

Committee Request for Board Action: None

38 attendees participated remotely, including a guest speaker and representatives from 18 member agencies, the Regional Water Board, and consulting firms.

Sacramento Area Sewer District – Harvest Water Program [Link to Presentation Slides](#)

- The Committee was excited to receive a captivating overview of the Harvest Water Program, California’s largest agricultural water recycling project. The Program, managed by the [Sacramento Area Sewer District](#), aims at delivering up to 50,000 acre-feet per year of tertiary-treated water to 16,000 acres of agricultural land and ecosystem habitat through over 42 miles of new pipelines. This is a drought-resistant water supply with multiple benefits for the local community.
- The initiative enhances long-term climate resilience by substituting groundwater irrigation demand with recycled water, facilitating a 35-foot recovery in local basins over 15 years and restoring 5,000 acres of habitat.
- Currently, the project is approximately 80% funded - \$417M in Proposition 1 funding, \$30M from USBR, \$15M CA WRFP, and others. First deliveries are projected in 2027.
- The presentation provided a detailed overview of Sac Sewer’s outreach strategies and engagement with land owners which have resulted in signed agreements with dozens of land owners. On-Farm Connection Assemblies are under construction. This is an on-going effort and more agreements are being negotiated.
- Title 22 Engineering Report Approved in August 2025
- NOI for coverage under the RW General Order submitted June 2026

Funding Updates Sachi Itagaki (Kennedy Jenks) reported the following:

State funding:

- State Water Board’s recycled water planning grants can still provide a 50% match for project costs, up to \$300,000 (FY26-27 [SRF Intended Use Plan](#)).
- WateReuse plans to request another tranche of Prop 4 funding in this year’s state budget; Prop 4 has \$150M through 6/30/30. \$15M max for project; and up to 35% of capital cost.
- [iBank](#) has loan capacity and is faster than the State Revolving Fund. Up to \$25M per project.

Federal funding

- USBR Title XVI - NOFO need approved FS report <https://www.usbr.gov/watersmart/title/xvi.html>
 - \$40m; 10 expected awards for 25%
 - 1st application 8/26/26; FS by 6/26/26
 - 2nd application 8/26/27; FS by 1/15/27
- WateReuse National report out on federal WRDA 2026 - for CWA/SDWA/USACOE authorization: WRDA expires at end of 2026
 - **Clean Water SRF:** \$3.5 billion per year for FY 2027-2030
 - **Drinking Water SRF¹:** \$3.75 billion for FY 2027, \$4 billion for FY 2028, \$4.25 billion for FY 2029, and \$4.5 billion for FY 2030
 - **Pilot Program for Alternative Water Source Grants:** \$5 million per year for FY 2027-2030
 - **WIFIA:** \$65 million per year for FY 2027-2030
- Authorizations of these programs need appropriation through federal budget process (uncertain)

BACWA Updates – [Link to Slides](#)

Nutrients Watershed Permit

- Alina shared highlights of interest from the [2025 Group Annual Report](#) submitted April 1, 2026:
 - 2025 Dry season Total Inorganic Nitrogen (TIN) loads were 5% lower than 2024 and lowest since monitoring began.
 - RW is showing as having a fair share of nutrients removed from effluent discharged to the Bay.
 - 14 agencies are pursuing recycled water projects as part of their nutrient compliance strategy.

- Water Quality Trading Program updates:
 - BACWA is working with HDR and [The Freshwater Trust](#) to develop a water quality trading program for the Nutrients Watershed Permit. The effort builds on TFT's [2025 Water Quality Trading Feasibility Assessment](#). A [two-page handout](#) about the proposed trading program is now available.
 - TFT is holding 3 webinars this summer as well as an in-person workshop for permittees. Invitations have been distributed to all agencies with nitrogen limits in the 2024 Watershed Permit.
- Basin Plan Amendment
 - With support from its AECOM consultant, BACWA is working with the Regional Water Board on the development of a [Basin Plan Amendment](#) to allow more than 10 years for implementation of qualifying projects (such as water recycling) in pursuit of compliance with nutrient permit limits.
 - The Regional Water Board is holding a [CEQA Scoping meeting / workshop](#) on July 23.
- EPA Grant
 - BACWA was awarded total \$19.6M grant with target contract date of Aug 1; Phase 1: \$7M for FY26; Phase 2: \$12.6M FY27. Decision expected by October 1 on Continuing Resolution to fund Phase 2.
 - The grant supports projects that reduce nutrients to the Bay, including pilot projects, multi-benefit projects (nature-based and recycled water), and support for water quality trading framework.

AB-2777 Updates (sponsored by WaterReuse CA and CASA)

- Requests increases in SRF funding
- Separately, the bill also includes a definition of “incidental runoff” that is intended to help implement [SB 31](#) from the 2025 legislative cycle.

Onsite Nonpotable Reuse regulations

The State Water Board's regulations for Onsite Nonpotable Reuse were approved by the Office of Administrative Law in April 2026 and are now in effect. Local jurisdictions can now establish local programs that reference the regulations. The regulations will next be adopted into the state's building code by the CA Dept. of Housing and Community Development. The State Water Board is also planning to revise the regulations soon to allow onsite reuse in cooling towers. Also see DDW related updates below.

Division of Drinking Water

At the March 3, 2026 State Water Board [meeting](#), the Division of Drinking Water (DDW) outlined its [Goals for 2026](#). Several of the goals directly relate to recycled water.

- DDW's Goal 9 is to amend the [Onsite Nonpotable Reuse](#) regulations to:
 - Add cooling towers and foundation drainage as possible sources of water
 - Add cooling towers as a potential end use for onsite potable reuse.
- To implement [SB 745](#), DDW is already amending the regulations that were adopted in November 2025. DDW is conducting outreach before developing the regulations.
- DDW's Goal 10 is revising Title 22 regulations to incorporate [SB 31](#) from the 2025 legislative cycle. The work is not scheduled until 2027.
- DDW's Goal 5 is partly related to recycled water. Goal 5 involves [changes](#) to the Cross Connection Control Handbook. These have been proposed in April 2026.

Announcements/Reminders/Agency Updates

- Materials from the BACWA Annual Members Meeting held on May 1st are available [here](#).
- [WaterReuse](#) California Annual Conference - August 24-26, San Francisco

Next Meeting: October 20, 10:30 AM on MS Teams