

# Savings Through Efficiency Program (STEP) Grant Guidelines and Terms



## STEP Grant Overview

The Savings Through Efficiency Program (STEP) Grant is a program designed to encourage water users in Sweetwater Authority's service area to implement equipment retrofits or innovative projects/devices which maximize the efficient use of potable water for approved uses.

The Authority encourages pilot water efficiency improvement projects to submit STEP Grant applications. Incentive awards are limited to a maximum of \$5,000 per project. Applications will be accepted from July 1, 2019 through June 1, 2020 or until funds are exhausted. Limited funding is available for the program; this is a reimbursement incentive only. Projects must be completed by June 10, 2020 and all payment requests (including supporting documents) must be received from the applicant by June 15, 2020.

Grant funding is available on a first come, first serve basis. Contact Doug Roberts in the Sweetwater Authority's Water Efficiency Program at [waterefficiency@sweetwater.org](mailto:waterefficiency@sweetwater.org) or 619-409-6779.

## Definitions

Terms used in this grant application package have the meanings described below:

**Applicant** – retail customer seeking grant funds from the Authority for a proposed equipment retrofit of existing water using equipment, pursuant to the instructions and guidelines set forth in this application package.

**Award** – the decision by the Authority to provide grant funds, following the review and evaluation of a completed application. An award is made through a Grant Agreement.

**Grant Agreement (Agreement)** – a written contract between the Authority and the recipient of grant funds, which includes the obligations and conditions governing the use of grant funds.

**Pre-Project Inspection** – required inspection to verify project information.

**Post Project Inspection** – required inspection to verify installation of qualifying equipment and meter information.

**One Hundred Cubic Feet (HCF)** – a measure of water expressed as one hundred cubic feet (HCF). One HCF is equivalent to 748 gallons of water.

**Reservation Letter** – a written notice of the reservation of grant funds.

**Site Inspection** – optional inspection to verify continued operation of grant-funded equipment. Inspection may be arranged with the Applicant, at the discretion of the Authority, for up to 5 years from completion of the project.

# **I. Grant Guidelines**

## **Eligible Applicants**

Grant funds are available to any institutional, industrial or commercial user who receives a water bill directly from the Authority for their own water use. Applicants may include city departments, hospitals, schools, developers, landlords, and businesses that receive a water bill directly from the Authority.

Proposed activities must meet all of the criteria set forth below to qualify for a STEP Grant. Activities that do not meet one or more of the criteria listed below will be deemed ineligible.

## **Eligible Criteria**

### **Grant Application/Documentation**

- Project must be located in the Authority's Service Area, and the Project Applicant must be the Sweetwater Authority account holder. The account must be active and in good-standing.
- Project must be able to reduce onsite water use by a minimum of 100 HCF annually.
- Equipment must be permanent and be operated for a minimum of 5 years. If equipment is not operated for a minimum of 5 years, the participant may be required to reimburse the Authority the entire grant funding amount received.
- Applicant must have the financial resources and adequate cash flow to purchase and install the efficiency improvements. This is a reimbursement incentive only; funds will not be distributed until after the project has been completed, inspected and approved by Authority personnel.
- Where applicable/available, projects must utilize Energy Star or WaterSense labeled technology.
- The Applicant must provide a complete grant application package, including itemized equipment cost documentation.
- Between March 1 and March 31, qualifying Fix A Leak repairs made by commercial, industrial, and institutional (CII) customers are eligible for STEP grant funding.

## **Grant Terms and Process**

### **Step 1 – Grant Application**

- The Applicant submits a complete application, including any required environmental documentation and permits, and other supporting documentation.
- After reviewing and approving the application, Authority staff will conduct a required onsite pre-project inspection. Upon successful completion of the inspection, Authority staff will send a Reservation Letter confirming that funds are being reserved, and identifying for the Applicant any additional documents that must be submitted to receive award and payment.
- A Reservation Letter is a provisional reservation, made on a case-by-case basis and subject to availability of funds, and does not guarantee that award will be made.

