

State of California

CLEAN WATER STATE REVOLVING FUND

and

The Water Quality, Supply, and Infrastructure  
Improvement Act of 2014

(Prop 1)

and

The California Drought, Water, Parks, Climate, Coastal  
Protection, and Outdoor Access for All Act of 2018 (Prop 68)

**INTENDED USE PLAN**

**STATE FISCAL YEAR 2020-21**

**(FEDERAL FISCAL YEAR 2020 CAPITALIZATION GRANT)**

**WITH SUPPLEMENTAL**

**INTENDED USE PLAN**

**(ADDITIONAL SUPPLEMENTAL APPROPRIATIONS FOR  
DISASTER RELIEF ACT OF 2019 (ASADRA) CAPITALIZATION  
GRANT)**

*Division of Financial Assistance • 1001 I Street • Sacramento, CA 95814*

*Approved by: State Water Resources Control Board*

*June 16, 2020 - Resolution No. 2020-0023*

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# I. INTRODUCTION

Water is one of the most essential natural resources in California. The State Water Resources Control Board (State Water Board) and the nine Regional Water Quality Control Boards (Regional Water Boards), collectively the Water Boards, protect and improve water quality in California through several regulatory and financial assistance programs.

The federal [Clean Water Act](#) (CWA) established the Clean Water State Revolving Fund (CWSRF) program to finance the protection and improvement of water quality. The CWSRF program has protected and promoted the health, safety, and welfare of Californians since 1989. Many of the projects funded by the CWSRF program address wastewater discharge violations or enforcement orders issued by the Regional Water Boards. Every project is directly related to protecting or improving public health, water quality, or both.

The State of California also periodically allocates funding to the State Water Board for financing programs that help protect and improve water quality. Many of these programs can be used in conjunction with the CWSRF program.

This Intended Use Plan (IUP) describes the State Water Board's plan for implementing the CWSRF and its complementary financing programs for State Fiscal Year (SFY) 2020-21.

## A. Highlights for SFY 2020-21 IUP

The [CWSRF Policy](#) was amended by the State Water Board on December 3, 2019. The major change made in the December 3 Policy amendment was to streamline the final budget approval process to allow most recipients to draw construction funds without the need for a "Final Budget" amendment. This streamlined procedure includes finalizing project budgets during the application review step and establishing these final project budgets in the agreements from the outset. Minimizing the volume of agreement amendments will also allow Division of Financial Assistance (DFA) to focus more attention on executing new funding agreements. Certain changes requested by a recipient, including increases to the project budget, may still require an agreement amendment.

The SFY 2020-21 IUP also includes a "supplemental" IUP to describe the transfer of the \$183,000 ASADRA allotment from the CWSRF to the Drinking Water State Revolving Fund (DWSRF) to help address disaster preparedness for water systems affected by California's wildfires in 2018.

California's CWSRF program continues to evolve, primarily due to the ongoing high demand created by the program's attractive terms. In addition, the level of CWSRF and complementary financing has been below average in SFY 2018-19 and 2019-20 due to the implementation of California's new, statewide accounting and budgeting system, the Financial Information System for California or "FI\$Cal." DFA expects that the overall

pace of financing will normalize in SFY 2020-21.

Given the ongoing high demand on the CWSRF though, the State Water Board will not be able to fund all the projects currently requesting funding in SFY 2020-21. Applicants whose projects are not on the Fundable List are encouraged to evaluate the CWSRF's finances and competing demands on the program as described in this IUP and any updates during the year and evaluate all viable, alternative financing options for their projects considering any deadlines they must meet.

## B. Authority and Past Achievements

In 1987, the United States Congress and the President amended the CWA to replace the long-standing, federal Construction Grants Program (Title II) with the more flexible CWSRF program (Title VI). In 2014, Congress and the President approved the [Water Resources Reform and Development Act of 2014](#) (WRRDA) changing the requirements and eligibilities in Title VI of the CWA. California's CWSRF program is authorized under California [Water Code Sections 13475-13485](#) and operates pursuant to an [Operating Agreement](#) between the State Water Board and the United States Environmental Protection Agency (U.S. EPA) Region 9.

The CWSRF functions as an environmental infrastructure bank capitalized by federal and state funds – providing a sustainable source of funds for water quality protection and improvement. The CWSRF's capital and its earnings are used to provide financial assistance to a wide variety of water quality projects. States can target specific water quality problems, offer a variety of financing options, and customize terms to meet their water quality needs. Financing options include loans, refinancing debt, purchasing or guaranteeing local debt, and purchasing bond insurance<sup>1</sup>.

Interest rates must be below the market rate. The repayment period is generally the lesser of 30 years or the expected useful life of the financed asset. Since 2009, federal CWSRF appropriations and California law have also authorized grants, negative interest rates, and principal forgiveness (PF) on a limited basis.

All 50 states and Puerto Rico are currently operating successful CWSRF programs. The [total CWSRF financing nationwide](#) exceeds \$138 billion. California's CWSRF has grown since financing its first project in 1989 and has executed more than \$11.2 billion in financial assistance agreements with over 350 unique recipients. The program has funded a broad range of projects. Approximately 96 percent (96%) of funds have been used for publicly owned wastewater infrastructure, and about four percent (4%) of funds have been used for nonpoint source or estuary projects.

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<sup>1</sup> Throughout this document, the word "loan" is used expansively and may include bonds, installment sale agreements, and other types of repayable financing.

## C. Connections to Other Plans, Goals, and Programs

The CWSRF program supports the following goals from the State Water Board's most recent [Strategic Plan Update](#)

- Goal 1: Implement strategies to fully support the beneficial uses for all 303(d) listed water bodies by 2030.
- Goal 2: Improve and protect groundwater quality in high-use basins by 2030.
- Goal 3: Increase sustainable local water supplies available for meeting existing and future beneficial uses.
- Goal 4: Comprehensively address water quality protection and restoration, and the relationship between water supply and water quality, and describe the connections between water quality, water quantity, and climate change, throughout California's water planning processes.
- Goal 5: Improve transparency and accountability by ensuring that State Water Board goals and actions are clear and accessible, by demonstrating and explaining results achieved with respect to the goals and resources available, by enhancing and improving accessibility of data and information, and by encouraging the creation of organizations or cooperative agreements that advance this goal, such as establishment of a statewide water data institute.
- Goal 6: Enhance consistency across the Water Boards, on an ongoing basis, to ensure our processes are effective, efficient, and predictable, and to promote fair and equitable application of laws, regulations, policies, and procedures.
- Goal 7: Ensure that the Water Boards have access to information and expertise, including employees with appropriate knowledge and skills, needed to effectively and efficiently carry out the Water Boards' mission.

The CWSRF program supports the three goals of the [California Water Action Plan](#) (Updated 2016): more reliable water supplies; the restoration of important species and habitat; and a more resilient, sustainably managed water resources system (water supply, water quality, flood protection, and environment) that can better withstand inevitable and unforeseen pressures in the coming decades.

The State Water Board administers several programs authorized by the [Water Quality, Supply, and Infrastructure Improvement Act of 2014 \(Prop 1\)](#) and the [California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 \(Prop 68\)](#) and may have funding available from other bond measures and funding sources. Projects eligible for four Prop 1 programs administered by the State Water Board, (i) Small Community Wastewater, (ii) Water Recycling, (iii) Stormwater, and (iv)

Groundwater Sustainability, are also potentially eligible for CWSRF funds. Projects eligible for other state sources of funds may also be eligible for CWSRF funds. The State Water Board manages its funding programs to maximize its ability to fund projects that support the State Water Boards' water quality goals and by coordinating CWSRF financing with the State Water Board's other funding sources.

In establishing the terms of this CWSRF IUP, the State Water Board considered [Resolution No. 2016-0010, Adopting the Human Right to Water as a Core Value and Directing its Implementation in Water Board Programs and Activities](#) and statewide policy set forth in section 106.3 of the Water Code. Specifically, Subdivision (a) declares it is the established policy of the State that "every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes." Subdivision (b) requires the State Water Board to consider this state policy when "revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and criteria are pertinent to the uses of water."

Finally, the State Water Board also considered the objectives and requirements of the [Comprehensive Response to Climate Change Resolution](#)<sup>2</sup> during development of this IUP. The Climate Change Resolution describes near-term actions and policy changes to support the state's key climate priorities as identified in the AB 32 Scoping Plan, Safeguarding California Plan, and Water Action Plan.

#### D. IUP and Federal Guidance

This IUP contains elements required under federal law. The State Water Board will submit this IUP as part of its application package for the federal fiscal year (FFY) 2020 Capitalization Grant for the CWSRF program and the supplemental IUP in Appendix L for the ASADRA Capitalization Grant. The SFY 2020-21 IUP also serves as guidelines for the State Water Board's administration of Prop 1 and Prop 68 wastewater funds (the "SCG CW funds").

This IUP and the supplemental IUP also establish the State Water Board's business plan for California's CWSRF program for State Fiscal Year (SFY) 2020-21. They discuss DFA's approach and ability to successfully carry out that business plan with the available financial and programmatic resources. They also discuss how DFA will operate the CWSRF program in conjunction with other financing programs, including, but not limited to, Prop 1, Prop 68, or sources of funding outside the State Water Board that may be used to jointly finance projects.

This IUP includes a forecast of the CWSRF cash flow and other funds available to the State Water Board (Appendix A, page 45) for the next several years and identifies projects (Appendix B – the Fundable List, page 47) the State Water Board anticipates financing in SFY 2020-21. This IUP also analyzes the effect these projects would have

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<sup>2</sup> State Water Board Resolution No. 2017-0012

on the CWSRF's cash flow and other sources of funds if financed and includes performance measures to track the effectiveness of the CWSRF program.

The State Water Board will continue to implement the CWSRF and complementary financing programs consistent with applicable state and federal statutes, regulations, policies, and guidelines. These include, but are not limited to:

- The [Policy for Implementing the Clean Water State Revolving Fund](#) (CWSRF Policy) and funding guidelines related to any complementary financing sources;
- The [Operating Agreement](#) between the State Water Board and U.S. EPA;
- [The Clean Water and Drinking Water State Revolving Funds Debt Management Policy](#) (SRF Debt Management Policy) and agreements related to outstanding revenue bonds;
- [The State Water Board's Clean Water and Drinking Water Capacity Development Strategy](#),
- [U.S. EPA Interpretive Guidance](#) regarding the WRRDA amendments;
- U.S. EPA's October 23, 2019, Memorandum "Award of State Revolving Funds Appropriated by the "Additional Supplemental Appropriations for Disaster Relief Act, 2019:"
- Any additional federal requirements in the 2020 budget appropriation, the 2020 Capitalization Grant agreement, the ASADRA Grant, and/or guidance from U.S. EPA.

The State Water Board or the Executive Director may amend this IUP, but only after the public and interested parties are given an opportunity to comment on the proposed amendment. The Executive Director, or designee, may update stakeholders during SFY 2020-21 on DFA's progress implementing this IUP and the current capacity of the CWSRF and its complementary programs to provide financing to applicants.



## II. WATER QUALITY FINANCING NEEDS

### A. Clean Watersheds Needs Survey

California needs significant funding to achieve its clean water goals. The most recent [Clean Watersheds Needs Survey in 2012](#) shows that California needs an estimated \$26.2 billion for wastewater treatment and collection, wastewater recycling, and stormwater pollution prevention over the next 20 years. This includes an estimated \$24.4 billion to update aging infrastructure.

The Clean Watersheds Needs Survey is required by U.S. EPA and is generally conducted every 4 years. U.S. EPA did not conduct a 2016 survey due to federal budgetary constraints. The next Clean Watersheds Needs Survey is expected to be conducted in 2021 for FFY 2020.

### B. State Water Board Guidance

#### 1. Small and/or Disadvantaged Communities (DACs)

On July 1, 2008, the State Water Board adopted [Resolution No. 2008-0048](#) to assist small and/or DACs with their wastewater needs. Resolution No. 2008-0048 referred to a Small Community Wastewater Strategy, which was subsequently updated and expanded in the Spring of 2016 to incorporate public water systems and was renamed the [Clean Water and Drinking Water Capacity Development Strategy](#) (Capacity Development Strategy). The strategy provides an overview of the challenges facing these communities. Regarding wastewater, these include both failing septic systems and failing outdated and undersized wastewater treatment plants. Small and/or DACs generally have higher per capita costs. Disadvantaged (median household income [MHI] of less than 80 percent [80%] of the statewide MHI) and severely disadvantaged (MHI of less than 60 percent [60%] of the statewide MHI) small communities typically face the additional burden of lower household incomes. The result is higher, sometimes prohibitive, sewer and water rates. In 2017, the Drinking Water Capacity Development program, required by the Safe Drinking Water Act, was moved from DFA to the Division of Drinking Water (DDW). To preserve the distinction between the capacity development program implemented by DDW and the capacity development strategy implemented by DFA, the strategy implemented by DFA will be renamed the Small Community Capacity Development Strategy when it gets updated.

The Office was statutorily established on March 27, 2015 and is part of DFA. The Office was created to promote permanent and sustainable drinking water and wastewater treatment solutions to ensure effective and efficient provision of safe, clean, affordable, and reliable drinking water and wastewater treatment services, focusing on addressing financial and technical assistance needs, particularly for

small disadvantaged communities. The Office provides low interest loans and grants utilizing state and federal funding sources.

## 2. Onsite Wastewater Treatment Systems (OWTS)

On May 13, 2013, the Water Quality Control Policy for Siting, Design, Operation, and Maintenance of Onsite Wastewater Treatment Systems (OWTS Policy) became effective. The vast majority of the estimated 1.2 million onsite systems in California are properly sited, designed, operated and maintained, and are functioning in a satisfactory manner. The purpose of the OWTS Policy is to allow the continued use of OWTS, while protecting water quality and public health, and recognizes that responsible local agencies manage OWTS on a routine basis. The OWTS Policy establishes a statewide, risk-based, tiered approach for the regulation and management of OWTS installations and replacements and sets the level of performance and protection expected from OWTS. The OWTS Policy also discusses the procedures for local agencies to apply for CWSRF funds to establish low interest loan programs to assist OWTS owners with meeting the requirements of the OWTS Policy.

## 3. San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta)

Staff from the State Water Board and the Central Valley and San Francisco Bay Regional Water Boards coordinate the Water Boards' activities in the San Francisco Bay and Sacramento-San Joaquin River Delta (Bay-Delta). The Bay-Delta Team is charged with developing the Water Boards' short and long-term efforts for addressing impacts to the beneficial uses of water in the Bay-Delta. In December 2018, the State Water Board adopted a Bay-Delta Water Quality Control Plan for the lower San Joaquin River and Southern Delta. The State Water Board is in the process of developing and implementing updates to the Bay-Delta Water Quality Control Plan for the Sacramento River and tributaries, and the Central Valley and San Francisco Bay Regional Water Boards continue with their efforts to protect beneficial uses in the Bay-Delta watershed. The CWSRF program can help with these efforts by funding point, nonpoint source and estuary projects such as:

- Measures identified in Total Maximum Daily Loads;
- Stormwater and dry weather runoff reduction from Municipal Separate Storm Sewer Systems;
- Conservation measures to reduce sediment and non-point discharges;
- Ammonia discharge reduction from publicly-owned treatment works (POTWs);
- Urban and agricultural water use efficiency to reduce demands on the Delta and reduce runoff of pesticides to the Delta;
- Implementation of non-point source projects under the state's Section 319 program;
- Implementation of watershed projects;
- Implementation of measures under the San Francisco Estuary Blueprint; and
- Measures to promote water conservation, efficiency, or reuse that can decrease demands on the Delta.

#### 4. Sustainability and Climate Change

The State Water Board adopted [Resolution No. 2008-0030](#) on May 6, 2008, emphasizing sustainability as a core value for all the Water Boards' activities and programs. Resolution No. 2008-0030 directed the State Water Board staff to take actions that may affect the CWSRF program such as:

- Promote recycled water use, water conservation, and low-impact development (LID);
- Assign a higher priority to climate-related and LID projects; and
- Coordinate with government agencies, non-profit organizations, and private sector businesses to enhance and encourage sustainable activities.

The State Water Board adopted [Resolution No. 2017-0012](#) on March 7, 2017, outlining a comprehensive response to climate change for all the Water Boards' activities and programs. Resolution No. 2017-0012 directed the State Water Board staff to take actions that affect the CWSRF program IUP. Specifically:

- Include climate change mitigation and adaptation objectives in the IUP.
- Ensure that applications and environmental reviews for potential projects account for impacts related to climate change, including potential effects of climate change on the viability of funded projects.

On May 16, 2017, the State Water Board adopted an emergency regulation to implement provisions of the Sustainable Groundwater Management Act (SGMA). SGMA created a framework for sustainable, local groundwater management for the first time in California history, and requires the formation of local groundwater sustainability agencies (GSAs) in California's high- or medium-priority groundwater basins or the submittal of an alternative that demonstrates a basin is already sustainable. The CWSRF can potentially fund projects that would assist GSA's with achieving groundwater sustainability.

#### C. Application Demand

As of February 2020, the State Water Board had requests for CWSRF financing totaling more than \$7.6 billion. All applications from non-DACs/non-Severely Disadvantaged Communities (SDACs) in process as of February 2020 are listed on the Comprehensive List in Appendix C (page 69); applications from DACs/SDACs<sup>3</sup> are not listed in Appendix C to make the list easier to read, but are considered included on the Comprehensive List nonetheless. The applications on the Comprehensive List

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<sup>3</sup> All references to "SDACs" and "DACs" in this IUP mean small, severely disadvantaged and small, disadvantaged communities, which are communities with populations less than or equal to 20,000 and median household incomes less than 60% or communities with less than 80% of the statewide median household income, respectively.

represent a wide variety of project types from communities of various sizes throughout California.

### III. FUNDING CAPACITY AND DISTRIBUTION OF FUNDS

#### A. General Funding Approach

This IUP updates the Projects on the Fundable List (Appendix B, page 47) for SFY 2020-21. The Fundable List was updated to reflect those projects DFA believes will achieve the most favorable water quality results in California during SFY 2020-21 with the financial and programmatic resources available to the CWSRF and its complementary financing programs. DFA's goal is to execute financing agreements for all projects on the Fundable List by June 30, 2021.

All new applications from small SDACs, from small DACs, and for public health projects, as defined in the CWSRF Policy, received since February 2019, the most recent update of the Fundable List, are fundable in accordance with this IUP<sup>4</sup>. All new SDAC, DAC or public health projects submitted after the development of the Fundable List in this IUP will be added to the Fundable List automatically when the applicant starts an application. SDAC, DAC, or public health projects may be funded at any time provided a complete application is submitted and it meets all other eligibility requirements.

Other projects were added to the Fundable List as discussed in Section III.D. of this IUP. Projects that are not small SDAC projects, not small DAC projects, or public health projects, but are identified as fundable in this IUP may receive financing during SFYs 2019-20 and 2020-21. Projects where the applicant is not a small SDAC, not a small DAC, or the project does not address public health criteria that are not identified as Fundable are ineligible for financing unless otherwise directed by the State Water Board but may be eligible for financing in a future year.

Funding will be consistent with the [CWSRF Policy](#)<sup>5</sup>, the [SRF Debt Management Policy](#), the [Operating Agreement](#), applicable federal and state statutes, regulations, and guidance, and any guidelines or requirements applicable to the complementary funding sources that may be used to fund a project separately or jointly with CWSRF funds.

In addition, funding will be consistent with the requirements of the program's Master Trust Indenture and associated bond documents to ensure compliance with Securities and Exchange Commission, Internal Revenue Service, and Municipal Securities Rule Making Board (MSRB) rules and regulations and ensure that all CWSRF revenue bonds are secure and repaid in full and on time.

The funds available to the CWSRF program during SFY 2020-21 generally consist of:

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<sup>4</sup> Per Section IV.B.1.c. of the [CWSRF Policy](#), all SDAC, DAC, and public health projects are automatically included on the Fundable List. For simplicity, only non-SDAC, non-DAC, and non-public health projects are displayed on the Fundable List in Appendix B.

<sup>5</sup> Please refer to Section IV.L. of this IUP for an important precaution regarding reimbursement of eligible construction costs.

- Repayments of CWSRF principal and interest on past loans and investment earnings;
- Capitalization Grants from U.S. EPA, potentially including PF;
- Proceeds from potential future bond sales.

A more detailed financial analysis is described in Section III.B.

The State Water Board's disbursement priorities for the CWSRF in order of importance during SFY 2020-21 will be:

- Liquidating any future revenue bond proceeds to meet applicable commitments and tax law requirements;
- Liquidating Capitalization Grants once awarded; and
- Liquidating repayments and investment earnings.

The funding priorities in SFY 2020-21 will also be influenced by the complementary sources of funds available to the State Water Board. Specifically, these additional funding sources may include but not be limited to: (i) Prop 1, Prop 68, General Fund appropriations, and the Costa-Machado Water Act of 2000 (Prop 13) funds for SDAC and DAC wastewater, water recycling, stormwater, groundwater, and other authorized projects; (ii) PF funds; and (iii) Small Community Grant (SCG) funds provided through fees in lieu of interest.

DFA may also sell revenue bonds to the extent authorized and approved by the State Water Board,<sup>6</sup> regulate project commitment or cash disbursement levels, suspend project approvals, or do some combination of these actions to ensure prior commitments are fulfilled.

The State Water Board directs DFA to manage the CWSRF so that sufficient funds are available under all circumstances to meet the repayable financing needs of SDACs and DACs for wastewater projects.

Without restricting the approach described in this IUP, the Executive Director (or designee), should update the State Water Board members and the public at State Water Board meetings or by other appropriate communications regarding the finances of the CWSRF and complementary financing programs. They should also recommend appropriate adjustments to this IUP or other changes in policy or procedure necessary to achieve the maximum water quality results in California.

General provisions applicable to financing projects in SFY 2020-21 may include, but are not limited to:

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<sup>6</sup> On October 3, 2017, the State Water Board approved [Resolution No. 2017-0057](#) increasing the leveraging ceiling for the CWSRF program from \$1.2 billion to \$2.2 billion bonds (par value). Currently, approximately \$1.16 billion of the total (par value) is outstanding.

