



# **CAL FIRE Forest Health Grant**



**Item Number:** 12  
**Meeting Date:** 09-07-2021  
**Meeting:** Board of Directors

## Informational Item

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**TO:** Board of Directors

**FROM:** Shaun Horne, Watershed Manager

  


**THROUGH:** Ben Horenstein, General Manager

**DIVISION NAME:** Watershed

**ITEM:** Grant and Legislative Program Update

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### SUMMARY

Staff will provide a presentation relating to recent grant activities, drought funding opportunities, and legislative activities of interest to the District.

### DISCUSSION

District grant efforts in 2021 have targeted funding for several wildfire, fuel reduction and forest health projects. In the last two months, the District has secured two grants for our forest health and wildland fire reduction efforts. The District secured a \$1.088M grant from the California Coastal Conservancy's Forest Health and Wildfire Resiliency Grant Program, which the Board accepted at the July 6, 2021 Board of Directors meeting. The District working in collaboration with One Tam and Marin County Parks and Open Spaces submitted a \$3.5M grant application to the Cal Fire Forest Health Program. On August 5, 2021, One Tam received an award letter from Cal Fire, the District will receive \$3M for forest health project work on the watershed.

In response to the current drought, staff has been evaluating and applying for funding for priority drought projects, water conservation, water supply infrastructure projects and natural resource restoration projects. The District, with help from the Office of Assembly Member Marc Levine, applied for state funding assistance for the Pine Mountain Tunnel Project. As a result, the State directly awarded Marin Water \$1M for the Pine Mountain Tunnel Project. The award is making its way through appropriations and will be brought back to the Board of Directors for approval in the Fall of this year.

### Recent Grant Funding Applications

The table below describes the status of grant applications submitted by the District in 2021.

Project	Funder	Amount	Status	Date
Mt. Tam Watershed Fuels Reduction	Coastal Conservancy	\$1.088M (MMWD \$808K)	Awarded	July 2021
Mt. Tamalpais Forest Health Initiative-One Tam Phase I	CALFIRE Forest Health Pgm.	\$3.5M (MMWD \$3.1M)	Awarded	August 2021
Pine Mtn. Tunnel Replacement	State Budget/Member Request	\$1M	Awarded	July 2021
Azalea Hill	California Department of Parks and Recreation	\$850,000 (award increased by \$150,000)	Awarded	February 2021
Smith Saddle Tank Replacement	Water Infrastructure Finance and Innovation Act (WIFIA)	\$12M	Applied	July 2021
Lagunitas Creek Stream Release Enhancement	CDFW	\$2M	Completed consultation; applying	July 2021
Lagunitas Creek Coho Enhancement Plan (Phase 1)	CDFW	\$1M	Completed consultation; applying	July 2021

District staff have begun to seek infrastructure funding from federal and state budgets passed in July of this year. An initial request was submitted in July for a Water Infrastructure Finance and Innovation (WIFIA) loan from the United States Environmental Protection Agency (EPA), for the Smith Saddle Tanks Rehabilitation Project. Staff will continue to seek more funding for priority projects and is working to align projects with upcoming funding opportunities.

### Status of Future State and Federal Drought Funding

The District's grants and legislative program is currently focusing on tracking funding for water infrastructure and drought relief, in coordination with industry groups such as Association of California Water Agencies (ACWA), California Municipal Utilities Association, and TOGETHER Bay Area. The District is also in the process of bringing on addition support through a contract with a consultant to assist with grant funding outreach and legislative activities to help further advance funding opportunities for critical drought projects.

### State Options for Funding:

The 2021 legislative session focused early in the year on awarding supplemental funding, which is shown in the fire-related funding and the successful member request awards to the District to be received as grant funding. In July, following the passage of Gov. Newsom's budget, a Senate trailer bill, SB 129, appropriated funding for a \$2.4B drought relief package.

Of the \$2.4B package, much of the funding was reserved for small water systems and groundwater management projects. The District is tracking several of the funding allocations closely:

- \$1.3 billion to the State Water Resources Control Board (SWRCB), \$650 million of which will be available for drinking water projects, \$650 million for wastewater projects, \$85 million for groundwater cleanup and water recycling projects.
- \$100 million General Fund to DWR for water conveyance.

These two funds are seen as potential opportunities to fund critical District drought relief projects. District staff have been engaging with staff from both the State Water Board and the Department of Water Resources, and will be ready to apply for funding made available in subsequent solicitations.

### Federal Options for Funding:

Another key target will be the recently passed \$1.2T Bipartisan Infrastructure Framework, which contains the full text of the Drinking Water and Wastewater Infrastructure Act (S. 914):

- **Drinking Water and Clean Water State Revolving Funds (SRFs), \$23.4 Billion:** This program funding will be conveyed to the State level SRFs, and could provide an opportunity for long-term low cost loans for District drought projects.
- **US EPA and other agencies Drinking Water and Wastewater projects: \$55 billion:** This funding may be available for the District's Emergency Intertie Project as well as the San Quentin recycled water project.