### **Step 2 – Project Implementation**

- The Applicant will then purchase and install water saving equipment.
- Upon completion of the project/device, the Applicant will submit to the Authority original Proof of Payment for qualifying equipment, and contact Sweetwater Authority's Water Efficiency Program at [waterefficiency@sweetwater.org](mailto:waterefficiency@sweetwater.org) or 619-409-6779 to schedule a post inspection.

### **Step 3 – Grant Agreement**

- Authority staff will conduct a post-project inspection of equipment purchased/installed and confirm final grant amount.

- If the Authority deems the documentation provided in Step 2 and the results of the post-project inspection satisfactory, it will process payment to the Applicant.
- Authority reserves the right to perform a follow-up site inspection up to 5 years after completion.

### Expiration

A STEP Grant reservation is valid through the date noted on the Reservation Letter. If a reservation expires, a new application may be submitted. Extensions for the expiration of the grant reservation may be granted at the discretion of Authority staff and must be obtained in writing. Once a Reservation Letter is issued, the proposed project must be completed by June 10, 2020 to be eligible for potential funding.

The purpose of this STEP Grant is to encourage and support customers who are taking steps to reduce or offset the use of drinking water supplies. The Authority reserves the right to evaluate each activity on a case-by-case basis.

### Payment

The Applicant must submit the following to the Authority:

- Proof of purchase/installation documentation, including invoice and back-up documentation (receipts for purchases, etc.) for the work completed and paid.

Site inspections may be conducted for any grant-funded activities selected at the discretion of the Authority for up to 5 years from completion of the project. Authority staff will contact the Applicant to arrange visits.

### Grant Funding

#### Funding Requirements

- Funding will be provided based on 1) the evaluation of each application per the rules noted above, and 2) the availability of funds.
- STEP Grant funding amount will be calculated at \$1.00 per HCF for a minimum 5 year project lifespan, based on water savings to be achieved by the project.
  - Water saving estimates will be based upon manufacturer product specifications. At the Authority's discretion, water saving's may be calculated using industry-established/published water savings amounts.
  - The maximum funding level is \$5,000 or 60% of the project cost (whichever is the lesser amount).
- Activities must be completed by June 10, 2020.
- Expenses incurred prior to the execution of the Grant Agreement are not eligible for reimbursement.
- Invoices from suppliers must be sufficiently itemized to identify project equipment cost from other labor or miscellaneous costs.
- Costs associated with labor, shipping, tax, and maintenance are not eligible for grant funds.
- Water saving estimates will be based upon manufacturer product specifications. At the Authority's discretion, water saving's may be calculated using industry-established/published water savings amounts.

### Tax Considerations

STEP Grant funds count as income and therefore may be taxable. It is the responsibility of the Applicant to determine whether a tax liability exists.

### Permits

All activities must comply with applicable local, state, and federal permit requirements.

Project must meet all applicable local, state, and federal laws, regulations and ordinances, including environmental review as applicable. It is the responsibility of the Applicant to determine whether permits are required and to take appropriate action to comply with applicable laws, regulations, and/or ordinances.

## ***II. Grant Evaluation***

Applications must meet all of the eligibility criteria listed under STEP Grant Application and the Project Documentation steps listed under Section I. Grant Guidelines:

- Grant applications will be reviewed on a pass/fail basis against these eligibility criteria. Applications that meet all of the eligibility criteria are further subject to the availability of funds.

## ***III. Grant Application***

The STEP Grant will be a two-step solicitation process. The first step is to submit the attached application/agreement, which must include an estimated budget and schedule. Applications will be evaluated based on the eligibility criteria described in Section I, and funds may be reserved, subject to availability. Successful Applicants will then be asked to enter into a Grant Agreement. This second step of the grant process will be completed when the project has been successfully post inspected.