## 1. Best Use of Available Financing Sources and Terms

DFA will consider the requirements associated with all available sources of funds and match up available funds with projects to achieve the maximum water quality benefit. This includes the use of reduced interest rates, match financing, partial financing, PF, the SCG Fund, other state sources of funds appropriated to the State Water Board, and other state and federal funding sources managed by other agencies, to the extent they are available and compatible with the State Water Board's funding, to maximize the financing of water quality projects.

## 2. Green Project Reserve (GPR)

Based on the information currently available to DFA, the FFY 2020 appropriation is expected to require a minimum of 10 percent (10%) of the 2020 Capitalization Grant (or an estimated GPR of approximately \$11 million) be provided to projects that meet the GPR criteria. To ensure that California meets or exceeds the minimum GPR requirement for SFY 2020-21, the State Water Board will prioritize the review and approval of GPR projects until the minimum is met. GPR projects must meet [U.S. EPA's FFY 2012 Guidance](#) or any subsequent guidance issued by U.S. EPA.

As shown in Appendix B (page 47) the CWSRF has significantly more GPR demand than the minimum GPR requirement anticipated in SFY 2020-21; therefore, the State Water Board does not plan to solicit additional GPR projects during SFY 2020-21.

## 3. Match Financing Option

California is required to contribute at least one dollar of matching funds for every five federal dollars contributed to the CWSRF program. Section IV.H. provides a more detailed discussion of California's matching contribution to the CWSRF. Offering match financing in accordance with Section V of the [CWSRF Policy](#) to CWSRF applicants, where the applicant provides the funds to match the federal grants, is one way California meets the match requirement. Other methods of providing match include state appropriations and match bonds. Currently there are no foreseeable state appropriations of matching funds and providing match loans is financially preferable to issuing match bonds.

The State Water Board resumed offering the match financing option to CWSRF recipients whose agreements are executed after July 1, 2017 and will continue to offer the match option until further notice.

If there are insufficient state appropriations or match loans to fully meet the matching requirement, DFA is authorized to work with IBank to issue match bonds consistent with federal rules regarding match bonds and the earnings of the CWSRF.

## 4. Interest Rates

### a. Standard Rates

The State Water Board's standard interest rate for CWSRF (repayable) planning financing is 50 percent (50%) of the rate obtained by the State Treasurer for California's most recent general obligation bond sale. The standard term for repayable planning financing is five or ten years, at the applicant's option.

The State Water Board's standard interest rate for CWSRF (repayable) construction financing is 50 percent (50%) of the rate obtained by the State Treasurer for California's most recent general obligation bond sale. The standard term for repayable construction financing is the lesser of 30 years or the useful life of the financed facilities.

b. Short-Term Financing Incentive

Applicants for CWSRF repayable construction financing will receive a 0.25% reduction to the standard interest rate in exchange for selecting a 20-year financing term rather than a 30-year financing term, but the resulting interest rate will not be less than zero percent.

c. Adjustment for SDAC, DAC and Public Health Projects

If the total amount of CWSRF financing to be repaid by an SDAC or DAC qualifying for SCG funds (see Appendices F and G, pages 84 and 86) or a public health project applicant is less than \$10 million, and the community is unable to afford all or a portion of the interest payments, DFA may approve a reduced interest rate (not less than zero percent). The reduced interest rate will be lowered incrementally until the community is able to afford the loan and meet the debt service requirement. The interest rate will not automatically be lowered to zero.

d. Adjustment for Non-Point, Stormwater, and Estuary Projects

If the total amount of CWSRF financing to be repaid by a non-point source, stormwater, or estuary management project applicant is less than \$10 million, DFA may approve a reduced interest rate (not less than zero percent) if the applicant is unable to afford all or a portion of the interest payments.

## B. Recent Financing Activity<sup>7</sup>

From July 1, 2019 to March 1, 2020, the State Water Board has provided the following financing from the CWSRF and complementary financing programs.

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<sup>7</sup> Historical CWSRF financing activity can be seen at [http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/srf/docs/cwsrf/fncng\\_actvty.pdf](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/cwsrf/fncng_actvty.pdf). Prop 1 funding activity can be found at [http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/proposition1.shtml](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/proposition1.shtml).



**Table 1: SFY 2019-20 CWSRF and Complementary Financing**

	CWSRF	SCG	WRFP	SWGP	GWQF	Totals
<b>Number of Agreements</b>	10	11	9	0	0	30
<b>\$ of Agreements (in millions)</b>	149.4	29.5	1.0	0	0	179.9

DFA estimates that cumulative, SFY 2019-20 financing by the CWSRF and complementary financing programs will be less than \$500 million.

CWSRF and complementary financing for the three previous years is shown in the table below.

**Table 2: Recent CWSRF and Complementary Financing**

SFY	Number of Agreements	\$ of Agreements (in millions)
2016-17	110	\$1,693
2017-18	105	\$1,106
2018-19	48	\$436

### C. Financial Outlook

#### 1. CWSRF Cash Flow<sup>8</sup> and Funding Target

Appendix A (page 45) shows the forecasted cash flow (sources and uses) of the CWSRF program as of February 2020. Except for capitalization grants, the future cash flow of the CWSRF program can be predicted with reasonable certainty. The estimated cash flow includes:

- The cash balance at the beginning of SFY 2019-20 (July 1, 2019);
- U.S. EPA capitalization grants<sup>9</sup>;
- Principal and interest payments on outstanding receivables;
- Investment earnings;
- Matching funds;
- Disbursements to projects with executed financing agreements;
- Debt service payments;
- Estimated proceeds of potential bond sales in 2021 and 2022, and
- Program administrative costs

<sup>8</sup> The overall cash flow includes the available PF funds.

<sup>9</sup> Based on the adoption of the federal budget for FFY 2020, the estimated FFY 2020 Capitalization Grant is \$113 million. Future capitalization grants are conservatively estimated at \$70 million per year.

Including potential future revenue bond sales, as authorized by the State Water Board, the CWSRF estimated year-end cash balances through June 30, 2024 generally range from \$200 million to \$450 million as seen in Appendix A (page 45).

The CWSRF's Municipal Advisor, in cooperation with DFA staff, has updated the CWSRF's lending capacity calculations. Given current capitalization and debt levels, and assuming conservative future capitalization, loan terms and earnings levels, and bond and coverage terms, the Municipal Advisor has concluded the CWSRF can operate at an estimated sustainable financing level of approximately \$586 million per year. The capacity is the amount of new lending that could be done per year with the existing loan pool and new loans pledged to potential bonds. The annual capacity is a level amount that could be originated each year for the next 20 years. The new capacity analysis is significantly lower than the sustainable financing level included in the SFY 2019-20 IUP. Stakeholders have expressed concern given the sizeable unmet demand for project funding. DFA staff will meet with stakeholders to provide transparency on the capacity calculation process and to identify opportunities and actions that may increase the sustainable lending capacity of the program. The Funding Target, for SFY 2020-21, will range from \$527.4 million to \$732.5 million in new financing, and future years' targets will be subject to refinement and revision as the conditions under which the CWSRF operates change.

## 2. CWSRF Principal Forgiveness<sup>10</sup>

Per the CWA, states have the option to select a PF level that ranges from zero percent to a maximum percentage established by the CWA. The maximum percentage is established by the total national appropriation for the CWSRF program each year<sup>11</sup>.

Additionally, the FFY 2020 federal appropriation requires, as the federal appropriations have since FFY 2016, that a mandatory percentage of the capitalization grant be provided as PF. This mandatory amount is in addition to the optional allocation established by the CWA.

The State Water Board will provide the maximum amount allowed from the FFY 2020 Capitalization Grant as PF. Based on the information DFA has regarding the

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<sup>10</sup> Under federal law, principal forgiveness may be provided to "a municipality or intermunicipal, interstate, or State agency" if the recipient meets the State's affordability criteria, or if the project will address water or energy efficiency, mitigate stormwater runoff, or encourage sustainable project planning, design, and construction.

<sup>11</sup> Per the CWA, if the national appropriation is equal to \$1.0 billion or less, no optional PF is allowed. If the national appropriation is \$1.3 billion or more, the maximum optional PF is 30%. If the national appropriation is between \$1.0 and \$1.3 billion, the maximum optional PF is equal to the percentage the national appropriation exceeds \$1.0 billion; for example, if the national appropriation is \$1.16 billion, the maximum optional PF is 16%.

FFY 2020 appropriation, the maximum amount of PF allowed from the FFY 2020 Capitalization Grant is approximately \$45 million.

As of April 3, 2020, the State Water Board will have a maximum of approximately \$114.3 million in PF to commit during SFY 2020-21 including the PF from the FFY 2020 Capitalization Grant.<sup>12</sup>

As discussed below in Section III.C.3, all Prop 1 SCG funds are committed to SDAC and DAC projects and Prop 68 funds have been allocated for Drinking Water SDAC and DAC projects. The Deputy Director of DFA will make all PF from the FFY 2018, 2019, and 2020 Capitalization Grants available to SDAC and DAC wastewater projects consistent with the conditions and limitations in Appendices F, G, and H (pages 84-87) during SFY 2020-21 to provide non-repayable financing to DAC and SDAC projects.

PF will continue to be available in SFY 2020-21 from the FFY 2017 Capitalization Grant for GPR projects until the available 2017 PF is fully committed. Eligible applicants and project types must meet the criteria, conditions, and limitations for PF in the CWA and in Appendix D (page 82). Projects listed on the Fundable List in the SFY 2019-20 IUP that are eligible for PF have priority and will be awarded the PF from the FFY 2017 Capitalization Grant until all available 2017 PF is committed. Based on the number of projects potentially eligible for PF rolling over from the SFY 2019-20 Fundable List, it does not appear that any PF will be available for new GPR projects being added to the SFY 2020-21 Fundable List. However, if any PF remains after all eligible and Fundable Projects from the SFY 2019-20 IUP are awarded PF, then eligible projects that are added to the Fundable List by the SFY 2020-21 IUP may receive PF for their GPR projects. Any PF previously awarded to GPR projects that finish under budget, and therefore not disbursed to a GPR project, will become available to SDAC or DAC projects or water and energy audits.

PF from any year's Capitalization Grant may be used to fund a water or energy audit per Appendix D provided that sufficient PF is available and doing so will not limit the availability of PF for an SDAC or DAC project. DFA estimates that the PF needed for water and energy audits is likely less than \$200,000 per year.

### 3. Prop 1, Prop 68, and Other Appropriated State Funds

#### a. Small Community Grant Fund

Section 13477.6 of the Water Code authorizes the SCG Fund. The SCG Fund allows the State Water Board to help finance communities with the most need in California, helping those that cannot otherwise afford a loan or similar financing to move forward with water quality improvements. The SCG Fund receives revenue generated by a fee on CWSRF financing agreements deposited into the

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<sup>12</sup> The PF available during SFY 2020-21 may include PF from previously approved projects that finish under budget.

SCG Fund separate from the CWSRF.<sup>13</sup> Other sources may also be appropriated to the SCG Fund, including general obligation bond funds available from Prop 1 and residual general obligation bond funds (including those specifically identified in State Water Board [Resolution No. 2013-004](#) that become available.)

All money deposited into the SCG Fund is provided in the form of grants to small SDACs and small DACs for CWSRF-eligible wastewater projects. State law requires the State Water Board to give grant priority to projects that serve small SDACs, defined as communities with an MHI of less than 60 percent (60%) of the statewide MHI.

The procedures for providing grants from the SCG Fund to small SDACs and small DACs are largely the same procedures used for standard CWSRF financing, specified in the CWSRF Policy. Projects that receive only state general obligation bond funds may be exempted by the Deputy Director from having to comply with certain federal cross-cutting requirements.

This IUP specifies the grant amounts available for SCG projects, and how the Prop 1, Prop 68, SCG Fee, and CWSRF requirements will be coordinated for projects receiving these funding sources.

Chapter 5 of Prop 1 allocated \$260 million to the SCG Fund for wastewater projects<sup>14</sup>. The California Legislature has appropriated \$241.2 million to the State Water Board for grants to eligible SCG wastewater projects. As of March 1, 2020, the State Water Board has executed approximately \$210.7 million in Prop 1 funding for wastewater projects. An additional \$22.5 million in Prop 1 funding has been approved and is awaiting execution of a funding agreement. At least 10 percent (10%) of the SCG funds available from Prop 1 will be provided to SDACs. The projected revenue and SCG Fund balances through June 30, 2021 are shown in Appendix E (page 83).

All SCG funds authorized for SFY 2020-21, SCG funds that become available from prior SFYs (e.g., any funds de-obligated from previously approved projects that finish under budget), and any SCG funds appropriated in future years, will be used consistent with Appendices F, G, and H (pages 84-87) of this IUP until otherwise directed by the State Water Board.

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<sup>13</sup> Like the administrative service charge (see Section III.G.3. below), the SCG charge is also a fee “other than program income not included as principal in CWSRF financing” for federal purposes. The SCG charge is collected, as is the administrative service charge, in lieu of an equal amount of interest that would otherwise be due on the outstanding balance of the financing agreement so that the annual payment stays the same.

<sup>14</sup> Wat. Code, § 79723

In anticipation of the declining balance for SCG Projects, construction projects will be given priority for funding. No more than 10% of the funding available during a given fiscal year will be provided to planning projects, unless approved by the Deputy Director for good cause.

The State Water Board will begin applying an SCG fee-in-lieu of interest charge to additional eligible repayable financings in SFY 2020-21 at a rate that does not exceed the standard CWSRF interest rate. The SCG fee will be applied to generate sufficient revenue to meet the anticipated demand once Prop 1 SCG funds are fully encumbered. The SCG fee will be collected in an amount that does not jeopardize the long-term growth of the CWSRF, the State Water Board’s ability to leverage the CWSRF, or the State Water Board’s ability to collect sufficient fee revenue to administer the CWSRF.

In addition to capital projects, DFA is authorized to direct up to 15 percent (15%) of the funds available from Prop 1 to a multi-disciplinary technical assistance (TA) program. The State Water Board adopted the [Prop 1 TA Funding Plan](#) on November 4, 2015. The Plan outlines the general process to administer Prop 1 TA funds. The TA efforts are focused on helping small DACs develop, fund, and implement capital improvement projects. This is a multidisciplinary approach, intended to address small DACs drinking water, wastewater, groundwater quality, and stormwater needs under one program.

b. Water Recycling Funding Program (WRFP)

The State Water Board has authority to commit and spend all available Prop 1 and Prop 68 WRFP loan and grant funds during SFY 2020-21<sup>15</sup>. The WRFP guidelines specify project eligibility for loans and grants and how to coordinate with CWSRF requirements for projects receiving funding from both sources.

As of March 1, 2020, the State Water Board has approximately \$40 million in grant funds and approximately \$48.4 million in loan funds available for WRFP construction projects. The State Water Board also has authority to commit approximately \$20.4 million in planning grants.

**Table 3: Anticipated WRFP Funds Available to Fundable List Projects (\$ in millions)**

Funding Type	Prop 13	Prop 1	Prop 68 (contingent)	Total
Planning Grant	\$18.5	\$0	\$ 1.9	\$20.4
Construction Grant	\$0	\$0	\$40.0	\$40.0
Construction Loan	\$0	\$18.8	\$29.6	\$48.4
<b>Total</b>	<b>\$18.5</b>	<b>\$18.8</b>	<b>\$71.5</b>	<b>\$108.8</b>

<sup>15</sup> This does not include Prop 1 loan repayments that may be used for future grants. Prop 1 loan repayments must be appropriated by the Legislature.

This IUP specifies the grant limitations for WRFP projects. Although the Fundable List identifies projects that appear to be eligible for the available WRFP grant funds, additional projects on the Fundable List may also be eligible for a grant. WRFP grant funds will be awarded to projects as they are ready to proceed to a financing agreement until all WRFP grant funds are committed.

Any water recycling project also eligible for SCG grant funding or PF may receive a combination of grant or PF funding, but the cumulative grant and PF may not exceed the per project maximums listed in Appendices F, G, H (pages 84-87) in the case of small SDACs and small DACs, and Appendix I (page 88) for all others.

All WRFP funds available, including funds authorized for SFY 2020-21, funds that become available from prior SFYs (e.g., any funds de-obligated from previously approved projects that finish under budget), and any funds appropriated in future years, will be used consistent with Appendix I (page 88) of this IUP until otherwise directed by the State Water Board.

Projects that receive only general obligation bond funds or other non-federally sourced funding may be exempted by the Deputy Director from having to comply with certain federal cross-cutting requirements.

c. Stormwater Grant Program (SWGP)

Chapter 7 of Prop 1 allocated \$200 million for grants for multi-benefit stormwater management projects.<sup>16</sup> Projects may include, but are not limited to, green infrastructure, rainwater and stormwater capture, and stormwater treatment facilities. During the first solicitation, grants were awarded to 27 planning projects and 29 implementation projects. A second solicitation for implementation projects will be conducted in 2020 to award the remaining funds (approximately \$95 million).

The SWGP guidelines specify the grant amounts available for stormwater projects. Stormwater projects may also be eligible for CWSRF financing, and DFA will coordinate with applicants to address the applicable requirements of both programs if applicants request funding from both sources. Applicants are advised to review the [Prop 1 SWGP Guidelines](#) for information on applying for the Prop 1 SWGP, including requirements for projects to be included in [Storm Water Resource Plans](#).

d. Groundwater Grant Program (GWGP)

Chapter 10 of Prop 1 provides \$720 million to the State Water Board for grants for projects to prevent or clean up the contamination of groundwater that serves

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<sup>16</sup> Note that this figure includes administration and bond sale costs.

or has served as a source of drinking water.<sup>17</sup> Applicants are advised to review the [Prop 1 GWGP Guidelines](#), which were updated in December 2017. Round 1 awards were completed in early 2018, for a total of approximately \$125 million awarded to approximately 25 projects. Round 2 awards were completed in late 2019, with \$367 million awarded to 13 projects. The third and final solicitation is planned for 2020.

Septic-to-sewer projects that prevent or reduce contamination of municipal or domestic wells are potentially eligible for GWGP grants in addition to grants or principal forgiveness awarded through the CWSRF/SCG. Regardless of the criteria listed in Appendix G (page 86), GWGP funds may be available for projects benefitting large SDACs, and large DACs with wastewater rates at least 1.5% of MHI. DFA staff will coordinate with applicants to determine if septic-to-sewer projects meet the applicable requirements for GWGP funds.

e. Other Programs

The actions taken to address the current Covid-19 pandemic have had a dramatic economic impact on millions of Californians. The potential exists for additional state or federal stimulus funding for water infrastructure to aid in the economic recovery from the COVID-19 pandemic.

Other sources of funds may become available to the State Water Board that are similar in nature to the CWSRF and its complementary funding sources. These additional funding sources, if they become available during SFY 2020-21, may require an amendment to this IUP or additional guidance from the State Water Board. Additional state or federal funding will be committed consistent with any guidelines or requirements associated with their authorization and may be committed consistent with the CWSRF and its complementary funding sources.

## D. Project Scoring and Evaluation of Potential Cut-Off Scores

Sixty-six (66) new projects that were submitted by December 31, 2019, and are not automatically Fundable, were scored in accordance with Section IV.B of the [CWSRF Policy](#) for potential addition to the Fundable List. The Priority Scores for all new scored projects are shown in Appendix C (page 69). The 66 scored projects are requesting approximately \$1.9 billion in funding.

An additional ten (10) new projects, requesting approximately \$151 million, were not scored at the applicants' request, but may be scored for placement on a future year's Fundable List.

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<sup>17</sup> Note that this figure includes administration and bond sale costs.

1. Cut-Off Score Scenarios

DFA compiled the Priority Scores and evaluated three Cut-Off Scoring scenarios, based on Section IV.B. of the [CWSRF Policy](#), to help establish the Cut-Off Score and identify additions to the Fundable List for SFY 2020-21. The total estimated CWSRF repayable financing associated with each scenario is summarized in Table 4. The scenarios are described and evaluated in further detail below the table (pages 21-22).

**Table 4: Cut-Off Scoring Scenarios – New Fundable Projects (\$ in millions)**

Scenario	Cutoff Score	# of New Fundable Projects	Estimated Total CWSRF Repayable Financing, M <sup>18</sup>	Comments
X	15	0	\$0	No new projects scored 15 or 16.
A	14	5	\$303	Estimated Total Repayable Financing is less than the Target Funding Range.
B	13	23	\$907	Without partial financing, the estimated Total Repayable Financing is more than the Target Funding Range.
C	12	36	\$1,468	

a. Scenario X – Cut-Off Score = 15

Scenario X is shown for reference purposes only. No new project applications subject to scoring received 15 or more Priority Points.

<sup>18</sup> Note that although a number of the scored projects are listed as being partially funded with WRFPP grant and loan funds, for this analysis DFA has assumed that no WRFPP funds will be available for the new projects because the amount of WRFPP funds requested by the rollover projects on the Fundable List exceeds the available WRFPP grant and loan funds. Therefore, DFA expects that only CWSRF repayable loans will be available for new water recycling projects being added to the Fundable List this year.



b. Scenario A – Cut-Off Score = 14

Five projects received a Priority Score of 14. They are requesting approximately \$303 million in financing. Selecting a Cut-Off Score of 14 would result in adding new projects to the Fundable List with an estimated total financing amount below the Funding Target range.

c. Scenario B – Cut-Off Score = 13

There are 18 projects with a Priority Score of 13. Therefore, if 13 is selected as the Cut-Off Score, 23 projects will be added to the Fundable List. These 23 new projects are requesting approximately \$907 million in financing.

d. Scenario C – Cut-Off Score = 12

An additional 13 projects received a Priority Score of 12. Therefore, if 12 is selected as the Cut-Off Score, 36 projects will be added to the Fundable List. These 36 new projects are requesting approximately \$1,468 million in financing. Therefore, fully funding all projects with a Priority Score of 12 or higher would exceed the Funding Target or result in severely limiting the levels of financing offered to many of the new projects being added to the Fundable List.

2. Recommended Cut-Off Score and the Fundable List

DFA recommends the selection of 14 as the Cut-Off Score (Scenario A) with the option to allow the Deputy Director of DFA to lower the Cut-Off score to 13 (Scenario B). The Deputy Director may lower the Cut-Off score to 13 during SFY 2020-21 if:

- Significant progress has been made to execute the non-SDAC/DAC projects rolling over from the SFY 2019-20 IUP, and
- Funding all newly scored projects with a score of 13 or higher plus the non-SDAC/DAC rollover projects can in the Deputy Director's judgement reasonably be accomplished by June 30, 2021.

