantity of water resources and natural systems across northwest Florida are among the core missions of the District: <a href="www.nwfwater.com/about/mission">www.nwfwater.com/about/mission</a>. Chapter 373 also underpins the Governor's 2019 Executive Order and <a href="Protecting Florida Together">Protecting Florida Together</a> initiative. In addition to AWS, Protecting Florida Together <a href="water protection grant programs">water protection grant programs</a> are available for springs restoration, innovative technologies, coastal partnerships and resilient coastlines, and reducing nonpoint source pollution and other water quality projects.

The Region II (Santa Rosa, Okaloosa, and Walton counties) regional water supply plan (RWSP) was updated in 2019. This RWSP identified AWS as among the priority needs and strategies to ensure sufficient water is available for all existing and future uses and to sustain water resources and related natural systems in Region II. In addition to Region II, and as resources are available, priority water supply and AWS development projects have been implemented Districtwide. The District supports and complements these efforts with a minimum flows and minimum levels (MFLs) program, Surface Water Improvement and Management (SWIM) plans, and collaboration with DEP and other partners on Basin Management Action Plans (BMAPs).

## **ELIGIBLE PROJECTS AND REQUIREMENTS**

Projects eligible for AWS funding help communities plan for and implement conservation, reuse, and other water supply and water resource development projects. Funding may be awarded to *Eligible Applicants* for the following types of projects:

- Reclaimed Water
- Water Conservation
- Stormwater
- Surface Water
- Brackish Groundwater
- Desalination
- Other Non-Traditional Source Projects
- Other Water Quantity Projects

The list above is not intended to be exhaustive. Within each type may be multiple sub-types.

Feasibility and land acquisition projects may be eligible for funding if they relate to one of the project types listed above and are necessary to implement a regional project.

Additional project requirements include:

- Projects that can be accomplished within 24-36 months or less unless a multi-year plan is submitted.
- For capital projects: Facilities must be constructed, owned, operated, and maintained by the cooperator in accordance with state, federal, and local regulations.
- Quantify the amount of water to be made available, offset, and/or saved in average flow of gallons per day (gpd) or million gallons per day (mgd); and additional storage or distribution capacity in gallons or million gallons.<sup>1</sup>
- Financially matched a minimum of 100 percent of the state funding provided as set forth in section 373.707, F.S., unless waived for financially disadvantaged communities.

Eligible match funding includes local sources, in-kind contributions, and companion projects. Previous funding or match claimed toward a previous project may <u>not</u> count toward these requirements. Rural or financially disadvantaged small communities as defined in section 288.0656, F.S., can request a reduction or waiver of match in their applications.

See Quick Match Guide for more information.

Eligible projects may encompass multiple segments or phases. Multi-phased projects must be described in the appropriate section of the application form. The District may work with applicants and award partial funding for one or more segments or phases.

See Quick Multi-Year Guide for more information.

#### **ELIGIBLE APPLICANTS**

Eligible applicants and grant recipients are governmental entities as described in section 287.012(14), F.S., and public and nonprofit water supply and wastewater utilities within the District's 16-county region. See *General Conditions for Receiving Funds* for more information.

# WATER RESOURCES INFORMATION

Information to assist in completing applications is provided on the District's and on DEP's websites. Detailed <u>guidance to water management districts</u> submitting requests for funding AWS projects is in the <u>AWS Funding Guidance</u> document. Additionally, the DEP <u>Springs Funding Guidance</u> appendices may be useful for help in estimating project benefits, for example, the quantity of reclaimed water to be made available.

Additional links are below. See also *Frequently Asked Questions (FAQs)* and *Quick Reference Guides* and consult with District staff if further information or assistance is needed. Florida Department of Environmental Protection (DEP) <a href="https://floridadep.gov/">https://floridadep.gov/</a>:

<sup>&</sup>lt;sup>1</sup> Where applicable. See AWS Funding FAQs for more information.

**DEP Division of Environmental Assessment and Restoration:** 

- Total Maximum Daily Loads
- Basin Management Action Plans
- Reasonable Assurance Plans
- Water Quality Assessments, TMDLs, and BMAPs interactive map

Northwest Florida Water Management District (NWFWMD) <a href="https://www.nwfwater.com/">https://www.nwfwater.com/</a>: NWFWMD Water Resources:

- Minimum Flows and Minimum Water Levels
- Surface Water Improvement and Management

#### **EVALUATION CRITERIA**

All applications will be reviewed and evaluated based on the criteria noted below.

