

GRANTS AWARDED IN FISCAL YEAR 2026

U.S. Environmental Protection Agency (EPA) for Pure Water Silicon Valley: Valley Water will receive \$1.09 million in funding for the Pure Water Silicon Valley Project, provided via congressional appropriation through the EPA and sponsored by U.S. Representative Ro Khanna (CA-17). Staff is now working with EPA to secure the funding.

Senate Bill 1 (SB1, 2021) Sea Level Rise Adaptation Planning Grant: In July 2025, Valley Water, the County of Santa Clara, six local cities, and the Valley Transit Authority submitted a joint application to develop a Subregional Shoreline Adaptation Plan. \$2.67 million in funding was awarded on September 30, 2025. The funding will be used to hire a consultant to facilitate the regional plan. Currently, Santa Clara County is in the process of selecting and onboarding the consultant for this purpose.



Purified Water Silicon Valley Advanced Water Purification Center

GRANT REIMBURSEMENTS SUBMITTED

Natural Resources Conservation Service (NRCS) for the Upper Llagas Creek Flood Protection Project (Upper Llagas): To date, Valley Water has submitted three payment requests to NRCS for Upper Llagas. In December 2025, Valley Water received \$5,799,324.13, followed by \$15,307,642.57 in March 2026 and \$32,917,695.91 in May 2026.

SUBMITTED OR PENDING APPLICATIONS

California Department of Water Resources (DWR) Dam Safety & Climate Resilience Grant Program: In October 2024, Valley Water submitted a \$24 million grant application to the DWR for the Anderson Dam Seismic Retrofit Stage 2 Diversion (ADSR) Project. The application must be resubmitted to comply with Proposition 4 requirements.



Anderson Dam Seismic Retrofit Project Completion of Pipeline Extension, February 2026

Staff is compiling information to resubmit the ADSR application, increasing our proposed request to \$29 million to account for project cost increases, and to develop a new, \$20 million application for the Calero Dam Seismic Retrofit Project. Staff will proceed with developing submittals upon DWR's adoption of the final guidelines and formal opening of the solicitation.

Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) for Sunnyvale East Channel Flood Protection Project: Submitted December 2024 for \$24.2 million. On April 7, 2026, the California Office of Emergency Services (CalOES) requested that Valley Water post a Public Notice, indicating FEMA's intent to begin the environmental and historic preservation processes soon. Staff have since responded to two Requests for Information from CalOES, and we will continue to coordinate with them.

PLANNED APPLICATIONS

U.S. Economic Development Administration (EDA) FY25 Disaster Supplemental Grant Program:

Valley Water is preparing to submit a \$19.5 million grant application to EDA for the ADSR Project. The proposed submittal has been approved by the Chief's Collective and is undergoing internal review. Staff will seek Board authorization to apply for this federal funding before submission.



Live Oak Restoration Reach Project

FEDERAL UPDATE

The only pending Federal grant application for Valley Water is the FEMA HMGP grant application, submitted in 2023, for the Sunnyvale East Channel Flood Protection Project, which was discussed on the previous page. If and when Federal funds are made available under the current Administration, staff will evaluate any opportunities against Valley Water prioritized projects.



*Chinook salmon (*Oncorhynchus tshawytscha*) in the Guadalupe River*

STATE UPDATE

On April 27, DWR released draft Dam Safety and Climate Resilience Grant Guidelines and a Proposal Solicitation Package for public review. The program allocates approximately \$480 million, with an estimated \$228 million available in the upcoming solicitation. It is intended to provide funding for repairs, rehabilitation, and seismic retrofits of existing state-regulated dams to improve public safety, restore water storage capacity, reduce flood risk, and enhance climate resilience.

Staff continues to evaluate State funding opportunities as they are released to determine if they are a good match for Valley Water projects. Many State funding sources are currently being channeled via Proposition 4.



Calero Dam and Reservoir

OTHER NEWS

Valley Water is actively strengthening partnerships with local foundations to advance shared priorities. Staff are identifying and pursuing strategic philanthropic prospects to support and accelerate the delivery of key capital projects.

The Grants, Management, Compliance, and Claims Unit (GCCM) has launched a four-part lunch-and-learn series to inform key internal staff on how to comply with new federal funding requirements. The new, more centralized pre- and post-award grant capabilities at Valley Water will also be discussed, along with new tools to help project teams needing funding.