

## Funding Options – Pacheco Reservoir Expansion Project

	Description	Amount	Time to Development	Risk Level (likelihood of securing the funding)	Status
1	Water rates & charges (pay-go and bond financing)	Subject to Board approval (max ~11% rate increase if no WIFIA or other external funding except for 2.5% SBCWD portion)	Annual board approval process	Medium – rate affordability issues	Annual rate setting process
2	WSIP/Prop1 Grant (1st round)	Maximum Conditional Eligibility Decision (MCED) funding level \$497M	1 – 2 years	Low for the initial MCED allocation	Legislative timing/risk of funding becoming unavailable if California Water Commission (CWC) is unable to reallocate to other projects by Oct 2021; statutory deadline to complete feasibility study & draft EIR to maintain MCED allocation (\$497M)
3	WSIP/Prop1 Grant (2nd round)	~\$64M in additional grant amounts may be available via 2nd solicitation in 2021	1 – 2 years	High – competitive process to reallocate additional funding due to project withdrawals	Legislative timing/risk of funding becoming unavailable if CWC is unable to reallocate to other projects by Oct 2021
4	WIFIA loan	49% of project costs (~\$1B)	1 – 3 years	Medium – competitive process	Waitlist from 2020 NOFA; possible resubmittal of LOI in Spring 2021 (EPA)
5	San Felipe Facilities Expansion – USBR co-operative agreement	Potential for up to \$250M to build pump station and conveyance related to San Felipe	1 – 3 years	Medium – pending Reclamation project development/timing	May be structured similar to the Pacheco pump station project
6	General Obligation (GO) Bonds	TBD – 2/3 voter approval required	1 – 4 years	High	Require District Act amendment to allow GO Bonds and 2/3 voter approval to levy ad valorem tax
7	FEMA Hazard Mitigation grant	Up to 75%; competitive proposal process; federal funding limit of 80% applies	1 – 3 years	Medium – competitive process	Staff is researching eligibility with CalOES/EPA; funding timing depending on declaration of natural disaster (e.g. drought, flood protection, etc.)
8	Building Resilient Infrastructure and Communities (BRIC) grant (FEMA)	Grant may fund up to 75% of project cost; competitive proposal process; federal funding limit of 80% applies	1 – 3 years	Medium – competitive process	Next funding application ~Sept. – Dec. 2021; grant proceeds for each phase of project must be expended within 3 years of funding. BRIC offers up to \$600,000 in State competitions and up to \$50 million in National competitions. Federal funding is 75% of eligible project costs. More research needed for process/eligibility.
9	USBR WaterSMART grant	To be researched	1 – 2 years	Medium – competitive process	Next funding application for grants of up to 50% of project costs, capped at \$400,000 per project for water storage marketing in April 2021; more research needed for this and other similar future grant opportunities; most likely will be an annual application process
10	DWR grant	Flood risk protection grant \$25M statewide	1 – 2 years	Medium – competitive process	Next funding application in summer 2021; more research needed for eligibility/amount; may be an annual application process
11	Other Federal/State grant	TBD – SLLPIP funding/USBR partnership or other federal infrastructure investments pending congressional actions.  Advocate for statewide bond measure to fund dam/reservoir projects	1 – 5 years	High – uncertainties associated with congressional legislation; competitive allocation; budget appropriation	Office of Government Relations to identify additional funding opportunities
12	Public agency participation	Depends on participation level and affordability	1 – 2 years	Medium – competing against other storage options	Staff are researching value of emergency water supply
13	Corporate sponsorship/grants	TBD	1 – 3 years	High	Funding amount/eligibility uncertain; research/outreach required to corporate philanthropy department; researching top taxpayer/employers within county such as Google, Stanford, Apple, Adobe, Sobrato, Cisco, etc.
14	Private investment (P3)	Depends on participation level	2 – 4 years	High – legal limitation (private use & life safety liability)	3/2/21 call with Jill Jamieson: DBF/DBFM possible; recommend RFI to test market interest; life safety/public entity legal immunity risk may preclude P3 O&M contract

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