Of particular interest is \$350B in potential allocations to states for State Revolving Funds (SRF). SRF loans, which are partially forgivable, are commonly used in California to fund recycled water projects as well as other water infrastructure projects.

**Drought Funding Opportunities**

Agency/Program	Funding Vehicle	Program Amount	Potential District Targets	Date Solicitation Expected
State Water Resources Control Board (SWRCB)/ Drinking Water Projects	Senate Bill 129 (General Fund)	\$650M	Emergency Intertie; Pine Mountain Tunnel	Fall 2021
Department of Water Resources (DWR)/ Multi-benefit Projects	Senate Bill 129 (General Fund)	\$200M	Emergency Intertie	Fall 2021
DWR/ Water Conservation and Water Supply Reliability	Senate Bill 129 (General Fund)	\$10M	Water Conservation Programs	TBD
SWRCB/ State Revolving Fund Loan Program	Pass-through from Federal Water Infrastructure Act of 2021	\$23.4B (national)	Emergency Intertie, other water infrastructure projects	Late 2021/Spring 2022
California Department of Fish and Wildlife/ Fisheries and Wildlife Support	CDFW	\$33M	Lagunitas Creek Coho Enhancement Plan	Fall 2021
US Bureau of Reclamation/WATERSMART	S. 914 Federal Water Infrastructure Act	\$400M (national)/\$2 million per entity	AMI; Water Conservation Programs; Watershed Restoration	Fall 2021

**COVID Relief Funding**

- The State Water Board will be administering the California Water and Wastewater Arrearage Payment Program (Program). There will be \$1 billion in funding available for Water Districts to cover COVID 19 financial losses relating from outstanding water bills for the period of March 4, 2020 through June 15, 2021. The District responded to an initial needs based survey which will be used by the State Water Board to determine funding allocations. A funding application process is expected to open in early October and the District will be applying for funding support to cover past due bills.
- The American Rescue Plan Act of 2021 (“ARPA”) provides \$350 billion in additional funding for state and local governments. The local funding portion for Marin County is approximately \$130 billion, equally divided between cities and counties.

### Legislative Update

- **SB 427:** This bill would authorize the legislative body of a local agency, to adopt an ordinance that provides for enhanced penalties for prohibited water theft. The bill would require the local agency to adopt an ordinance that sets forth the administrative procedures governing the imposition, enforcement, collection, and administrative review of the administrative fines or penalties for water theft and to establish a process for granting a hardship waiver to reduce the amount of the fine.
- **AB 148:** The California Water and Wastewater Arrearage Payment Program (Program), passed as part of the Assembly Bill 148, is being developed and implemented by the State Water Resources Control Board. This program will provide funding for “community water systems” that have experienced revenue shortfalls and arrearages on water and wastewater bills during the COVID-19 pandemic.

Staff will present details on these grant and legislative initiatives during the meeting.

### FISCAL IMPACT

No fiscal impact

### ATTACHMENT(S)

1. Cal Fire Grant Award Letter

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION**

P.O. Box 944246  
SACRAMENTO, CA 94244-2460  
(916) 651-2022  
Website: [www.fire.ca.gov](http://www.fire.ca.gov)



August 5, 2021

Claire Mooney  
Golden Gate National Parks Conservancy  
Building 201, Fort Mason  
San Francisco, CA 94123

**RE: Project Application for the CAL FIRE Forest Health Direct Award Grant Program**

Dear Mr./Ms. Mooney:

Congratulations! We are pleased to inform you that your Forest Health project "Mt. Tamalpais Forest Health Initiative-One Tam Phase I" (20-FH-MRN-911) has been selected for funding through the Forest Health Direct Award Program.

CAL FIRE will send a grant agreement via email within the next thirty (30) days. CAL FIRE will also request any additional documents (such as [Std 204 Payee Data Record](#), final [Board Resolution](#), etc. if applicable) needed to be submitted with your grant agreement. You are responsible for returning the signed agreement electronically. It must be received by CAL FIRE by the date given on the grant agreement correspondence. If your entity requires original signatures, you may return two (2) single sided copies of the agreement in lieu of the electronic copy.

Project work is limited to the specific activities as depicted in your application's Project Description, Scope of Work, and Budget. Eligible grant-related expenses that are incurred are reimbursable only after the grant agreement has been executed. Please note that your project application, all documents that accompanied your application, and the 2020/2021 Forest Health Program Direct Award [Grant Guidelines](#) will be part of the grant agreement by reference.

If you have questions about the grant agreement, or about the process involved in being offered grant funding, please contact us at [ForestHealth@fire.ca.gov](mailto:ForestHealth@fire.ca.gov).

Sincerely,

A handwritten signature in black ink that reads 'Angela Lottes'.

Angela Lottes  
Assistant Deputy Director, Climate and Energy