If the Deputy Director believes that some but not all projects with a score of 13 can be executed by June 30, 2021, then DFA may propose an amendment to this IUP that prioritizes the additional projects to be added to the Fundable List.

There is a significant carry over of non-SDAC/DAC Fundable List projects from the SFY 2019-20 Fundable List (61 projects requesting approximately \$2,382 million in CWSRF loan funds). Although funding 23 projects in a year is less than the long-term average, adding 23 new projects to the Fundable List at this point would bring the total number of scored projects on the Fundable List to 84. This is in addition to approximately 105 small SDAC/DAC projects that are automatically Fundable. Adding the smaller number of new scored projects, using 14 as the Cut-Off Score, to the Fundable List will help DFA clear the backlog of non-SDAC/DAC rollover projects and meet its goal to execute agreements for all projects on the Fundable List by June 30, 2021. The Deputy Director of DFA can continue to evaluate the

progress being made on the rollover projects on the Fundable List during the year and decide to exercise the option to fund projects with a score of 13 if appropriate. If the Deputy Director determines that it is appropriate to lower the Cut-Off score to 13 during SFY 2020-21, the Deputy Director should provide timely notice to all applicants with a score of 13 or propose an amendment to this IUP in a timely manner.

The total estimated loan financing associated with potentially lowering the Cut-Off Score to 13, and fully funding all eligible projects, is \$907 million, which exceeds the Funding Target range. DFA recommends giving the Deputy Director of DFA the authority to implement Scenario B and increase the estimated CWSRF loan financing above the Funding Target range for the following reasons.

- The Funding Target is intended to be a long-term average.
- The CWSRF has executed new agreements well below the long-term average for the past two years.
- The costs associated with the rollover projects and new projects being added to the Fundable List are estimated costs. Historically actual costs have tended to be somewhat lower than estimated costs.
- In addition, if DFA recommended 13 as the Cut-Off Score, it would be guided by the Policy to recommend that several projects be partially financed. Recommending 14 as the Cut-Off, however, does not require partial financing. Therefore, exercising the option to lower the Cut-Off Score to 13 will only be consistent with the maximum Funding Target if DFA retroactively reduces the funding to the City of Los Angeles' DCTWRP Advanced Water Purification Facility. Retroactively lowering the funding amount to any applicant would disrupt its planning process and undermine the CWSRF program's goal to help applicants protect and enhance the state's water quality and appears unfair.

Although it would be possible financially to select a Cut-Off Score of 12, DFA would have significant difficulty meeting its objective to finance all Fundable List projects by June 30, 2021 with the addition of 36 new projects given the large number of rollover projects. This would increase the Fundable List to 97 total scored projects along with 105 automatically Fundable SDAC/DAC project. In addition, many of the new projects would have to be partially funded.

Appendix B (page 47) shows the scored segment of the Fundable List for SFY 2020-21<sup>19</sup> and the rollover projects from the SFY 2019-20 Fundable List. It includes the associated, estimated costs requested by the applicants by anticipated funding

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<sup>19</sup> Water and energy conservation assessments, audits, or planning applications eligible for 100 percent (100%) PF up to \$35,000 are Fundable at any time provided they submit a complete application, meet all applicable eligibility requirements, and that sufficient PF is available as noted in Section III.C.2 above. Water and energy conservation assessments, audits, or planning applications do not need to appear on the Fundable List to be eligible.

source for applications under Scenario A. The applications on the Fundable List are organized into Groups based on the State Water Board's due diligence reviews. Projects within each Group are sorted by Region and then alphabetically by Applicant.

Consistent with Section III.A. above, all SDAC, DAC, and public health projects that have an application in process are on the SFY 2020-21 Fundable List, even though they are not displayed in Appendix B, and will be fundable during SFYs 2019-20 and 2020-21 provided they submit a complete application, meet all other eligibility requirements, and sufficient funds are available to make the project affordable. All new SDAC, DAC, or public health applicants that start an application during SFY 2020-21 will be added automatically to the Fundable List and be fundable during SFYs 2019-20 and 2020-21, provided they submit a complete application, meet all other eligibility requirements, and sufficient funds are available to make the project affordable. All projects not automatically Fundable that were approved for the Fundable List in the SFY 2019-20 IUP that have not received an executed financing agreement as of February 2020 roll over and remain on the Fundable List. Projects subject to scoring in this IUP with a Priority Score of 14 or greater (Scenario A) have also been placed on the Fundable List and will be fundable during SFYs 2019-20 and 2020-21 provided they meet all eligibility requirements<sup>20</sup>. The Deputy Director also has the discretion to lower the Cut-Off score of 13 (Scenario B) to add additional new projects to the Fundable List if the conditions at the beginning of this sub-section are satisfied.

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<sup>20</sup> The amounts on the Fundable List for projects or interrelated programs that are recommended for partial repayable funding are maximum CWSRF repayable amounts. The total for each project or interrelated program may be allocated or reallocated to multiple financing agreements at the request of the applicant as long as the total CWSRF funding does not exceed the total on the Fundable List for the project or interrelated program. The Deputy Director of DFA is authorized to coordinate or limit the cash draws for projects or interrelated programs identified for partial funding to limit the collective impact of these financing agreements on the CWSRF. The Deputy Director of DFA is also authorized to coordinate or limit the cash draws for projects or interrelated programs identified for funding with a combination of the CWSRF and DWSRF to control the impact of these financing agreements on those programs. The funding amounts are subject to potential increase in a future IUP. Each applicant recommended for partial funding appears capable of obtaining the remaining financing necessary to successfully complete the projects or interrelated programs.

All projects on the Fundable List are fundable at any time during SFYs 2019-20 and 2020-21 provided they meet all eligibility requirements. Projects may receive a financing agreement as soon as it is determined the application meets all eligibility requirements. DFA will review the applications on the Fundable List with the objective of executing agreements quickly and efficiently, giving priority to SDACs, DACs, and public health projects, so that all applications on the Fundable List have executed agreements by June 30, 2021. Projects on the Fundable List that are not financed by June 30, 2021, will be carried over to the SFY 2021-22 Fundable List unless directed otherwise by the State Water Board or an applicant withdraws its application.

**Note: Placement on the Fundable List does not constitute a financing agreement, a guarantee of financing, a guarantee of the order of financing, a guarantee that sufficient funds from the anticipated sources of funds will be available for the project, or a determination of eligibility. Neither do position on the Fundable List, estimated agreement date, nor anticipated funding sources guarantee funding, order of funding, funding timing, funding amount, or eligibility.**

**The Fundable List only includes applications that are fundable during SFYs 2019-20 and 2020-21, and a financing agreement will be executed only if the application meets all applicable eligibility requirements.**

**SDAC, DAC, and public health projects will be added to the Fundable List automatically. Therefore, Appendix B (page 47) is not a limitation on financing SDAC and DAC projects. Any SDAC and DAC projects may receive funding during SFYs 2019-20 and 2020-21, provided they submit complete applications and meet all applicable eligibility requirements, and provided that sufficient funds are available.**

**The State Water Board expects DFA to expeditiously finance the projects on the Fundable List. The Deputy Director of DFA is authorized to remove non-SDAC or non-DAC projects from the Fundable List if the applicant is non-responsive to DFA's request for information or consultation after notifying the applicant and giving the applicant a reasonable opportunity to respond. Applicants removed from the Fundable List by the Deputy Director may be placed on the SFY 2021-22 Fundable List, provided that Policy requirements for placement have been satisfied.**

## E. Financing Forecast

The SDAC and DAC projects on the Fundable List are requesting approximately \$295 million. As discussed in Section III.C.3.a above, there are approximately \$114.3 million in grant and PF funds available to reduce the financing costs for SDACs and DACs. The available grant and PF funds are insufficient to fulfill all the grant and PF requests from the SDAC and DAC projects on the Fundable List. There are sufficient CWSRF loan funds for all SDAC and DAC projects, and no additional leveraging would be needed to provide all SDAC and DAC projects with necessary loan funds. Therefore,

DFA anticipates that all available grant and PF funds will be committed to small SDAC and small DAC projects by June 30, 2021.

The non-SDAC/DAC projects on the Fundable List, composed of rollover projects and new scored projects, represent a potential commitment of repayable CWSRF financing totaling approximately \$2.8 billion for 66 projects. Some of the non-SDAC/DAC applications on the Fundable List are eligible for WRFPP grant and loan funds or PF. As noted earlier there are approximately \$88.4 million in WRFPP grant and loan funds for water recycling projects. The projects on the Fundable List that appear to be eligible for these funds are requesting in excess of \$370 million. Therefore, DFA anticipates that all available WRFPP grant and loan funds can and will be committed by June 30, 2021 with a combination of eligible water recycling projects on the Fundable List.

The actual level of new financing discussed in this IUP may be higher or lower than the amount predicted by the Fundable List, and some projects on the Fundable List may remain unfinanced by the end of SFY 2020-21. Some projects may be financed in a future year or not at all for various reasons. Projects on the Fundable List that are not financed by June 30, 2021, will be carried over to the SFY 2021-22 Fundable List unless directed otherwise by the State Water Board or an applicant withdraws its application, or is non-responsive.

## F. Future Financing Trends

Demand for CWSRF loan financing remains high as indicated by the Comprehensive List, and DFA expects the demand to remain high in the future given the CWSRF's attractive terms and the large water related infrastructure needs in California as noted in Section II.A. Although the level of CWSRF financing was below average in SFY 2018-19 and 2019-20 due to the implementation of the state's new accounting system, FI\$Cal, DFA's focus during SFY 2020-21 will be on executing agreements for all rollover projects to clear the backlog and normalize the pace of financing in the future.

Given the recent lower level of new commitments, disbursement levels are expected to hold steady or slightly decrease in the short term as past commitments are liquidated. Therefore, the current leveraging limit of \$2.2 billion appears sufficient for the immediate future, and DFA does not expect to request a leveraging limit increase for the CWSRF during SFY 2020-21. Although the current leveraging authority appears sufficient, additional leveraging authority may be needed in the future to finance projects on the Fundable List. The exact amount and timing of any additional leveraging, over and above the current limit of \$2.2 billion, will continue to be evaluated and will continue to depend on the total costs of the projects financed, the timing of the approvals, and the timing of disbursement requests.

In addition, the costs identified in Appendix B (page 47) are estimated project costs that may be higher or lower than estimated. Additional CWSRF debt may be necessary for projects in the future depending on DFA's success executing applications on the Fundable List by June 30, 2021. Future cash flow forecasts - considering actual lending and disbursements, future capitalization grants, and earning levels - will determine the

need for additional leveraging and may affect future lending levels. Potential increases in future leveraging authority will be consistent with the [SRF Debt Management Policy](#).

DFA is unaware of any significant impending federal or state CWSRF capitalization increases.

Consistent with this IUP, the CWSRF Policy, and available staff resources, DFA will continue to accept and review documents related to applications that are not on the Fundable List, as well as continue to accept and review new documents, time permitting, to develop applications that can be scored and funded in future years.

## G. CWSRF Resources and Workload

### 1. Organization, Program Resources, and Skills

Approximately 44.2 Personnel Years (PYs) are budgeted for the CWSRF program<sup>21</sup> in SFY 2020-21 and the number of positions is not expected to change substantially. These positions are distributed between DFA and the Office of Chief Counsel (OCC) as follows:

- 4.0 PYs for Environmental Scientists to ensure compliance with state and federal environmental and cultural resources requirements (DFA);
- 16.3 PYs for Water Resources Control Engineers and Sanitary Engineers to manage project applications (DFA), with one unit of approximately five staff dedicated to processing wastewater applications from SDACs and DACs<sup>22</sup>
- 9.8 PYs for administrative support (DFA);
- 10.3 PYs for Program management and staff oversight (DFA);
- 3.0 PYs for legal support (OCC); and
- 0.8 PYs for other environmental and engineering support of project eligibility reviews

Additional indirect cost support is provided by accounting, personnel, budget, and contract support staff in the Division of Administrative Services.

The CWSRF program relies on some contracted services that (i) cannot be provided economically by Water Boards staff, (ii) require skills not available in the State Water

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<sup>21</sup> In addition to positions funded directly by the CWSRF, the State Water Board has other state-funded positions associated with complementary programs closely aligned with the CWSRF as noted earlier. Many projects, such as SDAC and DAC wastewater, water recycling, and storm water projects may be financed by a combination of CWSRF and state sources of funds. Staff is trained to help applicants receive financing for their projects regardless of the funding sources; therefore, state-funded positions indirectly provide benefit to the CWSRF program and vice versa.

<sup>22</sup> These CWSRF staff members are part of the Office of Sustainable Water Solutions within DFA, which includes two supervising engineers, six senior engineers, and 32 technical staff dedicated to processing applications from SDACs and DACs.

Boards, or (iii) require independence from the CWSRF program. Approximately \$700,000 is budgeted for the following contract services:

- Independent accounting firm for an annual audit of the financial statements;
- Outside legal counsel for specialized tax and bond advice;
- Vendor to provide maintenance for the Loans and Grants Tracking System (LGTS); and
- Independent Municipal Advisor

## 2. Loan Servicing and Program Administration

Servicing existing agreements and fulfilling ongoing program requirements represents a significant workload for the CWSRF staff. There are approximately 445 CWSRF agreements in repayment. Payments on these agreements are collected throughout the year, and DFA conducts regular surveillance on many of these recipients. At present, the CWSRF is servicing approximately 115 agreements in disbursement. Typically, staff process over 450 CWSRF disbursement requests per year. Staff also oversee and perform periodic construction inspections of financed projects to ensure that work is performed consistent with previous approvals, and to ensure that work is being performed in conformance with program requirements, including but not limited to, Davis-Bacon wage rates, American Iron and Steel procurement requirements, disadvantaged business solicitation rules, and environmental special conditions.

The CWSRF program's outstanding revenue bonds require separate accounting of payments from pledged obligations, semi-annual bond payments, and create specific monitoring, reporting, and continuing disclosure actions. The CWSRF program prepares annual financial statements that are audited independently. The CWSRF program is subject to yearly review by U.S. EPA and is periodically subject to audit or oversight by other federal or state agencies.

## 3. Administrative Funding

Administrative funding for the CWSRF comes from two sources, the capitalization grants awarded yearly by U.S. EPA and the State Water Pollution Control Revolving Fund Administrative Fund (Administrative Fund). Administrative spending for the CWSRF is limited to fees collected by the State Water Board for administering the CWSRF, plus the greatest of: (a) four percent of cumulative Capitalization Grants, (b) \$400,000 per year, or (c) 0.20 percent per year of the current valuation of the CWSRF program. Section 13477.5(c)(1) of the California Water Code allows the

State Water Board to apply an annual service charge<sup>23</sup> on a financing agreement. The revenue generated by this service charge goes into the Administrative Fund and may be used for administration. The Administrative Fund and the capitalization grants provide reliable administrative funding to the CWSRF program.

Under state law, the service charge rate cannot exceed one percent (1%) of the outstanding balance of a financing agreement. Once the service charge is applied to an agreement, the rate remains unchanged for the duration of the agreement. Since the service charge is a percentage of the outstanding principal on each agreement, it produces a declining amount of revenue each year. Each year, the State Water Board must evaluate the need for the service charge revenue and establish an appropriate rate. The service charge will then be applied to additional agreements to maintain the Administrative Fund revenue consistent with the administrative budget established by the Governor and the Legislature for the CWSRF.

The State Water Board will use the Administrative Fund as its primary source of administrative funding for the CWSRF. The Administrative Fund can only be used for CWSRF program administration, while the administrative allowance from the capitalization grants may be used for administration, local assistance, or a combination of the two. The federal administrative allowance serves as a backup source of administrative funding. If cash flow conditions warrant in SFY 2020-21, the State Water Board will disburse 100 percent (100%) of its federal capitalization grants for local assistance. The authority to spend the administrative allowance from the 2020 Capitalization Grant will be retained for potential use in future years.

For SFY 2020-21, the State Water Board continues the Administrative Service charge rate of one percent; this shall be the effective rate until the State Water Board establishes a different rate.

Based on the budgeted positions for the program for SFY 2020-21 and the projected Administrative Fund balances through June 30, 2021, (Appendix J, page 89), which are declining because of decreasing existing fee-in-lieu of interest payments, the State Water Board anticipates applying this charge to additional agreements during SFY 2020-21. The State Water Board also anticipates applying this charge to additional agreements in SFY 2020-21 because of declining Prop 1 SCG and Prop 1 Water Recycling administration funds and the need to continue supporting the administration of projects jointly funded by Prop 1 and CWSRF.

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<sup>23</sup> For federal purposes, the Administrative Fund service charge is a fee “other than program income not included as principal in CWSRF financing.” The service charge is collected in lieu of an equal amount of interest that would otherwise be due on the outstanding balance of the financing agreement. The service charge is offset by the reduction in the interest rate so that financing recipients’ payments remain the same whether or not they pay the service charge.



## H. Risks

The following are financial or programmatic risks to the CWSRF program. DFA management will focus on identifying potential problems and acting early to maintain the integrity and success of the CWSRF program.

### 1. Application Demand vs. Resources

Demand for financing exceeds the administrative resources needed to review, approve, and finance all complete applications. Staff resources are the most inflexible aspect of the CWSRF program. Additional staff cannot be quickly added to address high demand because they must be approved through the State's budget process. In addition, hiring may be frozen or work hours reduced due to State budget or other concerns. DFA will prioritize applications consistent with this IUP and the CWSRF Policy. DFA may also adjust its review procedures and work with U.S. EPA or other agencies to resolve delays, schedule financing with applicants, or seek additional resources. DFA can also work with stakeholders to evaluate changes to the CWSRF Policy or further adjustments to its application and the application review process.

### 2. Applicants' Schedule Changes or Delays in Executing Agreements

Beneficial and eligible projects may not be financed if the applicants' schedules change or are delayed. To minimize and avoid delays, CWSRF program staff will coordinate regularly with applicants identified in this IUP, and with others that submit applications during the year, to maintain a consistent demand on the program. As project schedules shift, lower priority projects may be funded if they are ready for financing, bearing in mind the PF and GPR requirements established in this IUP. This funding flexibility maximizes the use of the CWSRF and increases the number of projects funded.

Beneficial and eligible projects may not be financed if DFA encounters delays completing its reviews of the applications. To minimize and avoid delays, CWSRF program staff will coordinate its internal review efforts regularly during the year to expeditiously complete its reviews and maintain consistent progress toward the goal of executing agreements for all projects on the Fundable List by June 30, 2021.

As delays are encountered, other projects on the Fundable List should continue to move forward, bearing in mind the PF and GPR requirements established in this IUP and the amount of leveraging authority approved by the State Water Board. This funding flexibility maximizes the use of the CWSRF and increases the number of projects funded.

After financing is approved, the recipient must start and complete construction promptly. Applicants are required by their financing agreements to report delays to DFA staff so that appropriate action can be taken to address those delays.

### 3. Cash Balance

The amount of disbursements requested may exceed the CWSRF's cash balance. DFA staff will maintain accurate account balances and prepare forecasts regularly to identify potential cash shortages in advance. If additional cash is needed, the CWSRF has several options. The CWSRF program has considerable assets it can leverage through revenue bond sales in the municipal bond market to obtain additional cash. The State Water Board can prioritize or limit new commitments or potentially negotiate disbursement schedules with applicants. The CWSRF program can also investigate alternative financing (e.g., providing bond insurance) to reduce cash outlays.

Excess cash may accumulate if applications, and the associated disbursements, are too low. Holding excess cash provides no water quality benefit for California and tends to reduce the CWSRF's earnings. DFA will use its marketing, customer assistance, and project development resources to maintain a pipeline of projects ready for financing. It will closely monitor undrawn balances on outstanding financing agreements to ensure that financing recipients request funds expeditiously.

### 4. Defaults and Late Payments

Pursuant to the CWSRF Policy and the Operating Agreement, DFA will implement prudent lending standards and borrower surveillance practices that safeguard the CWSRF program's equity. The State Water Board also typically contracts with a professional Municipal Advisor to provide additional financial expertise.

The CWSRF program has many tools to reduce the risk of default, including loan monitoring and surveillance, as well as enforcement remedies. For example, DFA collects and reviews audited financial statements of all borrowers for the first five years of repayment and may request audited financials for some borrowers for longer periods of time. DFA has an agreement with independent accounting firm CliftonLarsonAllen to audit select borrowers identified as having a higher risk of experiencing financial difficulties. These audits can be conducted to evaluate the financial and management capacities of an entity and provide recommended solutions. The State Water Board will also continue to provide SCG funds in SFY 2020-21 to reduce debt service and default risk for SDACs and DACs or projects that regionalize wastewater infrastructure.

Additional subsidies for SDACs and DACs will reduce borrowing costs and the risk of loan defaults. Additionally, the State Water Board can offer wastewater-related TA to SDACs and DACs in areas such as evaluating project alternatives, financial management, rate setting, and operation and maintenance.

### 5. Accountability and Oversight

The CWSRF is capitalized with public funds, and the State Water Board is responsible for using them lawfully and effectively.

The State Water Board regularly reports to U.S. EPA through the National Information Management System (NIMS) and the CWSRF Benefits Reporting (CBR) system on use of the funds. In addition, U.S. EPA reviews the management and performance of the CWSRF annually. The results are summarized in its annual [Program Evaluation Reports](#). The CWSRF program produces an [annual report and audited financial statements](#).

Additional actions are required of the State Water Board staff to comply with provisions of the Internal Revenue Code applicable to the CWSRF outstanding bond debt. The CWSRF program's [Post-Issuance Tax Compliance Policy for Tax-Exempt Bond Issues](#) provides further detail about actions required of the program's staff to help ensure that its bonds remain exempt from federal income taxes. Additional reporting is required by the program's Continuing Disclosure Agreement; information on the program's bonds can be found on the Electronic Municipal Market Access system maintained by the Municipal Securities Rulemaking Board.

