

CENTRAL CALIFORNIA IRRIGATION DISTRICT

ON-FARM WATER CONSERVATION LOAN and GRANT PROGRAM POLICY

Adopted: February 14, 1990

Revised: January 18, 2023

1. All projects must be for the benefit of the CCID service area. However, CCID will assist consumers in coordinating with adjoining districts to accomplish mutually beneficial projects. As further assistance, CCID's staff will compile and maintain a list of additional funding sources available for projects.
2. Types of Projects.
 - a. Concrete-lined Ditches, Pipeline installations, Tailwater Return Systems, Micro-Irrigation Systems, Drip Tape Irrigation Systems (cost of tape material excluded) and Community Ditch upgrading will be accepted by CCID staff. Installation of deep wells and projects for Urban Development are excluded.
 - b. On properties where prior funding has been issued, the life cycle of the project funded must be expended before additional funding can be requested.
 - c. All other proposed projects will require consideration by the Water Conservation Committee.
3. The factors considered in order to determine project funding and/or funding priority include but are not limited to:
 - a. Quantity and cost per acre-foot of water conserved
 - b. Reduction of soil erosion
 - c. Reduction of suspended solids in irrigation facilities and drains
 - d. Reduction of impacts of drainage discharges
 - e. Reduction of leakage from aged facilities
 - f. Benefits to drainage impacted areas which reduce quantities or improve quality of drainage discharged
 - g. Protection of groundwater
4. As part of the application process, the applicant must meet with District staff to analyze the applicant's conservation project. A design and cost estimate shall be submitted to the District and will be used as the maximum funding allocated for completion of said project. This shall be completed and reviewed before any funds can be committed to a project. Any subsequent alteration in cost or design of the project will not be permitted without additional approval from the Water Conservation Committee.
5. Projects involving community ditches are encouraged to maintain or enter into a Permanent Maintenance Agreement.
6. No work is to be done until the project is approved, and a pre-construction meeting is accomplished identifying applicable Natural Resource Conservation Service (NRCS) construction standards to be utilized. Work must be commenced within six months of approval. The project shall be completed within 18 months of project approval.
7. Ditch and Pipeline projects will be funded at 50% project costs up to \$600 per acre benefitted. All other projects will be funded at 25% projects costs up to \$600 per acre benefitted. The maximum to be loaned is \$1,000.00 per acre benefitted, not to exceed a \$500,000 loan balance owed per in-District entity. The maximum to be granted is \$600.00 per acre benefitted, not to exceed \$300,000 per year per in-District entity. For Class II entities, loan balances shall not exceed \$460,000 and grants shall not exceed \$240,000.
8. The term will be 5 years, except under the following conditions, where the term may be extended up to 10 years:

- a. The conservation project involves the lining or undergrounding of a community ditch.
 - b. When the total loan request, combined with the amount owed under any previous water conservation loan, exceeds \$500.00 per acre.
9. The loan will be secured as a recorded lien against the county-assessed parcel involved. The Landowner will be required to sign the repayment agreement document.
10. The Landowner is required to sign a Grant Acknowledgment letter to receive grant funding. An Assignment of Benefits letter is available to facilitate payment of grant proceeds directly to the applicant, if so desired.
11. The District will issue payment upon final inspection and completion of the project. Payment will be made to the Landowner. The District's payment will be made after all other funding sources have been awarded. Such payment shall never exceed 100% of the project costs.
12. All loans shall be repaid with single annual payments, due on January 1 each year.
 - a. The initial annual installment will be due on the first January 1 that is more than six months after the loan is issued.
 - b. The principal amount of the loan shall be repaid in equal amounts over the term of the loan
 - c. 3% simple interest on the unpaid principal balance of the loan will be included with each year's billing.
 - d. If an annual installment has not been made by March 1, then the entire loan balance will be subject to 1% per month penalties, compounded monthly, for the remainder of the loan period.