Completed applications should be emailed to [waterefficiency@sweetwater.org](mailto:waterefficiency@sweetwater.org) or delivered to:

Sweetwater Authority  
Water Efficiency  
Program 744 F St  
Chula Vista, CA 91910

All applications will be initially reviewed for completeness, and reviewed for potential approval upon receipt of a complete application by Authority staff. Funding decisions will be made based on eligibility and availability of funds, as described in this application package.

For questions about the STEP Grant program or if you require assistance in completing a grant application, please email the Authority's water efficiency program at [waterefficiency@sweetwater.org](mailto:waterefficiency@sweetwater.org) or contact the Authority at (619) 409-6779.

# Savings Through Efficiency Program (STEP) Grant Application



Activity Information	
Project Type:	
Installation Address:	
Device Lifespan:	
Location of Proposed Activity:	
Brief Description:	

Applicant Information			
Applicant:		Account Number:	
Contact Person:			
Mailing Address:		Zip Code:	
Day/Work Phone:		E-Mail Address:	

Project Cost	
Total Project Cost:	\$

Water Use	
Does the proposed activity result in a direct offset or reduction of potable water use? <input type="checkbox"/> YES <input type="checkbox"/> NO	
If yes, what is the yearly estimated potable use offset or reduction (in hundred cubic feet, HCF)?	Do you predict at least a 100 HCF reduction as a result of implementing this project? <input type="checkbox"/> YES <input type="checkbox"/> NO
Please indicate the current annual average consumption of potable water (in HCF).	

Hold Harmless and Indemnification Agreement
<p>I certify I have read, understand and agree to the terms and conditions of this grant program. The undersigned expressly agrees that the Authority may inspect all qualifying equipment installations; that installation of equipment may not result in lower water bills; and that the Authority does not warrant any equipment or installation to be free of defects, the quality of workmanship, or the suitability of the premises for equipment installation. The undersigned further agrees to defend, indemnify and hold harmless the Authority, their directors, officers, and employees, against all loss, damage, expense, claims, suits and liability, including attorney's fees resulting from the loss, destruction or damage to property arising out of or in any way connected with the equipment or installation.</p>
<p>Name (print): _____ Signature: _____ Date: _____</p>

**Required Supplemental Information**

Please attach a detailed description of the proposed activity, including the following:

- ⑧ **Project Description.** The description of the proposed activity should indicate the type of equipment retrofit(s) or innovative project/device proposed, amount of potable water offset or reduction that is being proposed, and the calculations that were used to determine that amount. The description should also include a monitoring / measuring plan that describes how water savings will be monitored following the implementation of the proposed activity.
  
- ⑧ **Work Plan and Project Schedule.** List specific tasks you will undertake to complete the proposed activity. Provide as much description of each task as possible. You may use additional sheets as necessary. Next to each activity, identify who will be responsible for carrying out the activity. Estimate the date the activity will be completed (month and year). Feel free to attach additional information as needed.

<b>Project Work Plan and Schedule</b>			
<b>Task Number and Description</b>	<b>Responsible Person/Group</b> <i>(Note if work will be performed by in-house staff or through a contractor)</i>	<b>Estimated Start Date</b>	<b>Estimated Completion Date</b>

- ⑧ **Project Budget.** If you have more line items than the grid below provides for, use another sheet of paper (or add rows if you are using MS Word). Please note that the total budget you include in this grant application is final.

Project Budget				
Equipment Installed	Make and Model	Quantity	Cost (per)	Total Item Cost
Additional Funding Sources				
Name of Entity	Program Name		Total Anticipated funding	
Labor				
Contractor Install	\$	Self-Install (Estimated Hours)	Hours:	
<b>Total Amount Requested:</b>	<b>\$</b>		<b>Total Budget:</b>	<b>\$</b>

- ⑧ **Permits/Permission.** List the permits (i.e. building, plumbing, CEQA compliance, etc.) that must be secured (along with the approving entity) for the proposed activity. Attach proof of project approval or permission.

Type of Approval Required	Approving Agency / Approval Date
_____	_____
_____	_____