DFA staff will continue to oversee projects to ensure that they meet the terms of the financing agreements by conducting periodic site visits during construction or implementation. All projects are subject to a "Final Project Inspection," and a final summary report is submitted on each project to confirm that it was completed. DFA maintains copies of inspection and final summary reports in the project files.

## IV. FINANCING AND PROGRAMMATIC REQUIREMENTS

### A. Davis-Bacon Requirements

Federal Davis-Bacon rules apply to the construction of treatment works “carried out in whole or in part with assistance made available by a State water pollution control revolving fund.” The State Water Board, therefore, will continue to require that applicants for treatment works projects comply with Davis-Bacon rules. Recipients of CWSRF financing must agree to provide information necessary to show compliance with Davis-Bacon requirements.

### B. Generally Accepted Accounting Principles (GAAP)

The CWA requires that recipients of CWSRF financing maintain project accounts in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets. Recipients must agree to comply with GAAP. For governmental entities, the Government Accounting Standards Board establishes these standards. The State Water Board, therefore, will require as a condition of financing that governmental applicants maintain project accounts in accordance with generally accepted government accounting standards.

### C. Cost and Effectiveness Analysis

Effective October 1, 2015, the CWA requires CWSRF recipients that are municipal, inter-municipal, interstate, or State agencies to certify they have conducted a cost and effectiveness analysis. This analysis includes an evaluation of the costs and effectiveness of the proposed project, and selection of a project that, to the maximum extent practicable, maximizes the potential for energy conservation, and efficient water use, reuse, recapture, and conservation, considering construction, operation and maintenance, and replacement costs. This certification must be provided before CWSRF assistance is provided for final design or construction.

### D. Procurement for Architectural and Engineering (A/E) Contracts

Beginning with the FFY 2015 Capitalization Grant, the CWA requires that A/E contracts for equivalency projects (i.e., CWSRF-financed projects specifically identified by DFA that total an amount at least equal to the capitalization grant from U.S. EPA) comply with the qualifications-based procurement process described in 40 United States Code section 1101 et seq. or an equivalent state requirement. For all equivalency projects, these procurement requirements apply to any CWSRF-funded A/E contracts<sup>24</sup>, including any new solicitation, significant contract amendments, and contract renewals for A/E

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<sup>24</sup> A/E contracts include but are not necessarily limited to those for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying or mapping.

services initiated on or after October 1, 2014.

Potential equivalency projects for the FFY 2020 Capitalization Grant are identified in Appendix C (page 69). Equivalency projects will be required to certify that A/E contracts were procured in accordance with federal guidelines or the equivalent state process.

### E. Fiscal Sustainability Plan (FSP)

The CWA requires CWSRF recipients for POTW projects to develop and implement an FSP, which includes an inventory and evaluation of critical assets, evaluation and implementation of water and energy conservation efforts, a plan for maintaining, repairing, and replacing the treatment works, and a plan for funding such activities. Applicants can self-certify that the FSP, or its equivalent, has been developed and implemented, or for applicants without an FSP, or its equivalent, the CWSRF financing agreement will include a condition setting a deadline for FSP certification, which must be prior to the final CWSRF disbursement for the project. FSPs will typically be reviewed during the final inspection.

### F. American Iron and Steel (AIS)

The CWA requires CWSRF assistance recipients, absent an exclusion or waiver, to use iron and steel products that are produced in the United States for treatment works projects. U.S. EPA implementation of these provisions is described on its [State Revolving Fund American Iron and Steel \(AIS\) Requirement](#) website.

### G. Payment and Draw Schedules

Appendix K (page 89) shows the State Water Board's requested payment schedule for the 2020 Capitalization Grant funds from the U.S. Treasury and the estimated draws of the 2020 funds and the CWSRF remaining federal funds ("unliquidated obligations").

### H. State Match and Cash Draw Ratio

The State Water Board must provide one dollar of match for each five dollars received through U.S. EPA capitalization grants. Cumulatively, the State Water Board's CWSRF Program has been awarded approximately \$3.10 billion in capitalization grants as of December 31, 2019, that must be matched. The total matching requirement, therefore, through the FFY 2019 Capitalization Grant is approximately \$619.2 million. The CWSRF program has already provided a total of \$638.3 million in matching funds as of June 30, 2019 leaving an estimated \$19.1 million in match funds for future grants. This excess match amount is sufficient to match approximately \$95.5 million in capitalization grant funds. Since the FFY 2020 Capitalization Grant is approximately \$113 million, the State Water Board will need an estimated \$3.0 million in additional matching funds to fully draw the FFY 2020 Capitalization Grant. The State Water Board's cash draw ratio for the 2020 Capitalization Grant will be 100 percent (100%) federal funds until it has drawn approximately \$95.5 million in federal funds. The State Water Board will

provide the additional \$3.0 million in matching funds, absent an alternative source of matching funds, by selling match bonds prior to drawing the remaining \$14.5 million in FFY 2020 funds.

## I. Types of CWSRF Assistance and Financing Terms

The State Water Board will provide funding for all eligible categories of projects using loans, installment sale agreements/purchase of debt. The State Water Board will also provide separate planning, design, or planning and design financing during SFY 2020-21 to small SDACs and DACs and those projects specifically identified for planning, design, or planning and design financing on the Fundable List provided the applicants can legally accept such financing.

Principal forgiveness, if available, will be provided to those applicants that meet the conditions specified in Section III.C.2 above.

The terms associated with CWSRF financial assistance vary by applicant and financing approval date. Planning and design financing is amortized over five or ten years, at the discretion of the applicant, unless it is restructured at the time a CWSRF construction or implementation financing agreement is executed. Construction or implementation financing agreements are generally amortized for periods up to 30 years or the useful life of the financed assets, whichever is shorter. The interest rate applied to a financing agreement is established at the time the financing agreement is prepared for approval or financing is approved by the State Water Board. The interest rate will generally be one-half of the State's most recent general obligation bond rate rounded up to the nearest one-tenth of a percent, except as described in Section III.A.4 above. Construction costs incurred prior to approval of financing are reimbursable. However, no construction costs may be reimbursed until all eligibility requirements are met and a financing agreement has been executed or amended to establish a final budget in accordance with the CWSRF Policy.

## J. Federal Cross-Cutters and Environmental Reviews

Projects funded by the CWSRF must comply with certain federal laws known as "cross-cutters." The State Water Board will ensure that CWSRF program financing recipients comply with applicable federal cross-cutter requirements, as identified to the State Water Board in the federal capitalization grant.

CWSRF financing agreements include a list of applicable federal statutes and requirements identified in the most recent capitalization grant. CWSRF financing recipients agree to comply with these federal requirements by signing the financing agreement.

The State Water Board will use its [State Environmental Review Process](#) (SERP) to ensure compliance with CWSRF environmental requirements during SFY 2020-21. While the SERP generally follows the requirements of the California Environmental Quality Act, each applicant must also complete and submit an [Environmental Package](#)

and associated supporting documents. The State Water Board staff will review environmental documents received from applicants to ensure completeness/adequacy and determine if consultation with relevant federal agencies is necessary, consistent with the [Operating Agreement](#) between the State Water Board and the U.S. EPA.

In addition to the federal requirements discussed in paragraphs A through F in this section, the State Water Board requires compliance with Disadvantaged Business Enterprise (DBE) requirements for CWSRF financing, except planning and design financing.<sup>25</sup> It also requires that CWSRF funding recipients comply with federal audit requirements (Uniform Grant Guidance, 2 CFR, § 200(f)).

The State Water Board will use the Federal Funding Accountability and Transparency Act (FFATA) reporting system to report on all equivalency projects, i.e., projects that meet all of the federal cross-cutting requirements that have a combined assistance amount equal to or greater than the capitalization grant amount.

## K. Capitalization Grant Conditions and Other Federal Requirements

The State Water Board will comply with all conditions included in the 2020 Capitalization Grant agreement. Provisions specific to the FFY 2020 appropriation will take effect only if the State Water Board receives the FFY 2020 Capitalization Grant and will apply only as directed by Congress or U.S. EPA. The State Water Board will require that CWSRF financing recipients also comply with applicable federal pass-through requirements. Recipients of CWSRF financing must agree to provide information necessary to show compliance with all applicable federal requirements.

## L. Other State Requirements

Other state laws not specific to the CWSRF may also apply. These may include but are not limited to laws affecting urban water suppliers, charter cities, agricultural water users, projects located in the Sacramento-San Joaquin Delta, labor regulations, prevailing wages, and debt reporting.

Although the CWSRF Policy authorizes reimbursement of eligible construction costs for projects on the Fundable List going back to the notice to proceed date for the project, applicants should note that **CONSTRUCTION COSTS INCURRED BEFORE EXECUTION OF A FINANCIAL ASSISTANCE AGREEMENT ARE AT THE APPLICANT'S RISK.** Various factors may restrict reimbursement of costs incurred prior to execution of a funding agreement, including, but not limited to failure of the applicant to adopt a satisfactory reimbursement resolution, appropriations limits of

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<sup>25</sup> Planning and design financing agreements may be funded with capitalization grants to provide PF for water, energy, and sustainable planning and design. DFA does not intend to apply DBE requirements to such agreements, or to other agreements that do not finance POTWs, but will ensure DBE compliance for all other construction and implementation projects totaling an amount at least equivalent to the capitalization grant from U.S. EPA.

funding sources, and other factors. **Further, starting construction before the State Water Board has completed its environmental review may render the project ineligible for funding.** Additionally, changes to laws or requirements that occur prior to execution of a financial assistance agreement may affect some or all funding eligibility.

For all loans, the applicant will be expected to submit a resolution authorizing the transaction prior to execution of the agreement by DFA.

### M. Timely and Expeditious Expenditure

The State Water Board will ensure timely and expeditious expenditure of all funds during SFY 2020-21. This IUP establishes as a goal during SFY 2020-21 to overcommit cash and undrawn federal grant funds to continually disburse 100 percent (100%) of those funds less a minimum cash balance of \$25 million plus any assets restricted for other uses, (i.e., bond payments and administration). The State Water Board will continue to use and refine its existing procedures. These procedures are designed to quickly identify and approve projects, execute financing agreements, and disburse funds to recipients. As of March 20, 2020, the State Water Board has disbursed 92.6 percent (92.6%) of all federal grants awarded. These results are consistent with recent trends and indicate that the State Water Board can quickly and productively use federal funds once awarded.

### N. Cross-Collateralization

The State Water Board will continue to implement cross-collateralization between the CWSRF and the DWSRF loan programs as necessary to support the goals and objectives of the State Water Board as documented in the [Operating Agreement between the California State Water Resources Control Board and the United States Environmental Protection Agency Region IX for Activities and Functions in Managing the State Water Pollution Control Revolving Fund Program](#), as amended March 2019.



## V. OUTCOMES, GOALS, ACTIVITIES, AND MEASURES

### A. Sound Finances

The State Water Board, the CWSRF program's stakeholders, and the owners of CWSRF bonds expect the CWSRF to be financially sound.

#### Long-Term Goals:

1. **Maximize non-restricted and restricted cash flows:** For maximum benefit, CWSRF disbursements of non-pledged assets should equal non-restricted receipts, less a minimum balance necessary to meet six month's forecasted disbursements. Disbursement of pledged receipts should ensure timely and full payment of all bond payments and reserve requirements. Excess pledged receipts should be periodically evaluated to determine if they should be used to originate a new pledged loan or released from the lien of the Master Indenture.
2. **Use revenue and capital effectively:** California faces significant water quality needs. The CWSRF repayment stream is sizeable, and the CWSRF program continues to receive new capital from U.S. EPA. The CWSRF program's net position may make additional debt to finance water quality projects feasible and desirable. Additional debt, though, should be consistent with the *SRF Debt Management Policy* and the federal requirement to maintain the CWSRF in perpetuity.
3. **Maintain financial integrity:** Financial integrity is a core value of the CWSRF program. Effective internal controls ensure that the program's finances are dependable and trustworthy. Prudent lending practices and reasonable interest rates ensure the stability and continued growth of the CWSRF program.

#### Key Short-Term Activities:

1. **Prepare and review cash management reports regularly:** Ensuring that sufficient cash is available to fulfill project disbursement requests, make bond payments, fulfill reserve requirement, if necessary, and pay for other program expenses requires careful and regular oversight of the cash flows. (*Completed quarterly*)
2. **Continue regular staff level finance/audit coordination meetings:**
  - a. Review cash flow forecasts of existing and potential commitments and upcoming expenses to assess the CWSRF program's ability to meet its commitments and to evaluate the need for leveraging or other actions to regulate cash outflows. (*Completed quarterly*)
  - b. Compare actual performance with target performance measures. (*Completed quarterly*)

- c. Review audit issues, program control issues, and plan for upcoming audits.  
(*Completed quarterly*)
3. **Apply for and accept FFY 2020 Capitalization and ASADRA Grants:** The 2020 Capitalization and ASADRA Grant applications will be formally submitted to U.S. EPA after approval of this IUP and Supplemental IUP by the State Water Board. For 2020, a capitalization grant application will be submitted for \$150 million<sup>26</sup> in federal assistance. For ASADRA, a capitalization grant application will be submitted for \$183,000. (*Complete July 2020*)
4. **Maintain compliance with the SRF Debt Management Policy.** (*Ongoing Annually*)
5. **Prepare Annual Report and Audited Financial Statements for 2019-20.**  
(*Complete October 30, 2020*)
6. **Maintain bond compliance:** Comply with all reporting requirements and compliance obligations associated with outstanding revenue bonds, as set forth in the related continuing disclosure agreements, the Post-Issuance Tax Compliance Policy for Tax-Exempt Bond Issues, the Amended and Restated Master Payment and Pledge Agreement, and the Amended and Restated Master Trust Indenture.  
(*Ongoing Through the Year*)

#### Performance Targets and Measurements:

1. Total executed financing agreements > 120 percent (120%) of federal grants.
2. Disbursement rate = 100 percent (100%) of available funds less minimum six-month's disbursement balance and restricted funds.
3. Federal funds disbursement rate = 100 percent (100%) of federal payments.
4. Default ratio = 0.

## B. Fund the Most Beneficial Projects

The CWSRF program has finite funds and resources. These limitations require the State Water Board to prioritize so that the most pressing water quality problems are addressed first.

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<sup>26</sup> This number is preliminary, and subject to change. The FFY 2020 capitalization grant application will be submitted for a higher amount (\$150 million) than the estimated grant award to avoid amending this IUP and resubmitting the application should the actual award be greater than the currently estimated capitalization grant of \$113 million. If the actual 2020 grant award is less than the grant application, then the award can be made by U.S. EPA without the State Water Board submitting an amended IUP and grant application.

#### Long-Term Goals:

1. **Achieve compliance statewide with water quality objectives.**
2. **Achieve sustainable water resource management consistent with the [Human Right to Water](#).**
3. **Finance infrastructure that will achieve or maintain compliance with federal and state water quality requirements:** Support the [California Water Action Plan](#), [State Water Board's Strategic Plan](#), and [U.S. EPA's Strategic Plan](#), Goal 1 (Core Mission), Objective 1.2 (Provide for Clean and Safe Water).
4. **Assist with the State Water Board's [Plan for California's Nonpoint Source Pollution Control Program](#) and Estuary Comprehensive Conservation and Management Plans.**
5. **Invest in small SDACs and small DACs disproportionately affected by pollution and water contamination consistent with the Capacity Development Strategy.**
6. **Support the State's greenhouse gas reduction and climate adaptation goals to the maximum extent practicable consistent with State Water Board [Resolution No. 2017-0012](#).**

#### Key Short-Term Activities:

1. **Provide funds for high-priority projects:** Appendix B, the Fundable List, (page 47) identifies projects that the CWSRF program anticipates funding in SFY 2020-21 that support the Water Boards' and U.S. EPA's priorities along with their expected executed agreement dates.
2. **Adopt the SFY 2020-21 IUP:** The SFY 2020-21 IUP will guide marketing and assistance efforts targeting the Water Board and U.S. EPA's highest priorities in SFY 2020-21. (*Complete June 2020*)
3. **Report activities supporting the [California Water Action Plan](#), [State Water Board's Strategic Plan](#), and [U.S. EPA's Strategic Plan](#) in the CWSRF Annual Report, CBR, NIMS, and the FFATA Reporting System.** (*Completed annually*)

#### Performance Targets and Measurements:

1. Fund utilization rate (U.S. EPA Program Reporting Measure WQ-17 Fund Utilization) > 105 percent (105%) of available funds.
2. Execute financing agreements for 100 percent (100%) of projects with complete applications listed on the Fundable List, Appendix B (page 47) of this IUP, by June 30, 2021.

3. At least 25 percent (25%) of the number of projects executed during SFY 2020-21 should assist SDACs or DACs.
4. FFY 2020 funds committed as PF = maximum allowed by 2020 appropriation.
5. Percentage of FFY 2020 funds committed to GPR projects > minimum GPR percentage established by FFY 2020 appropriation.

### C. Efficient Service, Up-to-Date Policies and Procedures, and Recognizable Products

Applicants have several choices for their financing needs. The CWSRF program should attract high-value projects that support the policies and goals of the State Water Board.

#### Long-Term Goals:

1. **Provide good customer service with a special emphasis on assisting SDACs and DACs.**
2. **Ensure that the application forms and review procedures are clear, flexible, up-to-date, and efficient.**
3. **Clearly communicate to applicant their statuses and expectations for funding.**
4. **Ensure staff is well trained and ready to help applicants resolve technical, legal, environmental, and financial issues needed to receive financing.**
5. **Develop an electronic disbursement request submittal system:** Plan, design and implement an electronic disbursement request submittal module that is integrated with the existing Loans and Grants Tracking System in an effort to improve processing efficiency, support remote access workflow, reduce paper document load and standardize recipient submittals.

#### Key Short-Term Activities:

1. **Coordinate internally for efficient program implementation:** Continue regular internal coordination meetings to identify and resolve delays affecting applications on the Fundable List, coordinate and prioritize application reviews, and ensure all projects with complete applications on the Fundable List receive an executed agreement by June 30, 2021. (*Completed monthly*)

#### Performance Targets and Measurements:

1. Execute financing agreements for all projects with complete applications identified on the Fundable List before July 1, 2021.

2. Fulfill 100 percent (100%) of complete disbursement requests in 45 days or less<sup>27</sup>.

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<sup>27</sup> Disbursement fulfillment time is the time from receipt of a complete disbursement request to warrant date.

## VI. SCHEDULE

The estimated schedule for public comment and State Water Board adoption of the SFY 2020-21 IUP with Supplemental ASADRA IUP, and the applications, awards, and acceptance of the 2020 Capitalization Grant and ASADRA Grant is as follows:

Draft IUP with Supplemental IUP posted for public comment	May 11, 2020
Informational Workshop/Webinar	May 20, 2020
Deadline for Public Comments on Draft IUP with Supplemental IUP	June 10, 2020
Submit FFY 2020 Capitalization and ASADRA Grant applications to U.S. EPA	June 5, 2020
State Water Board adopts IUP with Supplemental IUP at regularly scheduled meeting	June 16, 2020
Execute FFY 2020 Capitalization and ASADRA Grant agreements with U.S. EPA	September 2020

## VII. ACRONYMS

A/E	Architectural and Engineering
AIS	American Iron and Steel
ARRA	American Recovery and Reinvestment Act of 2009
CalEPA	California Environmental Protection Agency
CBR	Clean Water State Revolving Fund Benefits Reporting
CFR	Code of Federal Regulations
CWA	Clean Water Act
CWSRF	Clean Water State Revolving Fund
DAC	Disadvantaged Community
DBE	Disadvantaged Business Enterprise
DFA	Division of Financial Assistance
FFATA	Federal Funding Accountability and Transparency Act
FFY	Federal Fiscal Year
FI\$CAL	Financial Information System for California
FSP	Fiscal Sustainability Plan
GAAP	Generally Accepted Accounting Principles
GPR	Green Project Reserve
GWGP	Groundwater Grant Program
IUP	Intended Use Plan
LGTS	Loans and Grants Tracking System
LID	Low Impact Development
MHI	Median Household Income
NIMS	National Information Management System
OCC	Office of Chief Counsel
PF	Principal Forgiveness
POTW	Publicly Owned Treatment Works
PY	Personnel Years
SCG	Small Community Grant
SDAC	Severely Disadvantaged Community
SERP	State Environmental Review Process
SFY	State Fiscal Year
SWGPP	Stormwater Grant Program
TA	Technical Assistance
U.S. EPA	United States Environmental Protection Agency
WIFIA	Water Infrastructure Finance and Innovation Act
WRFP	Water Recycling Funding Program
WRRDA	Water Resources Reform and Development Act of 2014

## VIII. APPENDICES

### APPENDIX A: Current Sources and Uses of the CWSRF<sup>28</sup>

	Projected SFY 2019-20	Projected SFY 2020-21	Projected SFY 2021-22	Projected SFY 2022-23	Projected SFY 2023-24
Beginning Balance	\$912,417,349	\$398,336,480	\$199,299,236	\$313,902,236	\$361,548,077
Estimated Principal Payments + Interest Earnings	\$287,239,993	\$302,089,993	\$316,939,993	\$331,789,993	\$346,639,993
Estimated SMIF <sup>29</sup> Interest Earnings	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Revenue Bond Proceeds <sup>30</sup>		\$408,060,000	\$408,060,000		
Debt Service – 2016, 2017 & 2018 Revenue Bonds	(\$136,471,900)	(\$138,406,425)	(\$138,972,200)	(\$139,991,250)	(\$136,794,275)
Debt Service – 2019 Revenue Bonds (preliminary)		(\$15,357,800)	(\$48,535,600)	(\$63,893,400)	(\$88,094,350)
Federal Capitalization Grants Received <sup>31</sup>	\$113,637,000	\$113,653,000	\$70,000,000	\$70,000,000	\$70,000,000
Administration Allowances <sup>32</sup>	(\$4,545,480)	(\$4,546,120.00)	(\$2,800,000)	(\$2,800,000)	(\$2,800,000)
Estimated Disbursements <sup>33</sup>	(\$775,440,482)	(\$866,029,892)	(\$491,589,193)	(\$148,959,502)	(\$98,952,211)
Estimated Year-End Balances <sup>34</sup>	\$398,336,480	\$199,299,236	\$313,902,236	\$361,548,077	\$453,047,235

	SFY 2020-21	SFY 2020-21	SFY 2021-22	SFY 2022-23	SFY 2023-24
Estimated Yearly Cash Flows <sup>35</sup>	(\$514,080,869)	(\$199,037,244)	\$114,603,000	\$47,645,841	\$91,499,157

<sup>28</sup> Forecast dated April 2020. These amounts are preliminary and subject to change.