<b>Evaluation Criteria</b>	Explanation and Guidelines – The Proposed Project/Applicant:	
State and District     Priorities	(1) Is in the Region II RWSP; (2) Will benefit water bodies with adopted MFLs or on the District's MFL priority list; (3) Implements other District plans or priorities, such as a SWIM Plan, and has <i>dual benefits</i> or <i>complementary efforts</i> , as noted below.	
Projected water quantity and other outcomes, results, benefits	(1) Provides regional benefits; (2) Provides <i>dual benefits</i> to water supply and water quality; (3) Has <i>complementary efforts</i> , such as an AWS project that also provides flood protection, water conservation, or recreational benefits; (4) Clearly quantifies the amount of AWS to be made available, the quantity of potable water offset, or for water conservation, the amount saved; (5) Has additional benefits to the community (e.g., socio-economic).	
3. Cost effectiveness, ROI, cost sharing and leveraging, and resource strategies	(1) Demonstrates cost effectiveness, such as capital cost per 1,000 gallons of water made available; (2) Represents a quality return on investment (ROI), i.e., the amount of local cooperator funding leveraged by the state grant, while recognizing funding limitations of REDI and other economically disadvantaged communities; (3) Is part of a local capital improvement plan or budget; (4) The degree to which applicant has leveraged additional funding sources to complete the project.	
4. Applicant capacity, local commitment, past performance, and readiness for implementation	(1) Is ready to proceed and can be implemented in a timely manner; (2) Has demonstrated local commitment to the project, e.g., match funding and public support; (3) Is committed to complete project within 24-36 months or less; (4) If previous DEP/District grant recipient, projects and project activities have been on schedule and on budget; (5) Has anticipated potential obstacles or challenges and has a plan or strategies in place to overcome them.	

## **ECONOMICALLY DISTRESSED / FINANCIALLY DISADVANTAGED COMMUNITIES**

An economically distressed county or community is defined in section <u>288.0656</u>, F.S., under the Rural Economic Development Initiative (REDI). An economically distressed, or "financially disadvantaged small community" is also defined in section <u>403.1838(2)</u>, F.S. For more information, visit <u>www.floridajobs.org/business-growth-and-partnerships/rural-and-economic-development-initiative/rural-definition/rural-communities</u> or call (850) 717-8520.

#### **APPLICATION PROCESS**

A notice of funding availability (NOFA) is announced through email, the District's website (<a href="www.nwfwater.com">www.nwfwater.com</a>), and in the Florida Administrative Register (<a href="www.flrules.org">www.flrules.org</a>). Interested parties may obtain the application form from the District's website or by calling or emailing the District. Applicants with multi-phase projects are encouraged to schedule a call or virtual meeting with the District prior to submitting their applications. Project applications must be submitted on or before the due date as noted in in the **Funding Cycle Schedule**.

<u>Multi-Year Projects</u>. Previously approved multi-year projects are not required to complete and re-submit an application form each year; however, because past performance is a factor in project evaluations and selections, regular progress reports demonstrating all tasks and deliverables on schedule and on budget is essential. Depending on the size and scope of the project, the District may have other questions or deliverable requirements if funding opportunities continue and when assembling and submitting project recommendations to DEP annually in May.

#### **FUNDING CYCLE SCHEDULE**

Activities or Event	Date(s)
Notice of Funding Availability (NOFA) Posted	December 8, 2020
District communications with project applicants (if requested)	Between NOFA and Application Due Date
Application Due Date*	February 23, 2021
Evaluation of project applications	February-March 2021
List of projects and funding recommendations presented to the District Governing Board for approval	April 2021
Projects evaluated by DEP	Summer 2021
Notice of funding status to applicants	Fall 2021

<sup>\*</sup>Funding applications must be received no later than 11:59 PM Eastern Time.

## TO SUBMIT OR APPLY

Applications with supporting materials shall be transmitted by email to: <a href="mailto:grants@nwfwater.com">grants@nwfwater.com</a>. It is recommended that applications be sent with read receipt enabled. Please note the maximum electronic mail size that can be received is 15 MB. If sending a submittal approaching this size, it is recommended that successful transmission and receipt be separately verified. All applications for funding must be received on or before the due date noted in the *Funding Cycle Schedule*.

# PROJECT SELECTION AND AVAILABILITY OF FUNDS

The District will review all applications for basic minimum requirements, conduct initial screenings, then evaluate and short-list projects according to the *Application Guidelines*, *Evaluation Criteria*. Final selections and formal recommendations will be presented to the District's Governing Board for approval, and upon approval, the recommended projects will be

forwarded to DEP in May 2021 for funding consideration. Recommendations may include partial funding of specific segments of project submittals.

Funding for AWS projects is provided by the Florida Legislature and Governor via General Appropriations and the Water Protection and Sustainability Program (WPSP) Trust Funds. DEP facilitates funding to the water management districts.

Note that communication between District staff and an applicant about a particular project does not imply funding for that project. No funding decisions are final until 1) approved by the District Governing Board, 2) approved by DEP, and 3) projects are approved in state and District FY 2021-2022 Adopted Budgets.

#### **NOTIFICATION OF AWARDS**

All applicants will be notified of final project funding decisions and applicants will be notified according to the *Funding Cycle Schedule*. A list of funded projects and a location map of awarded projects will also be posted on the District's website.

## **CONTACT INFORMATION**

For additional information or assistance, please contact:

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