<sup>29</sup> SMIF means Surplus Money Investment Fund.

<sup>30</sup> DFA will determine based on the CWSRF cash flow needs if future revenue bond sales are necessary. The 2020-21 and 2021-22 Revenue Bond sales are only projections and subject to change.

<sup>31</sup> These numbers include a final amount for the FFY 2019 grant that the State Water Board received on August 14, 2019. The amounts for all grants after FFY 2019 are estimated. The forecasted capitalization grants are listed in the aggregate amounts. Principal forgiveness, if available, is included in the aggregate grant amount in the forecast.

<sup>32</sup> These numbers include a final amount for the FFY 2019 grant that the State Water Board received on August 14, 2019. The amounts allowed for administration from all grants after FFY 2019 are based on estimates of the future grant amounts. The numbers reflect the percentage of the capitalization grants that may be used for program administration. The primary source of administrative funds for the CWSRF is the Administrative Fund. See Section III.G.3. (Administrative Funding) for further discussion. Funds from the Administration Allowance that are not used for program administration may be used to finance projects.



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<sup>33</sup> Estimated disbursements are a forecast of the cash disbursements for projects with executed financing agreements. The estimated cash disbursements include the local match credits on past projects that used match financing. Local match credits are contributions made by financing recipients in exchange for using match financing; match credits are used to meet the federal capitalization grants matching requirement.

<sup>34</sup> Estimated Year End Balances represent a running total based on the previous year's ending balance.

<sup>35</sup> Estimated Yearly Cash Flows represent the projected difference between revenues and capitalization grants (inflows) and disbursements and expenses (outflows) for each year, and do not include the previous year's ending balance. Positive numbers indicate that inflows are projected to be greater than outflows for that year. Negative numbers indicate that outflows are projected to be greater than inflows for that year.

## APPENDIX B: CWSRF Project Financing Forecast for SFY 2020-21 – Fundable List

	<b>Fundable List Rollover</b>
	<b>Projects that Received a Priority Score</b>

**Sort Order: Regional Board, Agency, Priority Score, Project Number**

**Green Project Reserve**

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
<b>Group 1 - Financing Agreement Mailed to Applicant for Its Signature</b>																
N/A	4	8035-110	Santa Clarita Valley Sanitation District	UV Disinfection Facilities Project	\$20,985,376	\$0	\$16,985,376	\$4,000,000	\$0	\$0	\$20,985,376	CA0054216	Yes	\$20,985,376	E	C
N/A	4	8156-110	Santa Clarita Valley Sanitation District	Advanced Water Treatment Facility Project	\$109,627,000	\$0	\$108,415,746	\$1,211,254	\$0	\$0	\$109,627,000	CA0054216	Yes	\$109,627,000	E	C
<b>Subtotal Group 1 =</b>		<b>2</b>			<b>\$130,612,376</b>	<b>\$0</b>	<b>\$125,401,122</b>	<b>\$5,211,254</b>	<b>\$0</b>	<b>\$0</b>	<b>\$130,612,376</b>			<b>\$130,612,376</b>		
<b>Group 2 - Agreement Routing for Division Management Approval and Subsequent Mailing to Applicant</b>																

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	2	8371-110	San Francisco, Public Utilities Commission of the City & County of	CWWS IPTPO P03 OSP Digester Gas Utilization Upgrade	\$54,387,969	\$0	\$50,387,969	\$4,000,000	\$0	\$0	\$54,387,969	CA0037681	Yes	\$54,387,969	E	C
N/A	2	8372-110	San Francisco, Public Utilities Commission of the City & County of	CWWS IPDP01 SEP Biosolids Digester Facilities Project (BDFP)	\$644,000,000	\$0	\$128,000,000	\$4,000,000	\$0	\$0	\$132,000,000	CA0037664	Yes	\$132,000,000	E	C
N/A	5	8215-110	Roseville, City of	Pleasant Grove Wastewater Treatment Plant Expansion and Energy Recovery Project	\$85,562,844	\$0	\$85,562,844	\$0	\$0	\$0	\$85,562,844	CA0084573		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	5	8215-210	Roseville, City of	Pleasant Grove Wastewater Treatment Plant Expansion Project	\$32,748,824	\$0	\$28,748,824	\$4,000,000	\$0	\$0	\$32,748,824	CA0084573	Yes	\$32,748,824	E	C
N/A	8	8235-110	Inland Empire Utilities Agency	2015 Drought Relief - RP-1158 Recycled Water Pump Station Upgrades	\$6,693,000	\$0	\$3,346,500	\$0	\$1,796,000	\$1,550,500	\$6,693,000	CA8000409		\$3,346,500	W	C
N/A	8	8235-120	Inland Empire Utilities Agency	2015 Drought Relief - RP-5 Recycled Water Pipeline Bottleneck	\$3,137,169	\$0	\$1,568,585	\$0	\$860,324	\$708,260	\$3,137,169	CA8000409		\$1,568,585	W	C

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	8	8235-150	Inland Empire Utilities Agency	2015 Drought Relief - Baseline Extension Project	\$6,694,013	\$0	\$3,347,007	\$3,347,006	\$0	\$0	\$6,694,013	CA8000409		\$6,694,013	W	C
<b>Subtotal Group 2 =</b>		<b>7</b>			<b>\$833,223,819</b>	<b>\$0</b>	<b>\$300,961,729</b>	<b>\$15,347,006</b>	<b>\$2,656,324</b>	<b>\$2,258,760</b>	<b>\$321,223,819</b>			<b>\$230,745,891</b>		
<b>Group 3 - Staff Has Completed Review of 4 Application Packages and Legal Consultation Is In Process</b>																
N/A	2	8258-110	Richmond, City of	Waste water Treatment Plant Critical Improvements Project	\$50,000,000	\$0	\$50,000,000	\$0	\$0	\$0	\$50,000,000	CA0038539		\$0		
N/A	4	8154-110	Los Angeles County Sanitation District No. 2	Carson JWPCP - Effluent Outfall Tunnel Project	\$636,150,000	\$0	\$127,230,000	\$0	\$0	\$0	\$127,230,000	CA0053813		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	8	8290-110	Orange County Water District	Ground water Replenishment System Final Expansion	\$95,412,378	\$0	\$47,706,189	\$0	\$45,206,189	\$2,500,000	\$95,412,378	R8-2016-0051	Yes	\$47,706,189	W	C
N/A	8	8307-110	Orange County Water District	Water Production Flow Enhancement Project	\$90,795,042	\$0	\$45,397,521	\$0	\$42,897,521	\$2,500,000	\$90,795,042	R8-2016-0051	Yes	\$45,397,521	W	C
<b>Subtotal Group 3 =</b>	<b>4</b>				<b>\$872,357,420</b>	<b>\$0</b>	<b>\$270,333,710</b>	<b>\$0</b>	<b>\$88,103,710</b>	<b>\$5,000,000</b>	<b>\$363,437,420</b>			<b>\$93,103,710</b>		
<b>Group 4 - Staff Has Completed Review of 4 Application Packages but Legal Consultation Has Not Started</b>																
N/A	9	8277-110	San Diego, City of	Advanced Metering Infrastructure (AMI) Project	\$79,392,934	\$0	\$79,392,934	\$0	\$0	\$0	\$79,392,934	CA0107409	Yes	\$79,392,934	W	C
<b>Subtotal Group 4 =</b>	<b>1</b>				<b>\$79,392,934</b>	<b>\$0</b>	<b>\$79,392,934</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$79,392,934</b>			<b>\$79,392,934</b>		
<b>Group 5 - Staff Has Not Completed Review of 4 Application Packages but Legal Consultation Is Completed</b>																

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	2	8286-110	San Francisco, Public Utilities Commission of the City & County of	CWWS IPSE02 SEP New Headworks (Grit) Replacement	\$358,630,542	\$0	\$112,036,181	\$0	\$0	\$0	\$112,036,181	CA0037664		\$0		
Subtotal Group 5 =		1			\$358,630,542	\$0	\$112,036,181	\$0	\$0	\$0	\$112,036,181			\$0		
Group 6 - Staff Has Not Completed Review of 4 Application Packages and Legal Consultation Is In Process																
N/A	2	8264-110	Silicon Valley Clean Water	Conveyance and Treatment Reliability Improvements Project	\$220,000,000	\$0	\$71,000,000	\$0	\$0	\$0	\$71,000,000	CA0038369		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	2	8264-210	Silicon Valley Clean Water	Conveyance and Treatment Reliability Improvements Project - Front of Plant- Receiving Lift Station, Headworks, Influent Connector Pipe, Front of Plant Civil Site Work	\$119,000,000	\$0	\$49,000,000	\$0	\$0	\$0	\$49,000,000	CA0038369		\$0		



Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	2	8264-710	Silicon Valley Clean Water	Conveyance and Treatment Reliability Improvements Project - San Carlos Pump Station Demo	\$6,000,000	\$0	\$49,000,000	\$0	\$0	\$0	\$49,000,000	CA0038369		\$0		
N/A	3	8185-210	Morro Bay, City of	Water Reclamation Facility Project	\$105,105,168	\$0	\$52,552,584	\$0	\$47,552,584	\$5,000,000	\$105,105,168	CA0047881		\$0		
N/A	4	8433-110	Oxnard, City of	City of Oxnard Treatment Plant Rehabilitation Projects	\$66,700,000	\$0	\$66,700,000	\$0	\$0	\$0	\$66,700,000	CA0054097		\$0		
N/A	7	8470-110	Coachella Valley Water District	CVWD 2017/18 Non-Potable Water Connections Project	\$33,000,000	\$0	\$16,500,000	\$0	\$11,500,000	\$5,000,000	\$33,000,000	CA0104973		\$0		

Total Priority Score <sup>1</sup>	Regional Water	Project Number <sup>2,5</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>1</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only) <sup>3</sup>	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant <sup>3</sup>	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>3</sup>	Federal Year 2019	Green Project	Determination Categorical (C)
N/A	8	8167-110	Inland Empire Utilities Agency	Joint IEUA - JCSD Regional Water Recycling Program Phase I	\$32,000,000	\$0	\$16,000,000	\$0	\$13,500,000	\$2,500,000	\$32,000,000	CA8000316		\$0		
N/A	8	8167-120	Jurupa Community Services District	Joint IEUA - JCSD Regional Water Recycling Program	\$20,460,000	\$0	\$10,230,000	\$0	\$7,730,000	\$2,500,000	\$20,460,000	CA8000316		\$0		
N/A	8	8162-110	Yucaipa Valley Water District	Calimesa Recycled Water Conveyance Project	\$5,785,000	\$0	\$2,892,500	\$0	\$1,133,750	\$1,758,750	\$5,785,000	CA0105619		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	9	8394-110	La Mesa, City of	Parkway Drive and Alvarado Road Trunk Sewer Phase 3 Upgrade Project	\$7,000,000	\$0	\$7,000,000	\$0	\$0	\$0	\$7,000,000	R9-2012-0014		\$0		
N/A	9	8419-110	San Diego, City of	Pure Water North City Morena Blvd Pump Station & Pipeline (Waste water Portion)	\$359,245,400	\$0	\$112,084,565	\$0	\$0	\$0	\$112,084,565	CA0107409	Yes	\$112,084,565	W	C
N/A	9	8419-210	San Diego, City of	Pure Water North City Water Reclamation Plant Expansion	\$244,557,601	\$0	\$76,301,972	\$0	\$0	\$0	\$76,301,972	CA0107409	Yes	\$76,301,972	W	C

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2,5</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>1</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only) <sup>3</sup>	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant <sup>3</sup>	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>3</sup>	Federal Year 2019	Green Project	Determination Categorical (C)
N/A	9	8419-310	San Diego, City of	Pure Water North City Metropolitan BioSolids Center Improvements	\$7,424,262	\$0	\$2,316,370	\$0	\$0	\$0	\$2,316,370	CA0107409	Yes	\$2,316,370	W	C
N/A	9	8419-410	San Diego, City of	Pure Water North City Water Reclamation Plant Expansion and Influent Conveyance	\$45,652,900	\$0	\$14,243,705	\$0	\$0	\$0	\$14,243,705	CA0107409	Yes	\$17,243,705	W	C
N/A	9	8419-510	San Diego, City of	Pure Water North City Pure Water Pump Station	\$21,224,438	\$0	\$6,622,025	\$0	\$0	\$0	\$6,622,025	CA0107409	Yes	\$6,622,025	W	C
N/A	9	8419-610	San Diego, City of	Pure Water North City Pure Water Pipeline	\$142,312,108	\$0	\$44,401,378	\$0	\$0	\$0	\$44,401,378	CA0107409	Yes	\$44,401,378	W	C

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	9	8419-710	San Diego, City of	Pure Water North City Pure Water Facility	\$579,596,282	\$0	\$180,834,040	\$0	\$0	\$0	\$180,834,040	CA0107409	Yes	\$180,834,040	W	C
N/A	9	8419-810	San Diego, City of	Pure Water North City Morena Blvd Pump Station & Pipeline (Water Portion)	\$59,592,510	\$0	\$16,678,827	\$0	\$0	\$0	\$16,678,827	CA0107409	Yes	\$16,678,827	W	C
<b>Subtotal Group 6 =</b>	<b>18</b>				<b>\$2,074,655,669</b>	<b>\$0</b>	<b>\$794,357,964</b>	<b>\$0</b>	<b>\$81,416,334</b>	<b>\$16,758,750</b>	<b>\$892,533,048</b>			<b>\$456,482,882</b>		
<b>Group 7 - Staff Has Not Completed Review of 4 Application Packages and Legal Consultation Has Not Started</b>																
N/A	2	8489-110	Central Contra Costa SD	Solids Handling Facilities Improvements, DP 7348	\$89,625,000	\$0	\$89,625,000	\$0	\$0	\$0	\$89,625,000	CA0037648		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	2	8356-110	East Bay Municipal Utility District	South Interceptor 3rd Street Rehabilitation Project Phase 2	\$27,301,000	\$27,301,000	\$0	\$0	\$0	\$0	\$27,301,000	CA0037702		\$0		
N/A	2	8377-110	Palo Alto, City of	Regional Water Quality Control Plant Discharge Infrastructure Improvements	\$11,760,000	\$11,760,000	\$0	\$0	\$0	\$0	\$11,760,000	CA0037834		\$0		
N/A	2	8490-110	Palo Alto, City of	Regional Water Quality Control Plant Primary Sedimentation and Electrical Upgrade	\$16,368,000	\$16,368,000	\$0	\$0	\$0	\$0	\$16,368,000	CA0037834		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
14	2	8517-110	Ross Valley Sanitary District	FY 2019-20 Gravity Sewer Improvements, Butterfield/Arroyo-Kenrick	\$4,562,500	\$0	\$4,562,500	\$0	\$0	\$0	\$4,562,500	R2-2013-0200		\$0		
N/A	2	8297-110	San Mateo-Foster City Public Financing Authority	The San Mateo Clean Water Program - Waste water Treatment Plant	\$440,000,000	\$0	\$137,456,000	\$0	\$0	\$0	\$137,456,000	CA0037541		\$0		
14	2	8293-110	West County Water District	WPCP and Collection System Improvements - Phase I	\$18,050,000	\$0	\$18,050,000	\$0	\$0	\$0	\$18,050,000	CA0038539		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	3	8440-110	El Paso de Robles, City of	Paso Robles Recycled Water Distribution System	\$19,414,000	\$0	\$9,707,000	\$0	\$9,707,000	\$0	\$19,414,000	CA0047953		\$9,707,000	W	C
N/A	3	8436-110	Santa Cruz County Sanitation District	Valencia Creek Sewer Relocation Project	\$2,154,000	\$2,154,000	\$0	\$0	\$0	\$0	\$2,154,000	CA0048194		\$0		
N/A	4	8354-110	Central Basin Municipal Water District	Gateway Cities Regional Recycled Water System Expansion Project - Lynwood	\$3,453,182	\$1,726,591	\$0	\$0	\$776,952	\$949,639	\$3,453,182	CA0053911		\$1,726,591	W	



Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	4	8354-210	Central Basin Municipal Water District	Gateway Cities Regional Recycled Water System Expansion Project - South Gate	\$4,580,566	\$2,290,283	\$0	\$0	\$1,219,851	\$1,070,432	\$4,580,566	CA0053911		\$2,290,283	W	
N/A	4	8354-310	Central Basin Municipal Water District	Gateway Cities Regional Recycled Water System Expansion Project - Bell Gardens	\$2,879,159	\$1,605,711	\$0	\$0	\$664,525	\$608,923	\$2,879,159	CA0053911		\$1,605,711	W	
N/A	4	8398-110	Downey, City of	Green Street Project in Four Arterial Streets	\$9,789,248	\$0	\$9,789,248	\$0	\$0	\$0	\$9,789,248	R4-2012-0175		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	4	8495-110	Long Beach Water Dept	Sewer Collection Systems Improvements	\$5,200,000	\$4,986,215	\$213,785	\$0	\$0	\$0	\$5,200,000	2006-0003 DWQ		\$0		
14	4	8063-110	Los Angeles, City of	DCTWRP Advanced Water Purification Facility	\$266,000,000	\$0	\$261,000,000	\$0	\$0	\$5,000,000	\$266,000,000	CA005 6227		\$261,000,000	W	C
14	4	8501-110	Sanitation Districts of Los Angeles County	216th Street Replacement Trunk Sewer Phase 2	\$6,535,000	\$0	\$6,535,000	\$0	\$0	\$0	\$6,535,000	CA005 3813		\$0		
N/A	5	8447-110	Stockton, City of	Regional Wastewater Control Facilities Modifications	\$150,000,000	\$0	\$46,800,000	\$0	\$0	\$0	\$46,800,000	CA007 9138		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
14	6	8516-110	Crestline Sanitation District	Huston Creek WWTP Dewatering Building and Primary Clarifier	\$8,000,000	\$0	\$8,000,000	\$0	\$0	\$0	\$8,000,000	R6-1994-0057		\$0		
N/A	6	8125-110	Palmdale Recycled Water Authority	Recycled Water Line Phase 2	\$2,500,000	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000	R6-2012-0002		\$0		
N/A	6	8102-110	Palmdale Water District	Palmdale Regional Groundwater Recharge and Recovery Project	\$57,400,000	\$0	\$28,700,000	\$0	\$23,700,000	\$5,000,000	\$57,400,000	R6-2012-0002		\$28,700,000	W	C
N/A	8	8251-110	Corona, City of	Corona Reclaimed Source Delivery Main (WRC RWA line)	\$1,281,600	\$0	\$1,281,600	\$0	\$0	\$0	\$1,281,600	R8-2019-0015		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	8	8396-110	Hemet, City of	Sewer Main Replacement Project	\$8,000,000	\$0	\$8,000,000	\$0	\$0	\$0	\$8,000,000	R8-2010-0033		\$0		
N/A	8	8173-210	Inland Empire Utilities Agency	RP-5 Expansion Construction Project	\$325,000,000	\$0	\$101,530,000	\$0	\$0	\$0	\$101,530,000	CA8000409		\$0		
N/A	8	8260-110	Inland Empire Utilities Agency	Distribution System /Wineville/Jurupa/RP-3 Recharge Improvements (PID 23a)	\$11,742,550	\$0	\$11,742,550	\$0	\$0	\$0	\$11,742,550	CA8000409		\$0		
N/A	8	8414-110	Inland Empire Utilities Agency	Lower Day Basin Improvement Project	\$2,855,332	\$0	\$2,855,332	\$0	\$0	\$0	\$2,855,332	CA8000409		\$0		
N/A	9	8112-110	Escondido, City of	Recycled Water Easterly Agriculture Distribution System	\$4,300,000	\$0	\$2,150,000	\$0	\$2,150,000	\$0	\$4,300,000	R9-2010-0032		\$2,150,000	W	C

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	9	8196-110	San Elijo Joint Powers Authority	SEJPA Recycled Water Phase II Project	\$6,200,000	\$0	\$3,100,000	\$0	\$3,100,000	\$0	\$6,200,000	R9-2000-0010		\$3,100,000	W	C
<b>Subtotal Group 7 =</b>		<b>25</b>			<b>\$1,492,388,637</b>	<b>\$68,191,800</b>	<b>\$738,535,515</b>	<b>\$0</b>	<b>\$41,318,328</b>	<b>\$15,128,994</b>	<b>\$863,174,637</b>			<b>\$310,279,585</b>		
<b>Group 8 - Application is Incomplete</b>																
N/A	2	8238-110	Burbank Sanitary District	Scott Street and Backyard Easements Sanitary Sewer Rehabilitation Project	\$1,950,000	\$0	\$1,950,000	\$0	\$0	\$0	\$1,950,000	2006-0003-DWQ		\$0		
N/A	4	8137-110	Pasadena, City of	Pasadena Non-Potable Water Project	\$25,325,000	\$0	\$12,662,500	\$0	\$7,662,500	\$5,000,000	\$25,325,000	CA0079138		\$12,662,500	W	C
N/A	8	8415-110	Inland Empire Utilities Agency	Montclair Basin Improvement Project	\$1,273,857	\$0	\$1,273,857	\$0	\$0	\$0	\$1,273,857	CA8000409		\$0		

Total Priority Score <sup>1</sup>	Regional Water Board	Project Number <sup>2</sup>	Agency	Project Name	Total Requested Funding	Estimated 2020 Capitalization Grant Projects <sup>3</sup>	Estimated Other CWSRF Loan Funds SFY 2020/21	Estimated Principal Forgiveness (Cap Grant Funds Only)	Estimated Water Recycling Funding Program Loan	Estimated Water Recycling Funding Program Grant	Estimated Total Financing	NPDES/WDR Permit Number	Proposed Equivalency & FFATA Projects <sup>4</sup>	Federal Year 2019	Green Project Type <sup>5</sup>	Determination <sup>6</sup>
N/A	8	8236-110	Ontario, City Of	City of Ontario Recycled Water Distribution System Project	\$22,639,082	\$0	\$11,319,541	\$0	\$6,319,541	\$5,000,000	\$22,639,082	CA8000409		\$11,319,541	W	C
N/A	9	8059-110	Escondido, City of	Recycled Water Easterly Agricultural Reverse Osmosis Facility and Pump Station	\$29,000,000	\$0	\$14,500,000	\$0	\$14,500,000	\$0	\$29,000,000	R9-2010-0032		\$14,500,000	W	C
<b>Subtotal Group 8 =</b>	<b>7</b>				<b>\$92,750,439</b>	<b>\$0</b>	<b>\$54,268,398</b>	<b>\$0</b>	<b>\$28,482,041</b>	<b>\$10,000,000</b>	<b>\$92,750,439</b>			<b>\$38,482,041</b>		
<b>Total =</b>	<b>65</b>				<b>\$5,934,011,836</b>	<b>\$68,191,800</b>	<b>\$2,475,287,553</b>	<b>\$20,558,260</b>	<b>\$241,976,737</b>	<b>\$49,146,504</b>	<b>\$2,855,160,854</b>			<b>\$1,339,099,419</b>		

Note:

Fundable List grouping status is as of February 27, 2020.

1. Eligible Cut off score is 14. However, the Deputy Director of DFA has the discretion to lower the cut-off score to Projects that have a priority score of 13 or higher.
2. Project numbers and project names are for administrative purposes only. DFA may assign or reassign project numbers and project names as necessary to administer projects.
3. 2020 CWSRF Cap Grant estimate is \$113,000,000. PF at 40% = \$45,200,000. Available for Loans = \$68,191,800.
4. Proposed FFATA and Equivalency Projects will be selected up to an equivalent amount equal to the 2020 Cap Grant Award.
5. Green Project Types: W= Water Efficiency; E = Energy Efficiency; I = Innovative.
6. Determination: Categorical (C) or Business Case (BC)
7. The amounts on the Fundable List for the projects or interrelated programs that are recommended for partial repayable funding are maximum amounts. The total for each project or interrelated program may be allocated or reallocated to multiple financing agreements at the request of the applicant as long as the total funding does not exceed the total on the Fundable List for the project or interrelated program. Each of the applicants recommended for partial funding appears capable of obtaining the remaining financing necessary to successfully complete the projects or interrelated programs. See projects listed with Red Font.

## APPENDIX C: CWSRF Project Financing Forecast for SFY 2020-21 – Comprehensive List

### Fundable List Rollovers - Sort Order = Rollover Year, Agency Name, Project Number

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
2018/2019	4	8354-110	Central Basin Municipal Water District	Gateway Cities Regional Recycled Water System Expansion Project - Lynwood	N/A	N/A	N/A	N/A	CWSRF/Water Recycling	\$3,453,182
2018/2019	4	8354-210	Central Basin Municipal Water District	Gateway Cities Regional Recycled Water System Expansion Project - South Gate	N/A	N/A	N/A	N/A	Water Recycling	\$4,580,566
2018/2019	4	8354-310	Central Basin Municipal Water District	Gateway Cities Regional Recycled Water System Expansion Project - Bell Gardens	N/A	N/A	N/A	N/A	Water Recycling	\$2,879,159
2018/2019	9	8059-110	Escondido, City of	Recycled Water Easterly Agricultural Reverse Osmosis Facility and Pump Station	N/A	N/A	N/A	N/A	CWSRF/Water Recycling	\$29,000,000
2018/2019	8	8167-110	Inland Empire Utilities Agency	Joint IEUA - JCSD Regional Water Recycling Program Phase I	N/A	N/A	N/A	N/A	Water Recycling	\$32,000,000
2018/2019	8	8235-110	Inland Empire Utilities Agency	2015 Drought Relief - RP-1158 Recycled Water Pump Station Upgrades	N/A	N/A	N/A	N/A	CWSRF/WRFP	\$6,693,000
2018/2019	8	8235-120	Inland Empire Utilities Agency	2015 Drought Relief - RP-5 Recycled Water Pipeline Bottleneck	N/A	N/A	N/A	N/A	CWSRF/WRFP	\$3,137,169
2018/2019	8	8235-150	Inland Empire Utilities Agency	2015 Drought Relief - Baseline Extension Project	N/A	N/A	N/A	N/A	CWSRF	\$6,694,013
2018/2019	8	8167-120	Jurupa Community Services District	Joint IEUA - JCSD Regional Water Recycling Program	N/A	N/A	N/A	N/A	Water Recycling	\$20,460,000
2018/2019	4	8154-110	Los Angeles County Sanitation District No. 2	Carson JWPCP - Effluent Outfall Tunnel Project	N/A	N/A	N/A	N/A	CWSRF	\$636,150,000
2018/2019	8	8236-110	Ontario, City Of	City of Ontario Recycled Water Distribution System Project	N/A	N/A	N/A	N/A	CWSRF/WRFP	\$22,639,082



Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
2018/2019	8	8290-110	Orange County Water District	Groundwater Replenishment System Final Expansion	N/A	N/A	N/A	N/A	Water Recycling	\$95,412,378
2018/2019	8	8307-110	Orange County Water District	Water Production Flow Enhancement Project	N/A	N/A	N/A	N/A	Water Recycling	\$90,795,042
2018/2019	6	8125-110	Palmdale Recycled Water Authority	Recycled Water Line Phase 2	N/A	N/A	N/A	N/A	Water Recycling	\$2,500,000
2018/2019	6	8102-110	Palmdale Water District	Palmdale Regional Groundwater Recharge and Recovery Project	N/A	N/A	N/A	N/A	CWSRF/WRFP	\$57,400,000
2018/2019	4	8137-110	Pasadena, City of	Pasadena Non-Potable Water Project	N/A	N/A	N/A	N/A	Water Recycling	\$25,325,000
2018/2019	2	8258-110	Richmond, City of	Wastewater Treatment Plant Critical Improvements Project	N/A	N/A	N/A	N/A	CWSRF	\$50,000,000
2018/2019	5	8215-110	Roseville, City of	Pleasant Grove Wastewater Treatment Plant Expansion and Energy Recovery Project	N/A	N/A	N/A	N/A	CWSRF	\$85,562,844
2018/2019	5	8215-210	Roseville, City of	Pleasant Grove Wastewater Treatment Plant Expansion Project	N/A	N/A	N/A	N/A	CWSRF	\$32,748,824
2018/2019	9	8277-110	San Diego, City of	Advanced Metering Infrastructure (AMI) Project	N/A	N/A	N/A	N/A	CWSRF	\$79,392,934
2018/2019	9	8196-110	San Eljio Joint Powers Authority	SEJPA Recycled Water Phase II Project	N/A	N/A	N/A	N/A	CWSRF/Water Recycling	\$6,200,000
2018/2019	2	8371-110	San Francisco, Public Utilities Commission of the City & County of	CWWSIPTPOP03 OSP Digester Gas Utilization Upgrade	N/A	N/A	N/A	N/A	CWSRF	\$54,387,969

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
2018/2019	2	8372-110	San Francisco, Public Utilities Commission of the City & County of	CWWSIPDP01 SEP Biosolids Digester Facilities Project (BDFP)	N/A	N/A	N/A	N/A	CWSRF	\$644,000,000
2018/2019	4	8035-110	Santa Clarita Valley Sanitation District	UV Disinfection Facilities Project	N/A	N/A	N/A	N/A	CWSRF	\$20,985,376
2018/2019	4	8156-110	Santa Clarita Valley Sanitation District	Advanced Water Treatment Facility Project	N/A	N/A	N/A	N/A	CWSRF	\$109,627,000
2018/2019	2	8264-110	Silicon Valley Clean Water	Conveyance and Treatment Reliability Improvements Project	N/A	N/A	N/A	N/A	CWSRF	\$220,000,000
2018/2019	2	8264-210	Silicon Valley Clean Water	Conveyance and Treatment Reliability Improvements Project - Front of Plant-Receiving Lift Station, Headworks, Influent Connector Pipe, Front of Plant Civil Site Work	N/A	N/A	N/A	N/A	CWSRF	\$119,000,000
2018/2019	2	8264-710	Silicon Valley Clean Water	Conveyance and Treatment Reliability Improvements Project - San Carlos Pump Station Demo	N/A	N/A	N/A	N/A	CWSRF	\$6,000,000
2018/2019	8	8162-110	Yucaipa Valley Water District	Calimesa Recycled Water Conveyance Project	N/A	N/A	N/A	N/A	CWSRF/Water Recycling	\$5,785,000
2019/2020	2	8238-110	Burbank Sanitary District	Scott Street and Backyard Easements Sanitary Sewer Rehabilitation Project	N/A	N/A	N/A	N/A	CWSRF	\$1,950,000
2019/2020	2	8489-110	Central Contra Costa SD	Solids Handling Facilities Improvements, DP 7348	N/A	N/A	N/A	N/A	CWSRF	\$89,625,000
2019/2020	7	8470-110	Coachella Valley Water District	CVWD 2017/18 Non-Potable Water Connections Project	N/A	N/A	N/A	N/A	CWSRF	\$33,000,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
2019/2020	8	8251-110	Corona, City of	Corona Reclaimed Source Delivery Main (WRCRWA line)	N/A	N/A	N/A	N/A	CWSRF	\$1,281,600
2019/2020	4	8398-110	Downey, City of	Green Street Project in Four Arterial Streets	N/A	N/A	N/A	N/A	CWSRF	\$9,789,248
2019/2020	2	8356-110	East Bay Municipal Utility District	South Interceptor 3rd Street Rehabilitation Project Phase 2	N/A	N/A	N/A	N/A	CWSRF	\$27,301,000
2019/2020	3	8440-110	El Paso de Robles, City of	Paso Robles Recycled Water Distribution System	N/A	N/A	N/A	N/A	CWSRF/Water Recycling	\$19,414,000
2019/2020	9	8112-110	Escondido, City of	Recycled Water Easterly Agriculture Distribution System	N/A	N/A	N/A	N/A	CWSRF/Water Recycling	\$4,300,000
2019/2020	8	8396-110	Hemet, City of	Sewer Main Replacement Project	N/A	N/A	N/A	N/A	CWSRF	\$8,000,000
2019/2020	8	8173-210	Inland Empire Utilities Agency	RP-5 Expansion Construction Project	N/A	N/A	N/A	N/A	CWSRF	\$325,000,000
2019/2020	8	8260-110	Inland Empire Utilities Agency	Distribution System/Wineville/Jurupa/RP-3 Recharge Improvements (PID 23a)	N/A	N/A	N/A	N/A	CWSRF	\$11,742,550
2019/2020	8	8414-110	Inland Empire Utilities Agency	Lower Day Basin Improvement Project	N/A	N/A	N/A	N/A	CWSRF	\$2,855,332
2019/2020	8	8415-110	Inland Empire Utilities Agency	Montclair Basin Improvement Project	N/A	N/A	N/A	N/A	CWSRF	\$1,273,857
2019/2020	9	8394-110	La Mesa, City of	Parkway Drive and Alvarado Road Trunk Sewer Phase 3 Upgrade Project	N/A	N/A	N/A	N/A	CWSRF	\$7,000,000
2019/2020	4	8495-110	Long Beach Water Dept	Sewer Collection Systems Improvements	N/A	N/A	N/A	N/A	CWSRF	\$5,200,000
2019/2020	3	8185-210	Morro Bay, City of	Water Reclamation Facility Project	N/A	N/A	N/A	N/A	Water Recycling	\$105,105,168
2019/2020	4	8433-110	Oxnard, City of	City of Oxnard Treatment Plant Rehabilitation Projects	N/A	N/A	N/A	N/A	CWSRF	\$66,700,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
2019/2020	2	8377-110	Palo Alto, City of	Regional Water Quality Control Plant Discharge Infrastructure Improvements	N/A	N/A	N/A	N/A	CWSRF	\$11,760,000
2019/2020	2	8490-110	Palo Alto, City of	Regional Water Quality Control Plant Primary Sedimentation and Electrical Upgrade	N/A	N/A	N/A	N/A	CWSRF	\$16,368,000
2019/2020	9	8419-110	San Diego, City of	Pure Water North City Morena Blvd Pump Station & Pipeline (Wastewater Portion)	N/A	N/A	N/A	N/A	CWSRF	\$359,245,400
2019/2020	9	8419-210	San Diego, City of	Pure Water North City Water Reclamation Plant Expansion	N/A	N/A	N/A	N/A	CWSRF	\$244,557,601
2019/2020	9	8419-310	San Diego, City of	Pure Water North City Metropolitan BioSolids Center Improvements	N/A	N/A	N/A	N/A	CWSRF	\$7,424,262
2019/2020	9	8419-410	San Diego, City of	Pure Water North City Water Reclamation Plant Expansion and Influent Conveyance	N/A	N/A	N/A	N/A	CWSRF	\$45,652,900
2019/2020	9	8419-510	San Diego, City of	Pure Water North City Pure Water Pump Station	N/A	N/A	N/A	N/A	CWSRF	\$21,224,438
2019/2020	9	8419-610	San Diego, City of	Pure Water North City Pure Water Pipeline	N/A	N/A	N/A	N/A	CWSRF	\$142,312,108
2019/2020	9	8419-710	San Diego, City of	Pure Water North City Pure Water Facility	N/A	N/A	N/A	N/A	CWSRF	\$579,596,282
2019/2020	9	8419-810	San Diego, City of	Pure Water North City Morena Blvd Pump Station & Pipeline (Water Portion)	N/A	N/A	N/A	N/A	CWSRF	\$59,592,510
2019/2020	2	8286-110	San Francisco, Public Utilities Commission of the City & County of	CWWSIPSE02 SEP New Headworks (Grit) Replacement	N/A	N/A	N/A	N/A	CWSRF	\$358,630,542
2019/2020	2	8297-110	San Mateo-Foster City Public Financing Authority	The San Mateo Clean Water Program - Wastewater Treatment Plant	N/A	N/A	N/A	N/A	CWSRF	\$440,000,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
2019/2020	3	8436-110	Santa Cruz County Sanitation District	Valencia Creek Sewer Relocation Project	N/A	N/A	N/A	N/A	CWSRF	\$2,154,000
2019/2020	5	8447-110	Stockton, City of	Regional Wastewater Control Facilities Modifications	N/A	N/A	N/A	N/A	CWSRF	\$150,000,000
							Projects =	61	Sub Total =	\$5,666,364,336

**Projects with Priority Scores - Sort Order = Total Priority Score, Agency Name, Project Number**

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
New	6	8516-110	Crestline Sanitation District	Huston Creek WWTP Dewatering Building and Primary Clarifier	8	2	4	14	CWSRF/SCG	\$8,000,000
N/A	4	8063-110	Los Angeles, City of	DCTWRP Advanced Water Purification Facility	7	3	4	14	CWSRF/WRFP	\$266,000,000
New	2	8517-110	Ross Valley Sanitary District	FY 2019-20 Gravity Sewer Improvements, Butterfield/Arroyo-Kenrick	8	2	4	14	CWSRF	\$4,562,500
N/A	4	8501-110	Sanitation Districts of Los Angeles County	216th Street Replacement Trunk Sewer Phase 2	8	2	4	14	CWSRF	\$6,535,000
N/A	2	8293-110	West County Wastewater District	WPCP and Collection System Improvements - Phase I	8	2	4	14	CWSRF	\$18,050,000
New	3	8366-110	Carpinteria Valley Water District	Carpinteria Advanced Purification Project	7	3	3	13	CWSRF/WRFP	\$32,800,000
New	8	8523-210	Cucamonga Valley Water District	Recycled Water Pipeline Extension project	7	2	4	13	CWSRF/WRFP	\$1,008,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
N/A	2	8502-110	Daly City, City of	Vista Grande Drainage Basin Improvement Project	6	3	4	13	Water Recycling	\$62,889,860
New	9	8548-110	East County Advanced Water Purification JPA	East County Advanced Water Purification Project	7	3	3	13	CWSRF/WRFP	\$135,853,000
N/A	8	8462-110	Elsinore Valley Municipal Water District	Regional Water Reclamation Facility Expansion	6	3	4	13	CWSRF	\$129,860,229
New	8	8514-110	Elsinore Valley Municipal Water District	Diamond Regional Sewer Lift Station and Dual Force Mains	6	3	4	13	CWSRF	\$36,540,937
New	8	8526-110	Inland Empire Utilities Agency	RP-1 Disinfection Improvements Project	6	3	4	13	CWSRF	\$8,460,000
New	9	8546-110	Oceanside, City of	Upper Recycled Water Conveyance System and Fire Mountain Reservoir and Pump Station	7	3	3	13	CWSRF/WRFP	\$51,554,669
New	2	8524-110	Oro Loma Sanitary District	Sewer Collection System Pipeline Rehabilitation and Replacement Project	6	3	4	13	CWSRF	\$25,000,000
N/A	2	8417-110	Palo Alto, City of	Advanced Water Purification System (AWPS) 1 MGD Project	7	3	3	13	CWSRF	\$22,353,000
N/A	8	8194-110	San Bernardino, City	Clean Water Factory	7	2	4	13	CWSRF	\$9,912,586
New	9	8553-110	San Diego, City of	South Mission Beach Storm Drain Improvements and Green Infrastructure	6	3	4	13	CWSRF	\$16,678,086
N/A	8	8478-110	Santa Ana, City of	Septic to Sewer Island	6	3	4	13	CWSRF	\$1,529,220

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
New	6	8544-110	South Tahoe Public Utility District	Tahoe Keys Wastewater Pump Station Rehabilitation Project	6	3	4	13	CWSRF	\$6,189,331
N/A	2	8497-110	Union Sanitary District	Primary Digester No. 7 Project	6	3	4	13	CWSRF	\$25,000,000
N/A	2	8498-110	Union Sanitary District	Standby Power Generation System Upgrade Project	6	3	4	13	CWSRF	\$28,000,000
N/A	4	8114-110	West Basin Municipal Water District	Recycled Water Supply for Palos Verdes Golf Course	7	2	4	13	CWSRF/Water Recycling	\$7,308,400
N/A	5	8384-110	Woodland, City of	Spring Lake Recycled Water Project	7	3	3	13	CWSRF/WRFP	\$2,832,018
N/A	5	8446-110	Biggs-West Gridley Water District	Infrastructure Modernization and Canal Operations Decision Support	8	2	2	12	CWSRF	\$734,364
N/A	5	8507-110	Del Puerto Water District	Del Puerto Water District Irrigation System Improvement Project II	7	3	2	12	CWSRF	\$5,000,000
N/A	5	8486-110	Hidden Valley Lake Community Services District	I&I Remediation	8	2	2	12	CWSRF	\$850,000
N/A	8	8170-110	Inland Empire Utilities Agency	City of Pomona, Monte Vista Water District & IEUA Recycled Water Intertie Project	7	3	2	12	CWSRF	\$144,604,000
New	8	8535-110	Inland Empire Utilities Agency	Philadelphia Force Main Improvements Project	6	3	3	12	CWSRF	\$20,001,412
N/A	2	8499-110	Milpitas, City of	City of Milpitas Recycled Water Pipeline Extension	7	3	2	12	Water Recycling	\$61,217,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
N/A	3	8508-110	Santa Barbara, City of	El Estero Wastewater Treatment Plant Electrical Distribution Renewal Project	6	3	3	12	CWSRF	\$30,188,647
N/A	2	8264-310	Silicon Valley Clean Water	Menlo Park Pump Station Rehabilitation	6	2	4	12	CWSRF	\$25,000,000
N/A	2	8264-410	Silicon Valley Clean Water	Redwood City Pump Station Rehabilitation	6	2	4	12	CWSRF	\$28,000,000
N/A	2	8264-510	Silicon Valley Clean Water	Belmont Pipeline Rehabilitation	6	2	4	12	CWSRF	\$3,000,000
N/A	2	8264-610	Silicon Valley Clean Water	Belmont Pump Station Rehabilitation	6	2	4	12	CWSRF	\$11,000,000
N/A	2	8483-110	Sunnyvale, City of	Secondary Treatment and Dewatering Facilities	6	3	3	12	CWSRF	\$215,096,000
N/A	2	8293-120	West County Wastewater District	WPCP and Collection System Improvements - Phase II	8	2	2	12	CWSRF	\$16,606,154
N/A	2	8459-110	Association of Bay Area Governments	Nature-Based Shoreline Infrastructures: Design, Monitoring, and Technical Guidance	6	3	2	11	CWSRF	\$999,999
N/A	8	8343-110	Colton, City of	Colton Wastewater Systems Upgrade Planning Project	6	3	2	11	CWSRF	\$6,900,000
N/A	4	8442-110	Downey, City of	Fruman Park/Rio Honda Elementary School Recycled Water Extension and Irrigation	7	2	2	11	CWSRF/Water Recycling	\$1,200,000
N/A	9	8382-110	Laguna Beach, City of	Sewer System Replacement Project	6	3	2	11	CWSRF	\$2,150,000
N/A	9	8383-110	Laguna Beach, City of	Coastal Treatment Plant Facility Improvement Project	4	3	4	11	CWSRF	\$6,250,000
N/A	4	8450-110	Long Beach Water Dept	Automated Meter Infrastructure	4	3	4	11	CWSRF	\$6,500,000



Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
N/A	2	8494-110	Oro Loma Sanitary District	Wet Weather Basin Expansion Project	6	3	2	11	CWSRF	\$26,000,000
New	3	8554-110	Pajaro Valley Water Management Agency	College Lake Integrated Resources Management Project	7	2	2	11	CWSRF	\$4,850,000
New	5	8552-110	Patterson, City of	City of Patterson Metering System Replacement Project	4	3	4	11	CWSRF	\$4,000,000
N/A	9	8504-110	San Diego, City of	Los Peñasquitos Lagoon Restoration Phase I	6	3	2	11	CWSRF	\$27,444,700
N/A	8	8435-110	Santa Ana, City of	Automated Water Metering Infrastructure	4	3	4	11	CWSRF	\$16,000,000
N/A	2	8158-110	Benicia, City of	Benicia Water Reuse Project	7	3	0	10	CWSRF	\$27,230,018
N/A	2	8503-110	Delta Diablo	East County Bioenergy Project: Organics Co-digestion	7	3	0	10	CWSRF	\$30,000,000
N/A	5	8342-110	Hidden Valley Lake Community Services District	Hidden Valley Lake Community Services District water and energy conservation project	6	0	4	10	CWSRF	\$2,000,000
N/A	3	8255-110	Pismo Beach, City of	Regional Groundwater Sustainability Project	7	3	0	10	CWSRF	\$25,848,800
N/A	2	8416-110	Silicon Valley Clean Water	Solar Energy and Energy Storage	4	2	4	10	CWSRF	\$4,000,000
N/A	5	8420-110	Browns Valley Irrigation District	Tennessee Ditch Canal Modernization and Hydroelectric Project	4	3	2	9	CWSRF	\$4,319,000
N/A	4	8094-110	La Puente Valley County Water District	LPVCWD Recycled Water Project	7	0	2	9	CWSRF/WRFP	\$2,067,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
N/A	8	8496-110	Redlands, City of	City of Redlands Wastewater Treatment Plant Rehabilitation Project	6	3	0	9	CWSRF	\$31,000,000
New	8	8079-110	Yucaipa, City of	Wilson III Detention Basin Project	4	3	2	9	CWSRF/WRFP	\$4,000,000
N/A	2	8285-210	Central Marin Sanitation Agency	Cogeneration System Design and Construction	4	3	1	8	CWSRF	\$10,007,000
N/A	6	8475-110	Eastern Sierra Community Service District	Plant Expansion and Nutrient Removal	8	0	0	8	CWSRF	\$6,512,335
N/A	7	8379-110	Brawley, City of	City of Brawley Automated Water Meter installation and Integration	4	3	0	7	CWSRF	\$8,852,994
New	3	8123-110	Cambria Community Services District	IPR Wastewater Effluent Quality Improvements	7	0	0	7	CWSRF/WRFP	\$6,827,000
N/A	9	8319-110	Laguna Beach, City of	Coastal Treatment Plant Export Sludge Force Main	4	3	0	7	CWSRF	\$1,743,253
N/A	2	8300-110	Novato Sanitary District	Novato CoGeneration Project	4	3	0	7	CWSRF	\$4,036,500
New	2	8148-110	Sewer Authority Mid-Coastside	Recycled Water Project Phase 1	7	0	0	7	CWSRF/WRFP	\$4,260,000
N/A	2	8482-110	Sunnyvale, City of	Administration and Laboratory Building	2	3	2	7	CWSRF	\$49,500,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing	
New	4	8100-110	Upper San Gabriel Valley Municipal Water District	Indirect Reuse Replenishment Project	7	0	0	7	CWSRF/WRFP	\$71,000,000	
N/A	2	7814-110	San Mateo County Fair Oaks Sewer Maintenance District	Collection System Improvement Project	6	0	0	6	CWSRF	\$5,400,000	
								<b>Projects =</b>	<b>66</b>	<b>Sub Total =</b>	<b>\$1,869,113,012</b>

**Projects not receiving a Priority Score - Sort Order = Agency Name, Project Number**

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
N/A	4	8340-110	Central Basin Municipal Water District	La Mirada Recycled Water Expansion Project	0	0	0	0	Water Recycling	\$18,700,000
N/A	2	8214-110	Las Gallinas Valley Sanitary District	Las Gallinas Rehabilitation and Recycled Water Project	0	0	0	0	CWSRF	\$35,500,000
New	2	8294-110	Marin County, Sanitary District No. 1 of	Large Diameter Gravity Sewer Rehabilitation Project II	0	0	0	0	CWSRF	\$8,417,000
New	2	8295-110	Marin County, Sanitary District No. 1 of	Pump Stations 12 and 13	0	0	0	0	CWSRF	\$7,662,400
New	2	8296-110	Marin County, Sanitary	FY 16/17 Gravity Sewer Improvement Project	0	0	0	0	CWSRF	\$17,895,000

Fundable List Rollover Year	Clean Water Regional Board	Project Number	Agency	Project Name	Primary Score	Secondary Score	Readiness Score	Total Priority Score <sup>1</sup>	Proposed Funding Source Program	Requested Total Financing
			District No. 1 of							
N/A	2	8381-110	Palo Alto, City of	Palo Alto Recycled Water Pipeline Project	0	0	0	0	CWSRF	\$48,677,054
N/A	8	8273-120	Riverside, City of	Jackson Street Recycled Water Pipeline, Phase II	0	0	0	0	CWSRF/Water Recycling	\$9,500,000
N/A	2	8263-110	Santa Clara Valley Water District	South Santa Clara County Recycled Water Project (Phases 1B/2A)	0	0	0	0	CWSRF	\$6,999,000
N/A	4	8216-140	Santa Clarita Valley Water Agency	CLWA Recycled Water Project - Phase 2A	0	0	0	0	CWSRF	\$24,210,000
N/A	9	8308-210	South Coast Water District	Monarch Beach Drive/ Stonehill Recycled Water Distribution	0	0	0	0	Water Recycling	\$4,332,000
							<b>Projects=</b>	<b>10</b>	<b>Sub Total =</b>	<b>\$181,892,454</b>
							<b>Projects=</b>	<b>136</b>	<b>Total =</b>	<b>\$7,681,869,802</b>

Note:

1. Applicants that requested to remain on the comprehensive list and not be considered for funding on the 2020/2021 IUP are shown as "Not Scored". These projects will be considered for the 2020/2021 IUP funding cycle.
2. Projects in Red Font are those projects select as partial funding on a previous fundable list.

## APPENDIX D: Principal Forgiveness Eligibility Criteria<sup>36</sup>

Eligible Applicants:	Any municipality, intermunicipal, interstate, or state agency (regardless of population, MHI, or wastewater rates). <sup>37</sup>
Project Types:	Any CWSRF eligible project consistent with the <a href="#">Green Project Reserve: Guidance for Determining Project Eligibility</a> that implements a process, material, technique, or technology to address water-efficiency or energy-efficiency goals, mitigate stormwater runoff, or encourage sustainable planning, design, and construction. This includes, but is not limited to, water or energy conservation assessments, audits, or plans, water reuse, water or energy reducing devices, and water meters.
PF Amount <sup>38</sup> :	
1.	For water or energy conservation assessments, audits, or planning, 100 percent (100%) of actual costs up to \$35,000 in PF.
2.	For all other projects, 50 percent (50%) of total, actual costs associated with water or energy conservation or sustainable planning, design, or construction up to \$4.0 million in PF.
3.	Projects that implement a nationally designated estuary plan may receive PF up to 75 percent (75%) of eligible project costs. Cumulative PF shall not exceed \$1 million per estuary plan area in any state fiscal year.

<sup>36</sup> The PF criteria in Appendix D is only applicable to the PF remaining from the FFY 2017 Capitalization Grant. PF will no longer be available for GPR projects once the 2017 PF is fully committed.

<sup>37</sup> Municipality includes a federally recognized Indian tribe or an authorized Indian tribal organization.

<sup>38</sup> No project, except SDAC and DAC projects, that receives CWSRF PF or grant may receive more than 50 percent (50%) combined PF and grant funding, regardless of the source of grant funding. Grant funding includes any funding that does not require repayment by the recipient.

APPENDIX E: SCG Fund Balance

	<b>Projected 7/1/19 – 6/30/20</b>	<b>Projected 7/1/20 – 6/30/21</b>
<b>Beginning Balance</b>	\$37,146,000	\$25,210,900
<b>Collected</b>	\$5,490,910	\$4,861,067
<b>Spent</b>	\$17,426,010	\$8,000,000
<b>End Balance<sup>39</sup></b>	<b>\$25,210,900</b>	<b>\$22,071,967<sup>40</sup></b>

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<sup>39</sup> Ending Balance does not account for existing commitments.

<sup>40</sup> \$8 million in SCG Funds will be available for wastewater projects during fiscal year 2020-2021.

## APPENDIX F: SCG Construction Grant Eligibility Criteria

Eligible Applicants:	Public agencies, 501(c)(3) non-profit organizations, federally recognized tribes and state tribes on Native American Heritage Commission consult list				
Eligible Project Type	CWSRF-eligible wastewater projects <sup>41</sup>				
Affordability Criteria			Grant Amount		
Population <sup>42</sup>	Community MHI <sup>43</sup>	Wastewater Rates as a Percentage of MHI <sup>44</sup>	Percentage of Total Eligible Project Cost	Maximum Grant Amount Per Project <sup>45,46, 47,48</sup>	Maximum Cost Per Household / Project
<20,000	MHI ≤ 100% Statewide MHI	≥4%	50%	\$6 million	\$30,000
	DAC <80% of Statewide MHI	≥1.5%	75% <sup>49</sup>		
	SDAC <60% of Statewide MHI	NA	100%		

<sup>41</sup> SCG construction grants are limited to: a) projects approved for funding after June 19, 2020 (consistent with the CWSRF Policy, planning and design costs incurred prior to funding approval may be reimbursed upon execution of the funding agreement) or b) DFA-approved cost increases approved after June 19, 2020 for planning or construction projects approved prior to June 19, 2020, if such increases are consistent with the funding criteria and limitations herein.

<sup>42</sup> Projects must be primarily geared toward addressing residential needs of permanent residents, except that wastewater systems solely serving K-12 public schools are also eligible. At least 50 percent (50%) of the dwellings or dwelling units must be the primary dwelling of permanent residents for a community or community area. Permanent residents mean residents who reside in the community at least six months out of the year, except that seasonal, migrant laborers can be counted.

<sup>43</sup> Wastewater systems that solely serve a K-12 public school are deemed to serve a SDAC, as the primary users are minor students with incomes below 60 percent (60%) of the statewide MHI. In the case of oversubscription, grants may

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be limited to Title I schools.

<sup>44</sup> For the purposes of calculating rates as a percentage of MHI, service charges plus other costs specifically related to the wastewater system may be considered, including but not limited to, dedicated sales tax revenue, assessments, and fees. If a CWSRF-eligible wastewater project consists of improvements to the drinking water system, the drinking water rates and charges may be considered in addition to wastewater rates and charges. For systems serving facilities such as labor camps or mobile home parks, DFA may elect to approve up to 100 percent (100%) grant up to a maximum of \$6 million. Even if 100 percent (100%) grant is approved, DFA staff will review projected revenues and expenses to confirm adequate revenues to operate and maintain the project.

<sup>45</sup> To ensure that available funds are distributed to a large cross-section of communities throughout California, a single community may not receive cumulatively more than \$10 million in SCG, PF and Technical Assistance funding in any given five-year period.

<sup>46</sup> For projects that connect previously unsewered areas or join communities to regionalize wastewater treatment works consistent with the CWSRF Policy, SCG funds will be allocated to each community served by the project on a per community basis, rather than a per project basis.

<sup>47</sup> Even if 100 percent (100%) grant is approved for a project, the recipient is required to demonstrate financial capacity to operate and maintain the wastewater system.

<sup>48</sup> On a case-by-case basis, for good cause, the Deputy Director of DFA may approve additional construction grant funds over the maximum grant amount for interest and fees related to bridge loan financing. These fees will only be paid for active construction projects experiencing a delay of reimbursements exceeding 45 days.

<sup>49</sup> For small DACs with wastewater rates at least one and a half percent (1.5%) of community MHI, if the community's credit review shows inadequate revenues to afford repayment of the remaining project costs, the grant percentage may be increased to as high as 100 percent (100%), as necessary to approve financing for the project. In addition, for small DACs with wastewater rates at least 1.5 percent (1.5%) of community MHI, DFA has discretion to increase the grant percentage to as high as 100 percent (100%), if the community's unemployment rate is at least two percent (2%) higher than the statewide average, or if declining population trends or low population densities impact the community's ability to afford financing.



## APPENDIX G: SCG Construction Grant Eligibility Criteria for Septic to Sewer and Regional Projects

Eligible Applicants:	Public agencies, 501(c)(3) non-profit organizations, federally recognized tribes and state tribes on Native American Commission consult list				
Eligible Project Type	CWSRF-eligible wastewater projects <sup>41</sup>				
Affordability Criteria			Grant Amount		
Population <sup>42</sup>	Community MHI <sup>43</sup>	Wastewater Rates as a Percentage of MHI <sup>44</sup>	Percentage of Total Eligible Project Cost	Maximum Grant Amount Per Project <sup>45,46,47,48</sup>	Maximum Cost Per Household / Project
<20,000	MHI ≤100% Statewide MHI	≥4%	50%	\$8 million	\$75,000
	DAC <80% of Statewide MHI	≥1.5%	75% <sup>49</sup>		
	SDAC <60% of Statewide MHI	NA	100%		

## APPENDIX H: SCG Planning Grants Eligibility Criteria<sup>50</sup>

Eligible Applicants:	Public agencies, 501(c)(3) non-profit organizations, federally recognized tribes and state tribes on Native American Heritage Commission consult list		
Affordability Criteria		Grant Amount	
Population	Community MHI	Percent of Total Project Cost	Maximum Grant Per Project <sup>51, 52</sup>
<20,000	DAC <80 percent of Statewide MHI	100 percent	\$500,000

<sup>50</sup> Where an applicant cannot demonstrate financial capacity to operate and maintain the wastewater system, it may be eligible for a planning grant if the scope of planning work assists in establishing the financial capacity to operate and maintain the system, including a proposed infrastructure project, in preparation for an eventual construction funding agreement. Examples of tasks that assist in establishing financial capacity include, but are not limited to, wastewater rate studies, budget development, Proposition 218 technical assistance, and capital improvement planning.

<sup>51</sup> For a regional planning project or septic to sewer project, the Deputy Director of DFA may approve more than \$500,000 in SCG funds, not to exceed \$500,000 in SCG funding per community included in the regional plan. A community may not receive more than \$1,000,000 in total planning costs (\$500,000 for treatment plant upgrades plus \$500,000 for collection system improvements). On a case-by-case basis, for good cause, the Deputy Director of DFA may approve additional planning grant funds.

<sup>52</sup> If a community receives a planning grant for their project, the amount disbursed to the community under planning will be subtracted from the maximum eligible construction grant.

## APPENDIX I: WRFP Grant and Loan Calculations

Eligible Applicants:	See WRFP Guidelines			
Funding Type	Eligible Project Costs <sup>53</sup>	Percentage of Total Eligible Project Cost		Maximum Grant Amount Per Project <sup>54</sup>
		DAC <sup>55</sup>	Non-DAC	
Planning Grant	Planning	100%	50%	\$150,000
Construction Grant	Construction, not including construction allowances <sup>56</sup>	35%	35%	\$5,000,000
Construction Loan	Planning, Design, and Construction	100%	50% <sup>57</sup>	N/A
<p>Note: Where the eligibility criteria and grant and loan calculations for the WRFP described in this IUP and appendices conflict with the WRFP Guidelines, the IUP and appendices will supersede.</p>				

<sup>53</sup> Eligible project costs are defined in the WRFP Guidelines.

<sup>54</sup> Except for SDAC and DAC projects, no project receiving grant will receive more than 50 percent (50%) grant funding, regardless of the funding source.

<sup>55</sup> A DAC means a community with a median household income (MHI) of less than eighty percent (80%) of the statewide MHI.

<sup>56</sup> Construction allowances are defined as construction change orders, construction management, and engineering during construction and are not eligible for WRFP construction grant funding.

<sup>57</sup> At least 50 percent local cost share match must be provided by the applicant, whether through repayable CWSRF financing, the applicant's own revenues, or other repayable financing. Local cost share match may be reduced for communities that meet the Small Disadvantaged Community criteria established in the CWSRF Policy and IUP.

APPENDIX J: Administration Fund Balance

	<b>Projected 7/1/19 – 6/30/20</b>	<b>Projected 7/1/20 – 6/30/21</b>
<b>Beginning</b>	\$13,659,000	\$13,869,785
<b>Collected</b>	\$9,210,785	\$8,383,840
<b>Spent</b>	\$9,000,000	\$9,000,000
<b>End Balance</b>	<b>\$13,869,785</b>	<b>\$13,253,625</b>

APPENDIX K: CWSRF Capitalization Grant Payments and Draw Payments

<b>Payments</b>				
	<b>SFY 20-21 Q1</b>	<b>SFY 20-21 Q2</b>	<b>SFY 20-21 Q3</b>	<b>SFY 20-21 Q4</b>
FFY 2020 Grant	\$113,000,000 <sup>58</sup> (Date of Award)			
<b>Draws</b>				
FFY 2018 Grant	\$15,000,000	\$16,000,000		
FFY 2019 Grant	<b>\$0</b>	<b>\$5,000,000</b>	<b>\$15,000,000</b>	<b>\$29,000,000</b>
FFY 2020 Grant	\$0	\$0	\$0	\$0
<b>Cumulative Draws</b>	<b>\$15,000,000</b>	<b>\$21,000,000</b>	<b>\$15,000,000</b>	<b>\$29,000,000</b>

<sup>58</sup> FFY 2020 estimated Capitalization Grant

APPENDIX L: Additional Supplemental Appropriations for Disaster Relief Act, 2019 (ASADRA)

California State Water Resources Control  
Board  
Division of Financial Assistance

Drinking Water State Revolving Fund (DWSRF)  
& Clean Water State Revolving Fund (CWSRF)

Additional Supplemental Appropriations for Disaster Relief  
Act, 2019 (ASADRA)

**SUPPLEMENTAL  
INTENDED USE PLAN**

June 16, 2020

## I. BACKGROUND AND PURPOSE

Over 8,500 wildfires burned in California during calendar year 2018, with devastating effects for the residents and the environment. The fire season started early, and many large and destructive fires occurred between June and November. In addition to drought and climate change, the wildfires negatively impacted drinking water systems across the state.

The “Additional Supplemental Appropriations for Disaster Relief Act, 2019” (ASADRA) became law on June 6, 2019 to provide additional funding for water and wastewater infrastructure to aid in recovery from specific natural disasters. The U. S. Environmental Protection Agency (U.S. EPA) section of the ASADRA includes \$349.4 million in supplemental funding for the State Revolving Fund (SRF) programs. There are \$53.3 million for Clean Water State Revolving Fund (CWSRF) and \$296.1 million for the Drinking Water State Revolving fund (DWSRF).

The ASADRA funds are available only to states or territories in U.S. EPA Regions 4, 9, 10 for wastewater treatment works and drinking water facilities impacted by Hurricanes Florence and Michael, Typhoon Yutu, and calendar year 2018 wildfires and earthquakes. The states of Alabama, Alaska, California, Georgia, Florida, North Carolina, South Carolina, and the Territory of the Northern Mariana Islands are eligible to apply for these supplemental funds. The allocation of the ASADRA funds between the states and the CWSRF and DWSRF programs on a state-by-state basis was determined by U.S. EPA based on its analysis of each state’s needs.

The State Water Resources Control Board (State Water Board) intends to apply for the full ASADRA funds of \$41,903,000 and \$183,000 that are allocated to the California DWSRF and CWSRF respectively. This Supplemental Intended Use Plan (Supplemental IUP) describes the State Water Board’s plan for administering the funds in accordance with the ASADRA specific requirements noted in U.S. EPA’s October 23, 2019, memorandum “Award of State Revolving Funds Appropriated by the ‘Additional Supplemental Appropriations for Disaster Relief Act, 2019.’” (attached as Exhibit A)

## II. TRANSFER OF CLEAN WATER STATE REVOLVING FUNDS

Due to the extensive fire damage to Public Water Systems (PWS) in California from the 2018 wildfires, the State Water Board will transfer California's \$183,000 CWSRF allocation from the CWSRF program to the DWSRF program. The DWSRF statutes allow for the transfer of up to 33% of the DWSRF capitalization grants from the CWSRF to the DWSRF or vice versa. The resulting total amount of available supplemental funds for the DWSRF program, therefore, will be \$42,086,000.

## III. PROGRAM GOALS

California's ASADRA funds will be "used for eligible projects whose purpose is to reduce flood or fire damage risk and vulnerability or to enhance resiliency to rapid hydrologic change or natural disaster at ... any eligible facilities under section 1452 of the Safe Drinking Water Act, and for other eligible tasks at such ... facilities necessary to further such purposes ..."

The State Water Board's Division of Financial Assistance (DFA) will offer ASADRA funds to eligible PWS in California that were affected by the calendar year 2018 wildfires and earthquakes for the repair, replacement, rehabilitation, and otherwise DWSRF-eligible projects that involve infrastructure improvements and emergency preparations to increase system resiliency.

The ASADRA program goals are in concert with the long-term and short-term goals listed in the 2020-2021 DWSRF IUP for public health benefits, ensuring its perpetuity, and expeditious use of funds under section VII. Outcomes, Goals, Activities, and Measures.

## IV. PROGRAM REQUIREMENTS

All existing requirements for implementation of the DWSRF program and execution of a DWSRF funding agreement apply to projects receiving ASADRA funds and remain in effect unless such requirements are inconsistent with the statutory requirements of the ASADRA. Applicants' ASADRA funded projects must meet the requirements of the DWSRF program and be otherwise eligible DWSRF projects. In addition, projects receiving ASADRA funds must meet the specific requirements noted in U.S. EPA's October 23, 2019, memorandum "Award of State Revolving Funds Appropriated by the 'Additional Supplemental Appropriations for Disaster Relief Act, 2019.'"



## V. ELIGIBLE ENTITIES AND PROJECTS

PWS that experienced negative impacts as a result of the calendar year 2018 wildfires and earthquakes are eligible to apply for ASADRA funding.

An ASADRA eligible entity is any otherwise DWSRF eligible entity that was damaged, demonstrates impact, or had a loss or disruption of a mission-essential function, including loss of function where there was potential impact to public health, caused by the listed natural disasters.

ASADRA is made available for 1) preparations for, adaptation to, or recovery from rapid hydrologic change or any other type of natural disaster for a drinking water system or related facility; 2) reduction of the likelihood of physical damage to a drinking water system; 3) reduction to a drinking water system's susceptibility to physical damage or ancillary impacts caused by floods, earthquakes, and fires.

PWS can apply for ASADRA funding without affecting their FEMA funding eligibility. Refer to details in the "[Memorandum of Understanding between U.S. EPA and FEMA Regarding Coordination between U.S. EPA and FEMA Pertaining to State Revolving Fund Programs from May 2019](#)". If a PWS is awarded FEMA grant after an ASADRA funding agreement has been executed, the ASADRA funding amount may be adjusted based on the FEMA grant received for the same project. There is no penalty for early repayment of an ASADRA funding agreement.

Examples of eligible projects related to wildfire or earthquakes are listed in the October 23, 2019 U.S. EPA memo.

## VI. PROGRAM SCHEDULE AND FUNDING APPROACH

The estimated schedule for public comment, application to the U.S. EPA, State Water Board adoption of this ASADRA supplemental IUP, and award of the ASADRA funds is the same as the schedule for the FY 2020-2021 DWSRF IUP as presented in Section VII of the FY 2020-2021 DWSRF IUP.

The existing DWSRF application process and forms will be used for ASADRA applications. Applicants can refer to the State Water Board's website [https://www.waterboards.ca.gov/drinking\\_water/services/funding/SRF.html](https://www.waterboards.ca.gov/drinking_water/services/funding/SRF.html) and the FFAST portal <https://faast.waterboards.ca.gov/> where details of the application and supporting documentation are described in order to complete the DWSRF application.

Applications may be submitted at any time. Eligible applicants may apply for and receive ASADRA funds separately or in combination with any other funds offered by the DFA for which the applicant is eligible. A separate application may be submitted for ASADRA funds exclusively, or an existing application for base program DWSRF or other funds may also serve as an application for the additional ASADRA funds.

If the requested funding exceeds the available ASADRA funds on September 30, 2020, DFA will evaluate all applications that have been started and prioritize the applications. The applications will be prioritized for ASADRA funding based on the following factors.

- A complete application<sup>59</sup> has been submitted
- The project is expected to start construction by December 31, 2021
- The applicant serves a small disadvantaged or small severely disadvantaged community
- The health and safety benefits provided by the project based on the rankings described in Section VI.B. of the Policy for Implementing the DWSRF

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<sup>59</sup> Applications are considered complete when all four packages are submitted including the necessary documentation and attachments.

If on September 30, 2020, the available funds are greater than the funds requested, then DFA will prioritize and work to expeditiously execute agreements for all the funding requests with a complete application received by September 30, 2020, but will continue to assist other eligible applicants to complete their applications and accept additional applications from eligible applicants. The additional applications that are not complete on September 30, 2020, will be funded on the basis of readiness for an agreement until all of the remaining funds are committed. The Deputy Director of DFA is authorized to bypass any project with a complete application and fund any other ASADRA eligible project that is ready to proceed to an agreement if the applicant is non-responsive to DFA's request for information or consultation after notifying the applicant and giving the applicant a reasonable opportunity to respond.

Any ASADRA funds that are uncommitted as of December 31, 2021 may be committed to any eligible project on the basis of readiness for an agreement.

## VII. FUNDING AVAILABILITY AND TERMS

Section X below provides a table of potential ASADRA projects – the ASADRA Fundable List. Currently, the ASADRA project list includes 17 entities, 44 potential projects, and a total cost estimate of \$194,323,079. The list was compiled based on discussions with the State Water Board's Division of Drinking Water (DDW) and U.S. EPA. Projects and the associated costs may be modified as more information is gathered from the affected systems. The Deputy Director of DFA is authorized to add to the list any additional projects that request ASADRA funds and appear to be eligible.

The State Water Board will provide 30 percent of the available ASADRA funds as principal forgiveness to eligible PWS regardless of their size or median household income levels. ASADRA funds will be provided to each eligible PWS for ASADRA eligible activities under the following terms: 70 percent loan funds at zero percent (0%) and 30 percent principal forgiveness.

As with a standard DWSRF loan, ASADRA loans may have a repayment period of up to 30 years for non-disadvantaged PWS or up to 40 years for disadvantaged PWS, so long as the repayment period is no longer than the useful life of the financed project. In contrast to standard DWSRF and CWSRF loans that require the consent of the Deputy Director of DFA to prepay, ASADRA loans may be prepaid at any time without penalty.

The first principal and interest payment will be due 18 months after project completion for the disadvantaged PWS, and 12 months for non-disadvantaged PWS. Thereafter, DWSRF repayments are due annually.

ASADRA project funding will be capped at a maximum of \$10 million per PWS. Partial project funding may also be offered to applicants if the requested funding exceeds the available ASADRA funds. Base program DWSRF low-interest loan funds may be used in conjunction with ASADRA funds to fully fund the remaining portions of the ASADRA projects.

## VIII. ADMINISTRATION AND SET-ASIDE FUNDS

The State Water Board's DFA does not plan to take any set-asides from the ASADRA capitalization grant.

## IX. REPORTING

The State Water Board's DFA will report on ASADRA projects to the Drinking Water Project and Benefits Reporting System (PBR) and the Federal Funding Accountability and Transparency Act of 2010 (FFATA) Subaward Reporting System. ASADRA project characteristics and milestone information will be reported to PBR, and the PWS receiving federal dollars will be reported in the FFATA Subaward Reporting System.

## X. ASADRA FUNDABLE PROJECT LIST

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
Berryessa Estates (Lake Berryessa Resort Improvement District)	Berryessa Estates Intake Project	\$132,000	Berryessa Estates is struggling with degraded water quality at its current intake, resulting from wildfire impacts to the watershed in 2018 and other recent years. The Berryessa Estates intake project would involve procurement of materials, labor and equipment to construct a seasonal intake (May to November) that would draw Lake Berryessa source water above the hypolimnion where perennial problems occur with severe degradation of water quality. Decaying aquatic vegetation, algae blooms and biological activity in the benthic zone are prevalent every summer to late fall. High concentrations of hydrogen sulfide, diurnal variations in pH, taste and odor compounds and organic matter make process treatment a tremendous challenge. Design is complete.	Population: 476	Christopher Silke, Engineering Manager, Water Resources
Berryessa Highlands (Napa Berryessa Resort Improvement District)	Berryessa Highlands Granular Media Clarification and Filtration Water Treatment Upgrade	\$180,000	Berryessa Highlands has a granular media clarification and filtration packaged water treatment process. Haloacetic acid formation has emerged as a problem since wildfires ravaged headwaters in the Putah Creek watershed. Stage 2 D/DBP Rule compliance samples are trending higher, particularly in the winter months when surface water runoff is recharging Lake Berryessa. Adding pre-settling into the treatment process would afford more time for coagulation to be effective, settle out floc and lower turbidity load onto the packaged clarifier / filter dual trains. The project would include inserting a pair of 12,000-gallon pre-settling tanks with internal flow distribution, earthwork, retaining wall, yard pipe, valves, other appurtenances and controls programming.	Population: 910	Christopher Silke, Engineering Manager, Water Resources
Carpinteria Valley Water District	Carpinteria Casistas Intertie Project	\$20,000,000	Casitas Municipal Water District and Carpinteria Valley Water District service areas were struck by wildfire during the Thomas Fire in 2017/18 and Carpinteria and Montecito Water District were struck by debris flows shortly after the Thomas Fire was contained. These incidents exposed water supply vulnerability for all three communities. In Carpinteria Valley and Montecito it became clear that the single pipe South Coast Conduit was vulnerable to landslide, flooding, debris flows and other natural disasters. In the case of Carpinteria and Casitas the two systems could be connected together with an approximately 2-mile pipe intertie that would allow each system to back up the other with an emergency water supply. Lake Casitas provides a completely independent supply to Carpinteria Valley and Montecito that could be accessed during a water	50,000	Robert McDonald, General Manager

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
			supply emergency, conversely a pipeline connected to Cachuma and the State Water Project would allow Casitas to access emergency water from those projects.		
	Backup Generators at Wells	\$500,000	The District has three municipal wells that do not have backup generators. This project would install the necessary equipment including generators, auto transfer switches and electrical gear to have power backup in the event of prolonged power outages such as those that can occur during wildfires, earthquake and debris flow/flooding incidents.	16,000	
	Fire Hydrant Retrofit	\$250,000	This project would retrofit hydrants identified in the debris flow zones during the post Thomas fire debris flows. The Retrofit would use break away spools that are equipped with a valve that stops the hydrant from flowing freely. If multiple hydrants were struck during a debris flow it is likely that the water system could be dewatered causing water outages and potential drinking water supply contamination. These break off check valves would be installed on 60 identified hydrants.	16,000	
	Fireproof building upgrade for pump stations facilities	\$350,000	Several District owned facilities are located near the suburban/ wildland interface and were struck or nearly struck by the Thomas Fire. This equipment could have been protected if it were located in a fireproof building such as a masonry or concrete building. This project proposes to cover this equipment with this type of fire protection. There are two District facilities that need this type of treatment.	16,000	
Clear Creek CSD	Clear Creek C.S.D. Backwash Pond Repair Project	\$2,000,000	The project is to repair pond damage for both ponds two and three located at the Water Treatment Facility. Currently they are leaking backwash water into an unnamed tributary and eventually ending up in Clear Creek. There are concerns because this is considered a discharge into waters of the State and the local SWRCB has voiced their concerns to the district and what the district intends to do to correct the issue.	8,000 people through 2,349 service connections	Skip Born, General Manager
Elsinore Valley Municipal Water District	Rice Canyon Reservoir Access Road	\$750,000	Replacement/repair of half of mile of dirt road that was washed out during the flooding of 2/19 after the fires. The damage includes replacing 3 large Arizona crossings, Large industrial gate and electrical power to the site.	The community this reservoir serves is several	Tim Collie, Water Operations Manager

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
				thousand homes	
Foothill Solar Company	Generators for Well and Water System	\$60,000	The community's well and water system currently depend on having electrical power from PG&E to operate. When the power is disconnected on "red flag" days, the 138 spaces are left without power, water or sewer. This creates a meaningful hardship for our residents. Adding local generators would enable the community to provide uninterrupted water and sewer during power outages.	138 Units	Yoel Kelman, Owner
Forest Ranch Mobile Park	Install Backup Generator and Water Reserves Tank, Upgrade Electrical System	\$50,000	Given the frequent PGE power outages our well water stops working and residents have no water. Would like to install an automated backup generator and a reserves water tank. Brush and dead trees will also be cleared from the property to provide defensible space and prevent wildfires from impacting water operations.	15 Mobile Home Residents	Jose Oseguera, Owner
Hornbrook CSD	Hornbrook CSD Facilities Repair	\$1,561,297	At LOP #1, wildfire destroyed a 100k gal, concrete lined, below ground reservoir with stick-built frame and aluminum pitched roof. The reservoir was located adjacent to Well #4 and utilized two booster pumps housed in a concrete and timber shed with three galvanized steel electrical boxes that powered the pumps. At LOP #2, wildfire destroyed components of Well #2, the structure protecting the well, 2" galvanized steel pipe, and a 2" Neptune water meter. At LOP #3, wildfire damage a concrete settling basin and its wooden covers. At LOP #4 wildfire destroyed an air release valve, concrete utility box and lid, water meters, water service lines, and utility boxes.	Population 280	Dana Barton, Deputy Siskiyou County Counsel
Lake County CSA 21 - North Lakeport	North Lakeport Water Treatment Plant Upgrades	\$7,100,000	The North Lakeport Water Treatment Plant utilizes granular media clarification and filtration packages in a parallel three train treatment process. Higher sediment loading has occurred as a result of the many wildfires experienced in recent years. The District proposes to add pre-treatment via Suspended Air Flotation (SAF) which has been successful in treating high turbidity source water in a site-specific pilot test. The District also proposes to upgrade the current ozone generators to run on liquid oxygen (LOX). This will provide for more efficient creation of ozone which is currently used as a pretreatment oxidizer to reduce organic loading of the clarifier/filter packages. The District proposes to upgrade the backwash system of the current treatment package units to allow for longer run times, and more effective backwashing of the units. The project would include installation of a new building; new SAF pre-	Population 4,360	Scott Harter, Deputy Administrator Special Districts Administration

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
			treatment including pumps, piping, and appurtenances; upgrades to treatment package backwash system; upgrade to LOX; and SCADA hardware and software upgrades.		
Los Angeles County WW District 29 - Malibu	Emergency Source of Water Supply Connection (Las Virgenes Connection)	\$4,100,000	Construct 6,300 ft of 12-inch transmission waterline to connect to Las Virgenes Municipal Water District to provide a water source for the region in case of emergencies such as fire and earthquakes. This project is within the 2018 Woolsey Fire area.	Over 22,000 people in the City of Malibu and unincorporated area of Topanga	Alma F. Quintana, Senior Civil Engineer
	Lower Busch Tank Improvement	\$4,000,000	Replace an aging and severely deteriorated 300,000-gallon concrete tank with a 385,000-gallon steel tank. This project is within the 2018 Woolsey Fire area and 20 properties were damaged or destroyed within the Lower Busch subsystem. The project will improve fire-flow to the subsystem.		
	PCH 8-inch Waterline Improvements (Zumirez Drive to Escondido Beach Road)	\$6,900,000	Replace over 9,500 feet of leak prone, aging, and deteriorated 6-inch waterline. This project is within the 2018 Woolsey Fire area. This project will improve fire-flow and system reliability to the area.		
	Encinal Canyon Water System Improvements Project	\$3,500,000	Replace over 4,500 feet of aging and deteriorated 4-inch and 6-inch waterline. In Encinal Canyon, a total of 18 properties were damaged or destroyed in the 2018 Woolsey Fire. Current Fire Code requirements must be met for impacted homes to be rebuilt. This project will provide infrastructure to protect life, health, property, and/or essential public services against damage from structural fires. The project will allow for the restoration of properties that were damaged or destroyed during the Woolsey Fire disaster and improve fire-flow to existing homes that survived the fire.		



Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
	Upper Encinal Tank Improvement	\$3,600,000	Replace a deteriorated 70,000-gallon tank with a 300,000-gallon tank. In Encinal Canyon, a total of 18 properties were damaged or destroyed in the 2018 Woolsey Fire. Current Fire Code requirements must be met for impacted homes to be rebuilt. This project will provide infrastructure to protect life, health, property, and/or essential public services against damage from structural fires. The project will allow for the restoration of properties that were damaged or destroyed during the Woolsey Fire disaster and improve fire-flow to existing homes that survived the fire.		
	Encinal Canyon Pressure Zones 525 & 825 Improvements	\$4,300,000	Replace over 6,000 feet of aging and deteriorated 4-inch and 6-inch waterline. In Encinal Canyon, a total of 18 properties were damaged or destroyed in the 2018 Woolsey Fire. Current Fire Code requirements must be met for impacted homes to be rebuilt. This project will provide infrastructure to protect life, health, property, and/or essential public services against damage from structural fires. The project will allow for the restoration of properties that were damaged or destroyed during the Woolsey Fire disaster and improve fire-flow to existing homes that survived the fire.		
	Civic Center Improvements	\$9,500,000	Construct over 8,000 feet of waterline and a new tank for a leak prone, severely deteriorated, and aging system. This project has funding from developer agreements approved by the Board in 2009. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system fire-flow and reliability to the area.		
	Carbon Canyon & Carbon Mesa Road Waterline Improvement	\$5,100,000	Replace over 7,000 feet of leak prone, aging, and severely deteriorated waterlines ranging in size from 1.5 to 4 inches. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system fire-flow and reliability to the area.		
	PCH and Topanga Beach Drive Waterline Improvement	\$4,600,000	Replace over 8,000 feet of leak prone, aging, and deteriorated 4 and 6-inch waterline. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system fire-flow and reliability to the area.		
	Big Rock Bypass Improvement	\$5,700,000	Construct a 1,500-foot bypass for the region's main line. The bypass will consist of three parallel pipelines in PCH to accommodate continuing movement of a major landslide in the Big Rock area. This project is adjacent to the 2018 Woolsey Fire area and will the provide redundancy to maintain water supply to the region in case of potential emergencies such earthquakes.		

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
	Coastline Drive 12-inch Waterline Improvement	\$2,800,000	Replace over 2,000 feet of leak prone, aging, and severely deteriorated 12-inch waterline. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system fire-flow and reliability to the area.		
	Malibu Branch Feeder Realignment	\$3,400,000	Relocate over 1,500 feet of the region's water main to the current PCH alignment. The City of Los Angeles is constructing the Potrero Canyon Preserve above the existing waterline and it must be relocated to ensure its structural integrity. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system fire-flow and reliability to the area.		
	Fernwood Tank Improvement	\$2,700,000	Replace two aging and severely deteriorated 50,000-gallon tanks. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system fire-flow and reliability to the area.		
	Owen Tank Improvement	\$4,700,000	Replace aging and severely deteriorated 100,000-gallon tank that will add regional resiliency. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system fire-flow and reliability to the area.		
	District No. 29 Creek Crossing Project	\$2,600,000	Repair the region's water main at several creek crossing locations on PCH. The waterline at these locations is severely deteriorated, aging, and subject to leaks. This project is adjacent to the 2018 Woolsey Fire area. This project will improve system reliability to the area.		
Montecito Water District	Bella Vista Reservoir Seismic Vulnerability Retrofit	\$1,500,000	This project was identified as a high priority in the 2015 Comprehensive Structural and Seismic Evaluation Report for the Montecito Water District. The project would retrofit the existing reinforced concrete walls of the reservoir. The walls were not designed to withstand seismic loading or water sloshing due to an earthquake event. This reservoir is a critical District asset providing fire protection and water reliability for the community. The 5.3 magnitude Santa Cruz Island earthquake occurred about 40 miles off the coast of Montecito on 4/5/2018.	11,500 people through 4,571 service connections	Adam Kanold, Engineering Manager
	Terminal Reservoir Seismic Vulnerability Retrofit	\$1,900,000	This project was identified as a high priority in the 2015 Comprehensive Structural and Seismic Evaluation Report for the Montecito Water District. The project would retrofit the existing reinforced concrete walls of the reservoir and replace the existing steel roof horizontal trusses. The walls nor the trusses were designed to withstand seismic loading or water sloshing due to an earthquake event. This reservoir is a critical District asset providing fire protection and water reliability for the community. The cost estimate includes replacement of all of the existing roof purlins and metal roof deck and reinforcement of the existing walls. The 5.3 magnitude Santa Cruz Island earthquake occurred about 40 miles off the coast of Montecito on 4/5/2018.		

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
	Buena Vista Reservoir Seismic Vulnerability Retrofit	\$700,000	This project was identified as a high priority in the 2015 Comprehensive Structural and Seismic Evaluation Report for the Montecito Water District. The project would retrofit the existing reinforced concrete wall and replace the roof in-kind. The walls nor the roof were designed to withstand seismic loading or water sloshing due to an earthquake event. This reservoir is a critical District asset providing fire protection and water reliability for the community. The cost estimate includes reinforcing the wall shells, additional mild steel hoops to reinforce the walls, and a new elevated roof system including a horizontal bracing system all to prevent collapse and/or failure during an earthquake event. The 5.3 magnitude Santa Cruz Island earthquake occurred about 40 miles off the coast of Montecito on 4/5/2018.		
	Hot Springs Reservoir Seismic Vulnerability Retrofit	\$700,000	This project was identified as a high priority in the 2015 Comprehensive Structural and Seismic Evaluation Report for the Montecito Water District. The project would retrofit the existing reinforced concrete wall and replace the roof in-kind. The walls nor the roof were designed to withstand seismic loading or water sloshing due to an earthquake event. This reservoir is a critical District asset providing fire protection and water reliability for the community. The cost estimate includes reinforcing the wall shells, additional mild steel hoops to reinforce the walls, and a new elevated roof system including a horizontal bracing system all to prevent collapse and/or failure during an earthquake event. The 5.3 magnitude Santa Cruz Island earthquake occurred about 40 miles off the coast of Montecito on 4/5/2018.		
	Transmission Main Replacement Project	\$1,050,000	Replacement in-kind of approximately 3,000 linear feet of 18-inch steel water main, above and below ground, burned during the 2017/18 Thomas Fire and further exposed and eroded during the 2018 Montecito Debris flows. The project would construct a new 18-inch pipe alongside the existing pipe within an existing easement. The project would include concrete anchors for a quarter of the project located on steep terrain.		

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
Paradise Irrigation District	Magalia Dam	\$31,679	<p>Geotechnical deficiencies in Magalia Dam are limiting operational storage volumes within the reservoir. Portions of the dam embankment do not meet current dam safety standards. Studies performed in 1972, 1992, 1994, and 2002 found that those hydraulic fill materials within the dam embankment could liquefy during a seismic event. To mitigate risk of failure and subsequent flood during an earthquake, the water surface of the reservoir, originally designed to be at elevation 2225.8 was lowered to 2,199 feet, reducing the maximum storage capacity from 2,800 acre-feet to 796 acre-feet. Mitigations for liquefaction of dam embankment soils consist of ground modifications to increase the density (consistency) of embankment soils, reduce pore water pressures of those soils, and/or decrease deformation that might occur to embankment soils during a seismic event. Mitigations may include mass grading (retrofit or buttress), compaction grouting, deep soil mixing, driven piles, stone columns, or combinations thereof. Additionally, pipe supports for the outlet pipe which connects Magalia Reservoir to the PID WTP through a tunnel in the Magalia Dam have been suspected by DSOD inspectors as being deficient. These supports have to be improved and seismically stable in order to prevent failure in an earthquake, which could cause significant flooding on its own, and also could undermine the dam from within, causing more catastrophic dam failure and significantly more flooding. Dozens of earthquakes were measured in 2018 in the area, the largest may have been a 2.9 magnitude earthquake on 6/2/2018.</p>	Population 4,290	Kevin Phillips, District Manager
	Service Line Replacement Project	\$36,115,000	<p>During fire flow events, the flow restrictions in portions of the distribution system contribute to low pressures, increasing the likelihood of system contamination. Fire sprinkler system installation is now required by the 2016 California Residential Building Code for all construction within the Wildland-Urban Interface. Paradise Irrigation District must be able to provide the appropriate amount of flow and pressure at the service connection to support this change in code. To effectively fight both structure or wildland fires, the system flows must meet minimum flow, pressure, and duration requirements. The proposed project would construct a looped system.</p>		

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
	Hydraulic Modeling and Distribution System Upgrades	\$24,050,000	To optimally plan transmission and distribution system improvements, such as maintaining flows and pressures during disaster events, a hydraulic model of the system is needed. A hydraulic model would allow planners and designers to simulate multiple scenarios of water demands and pipeline configurations and prepare emergency operations plans for use during disasters. The mitigation goal is to provide PID a tool to model the hydraulic performance of their transmission and distribution systems during normal and extreme events. To effectively fight both structure or wildland fires, system flows must meet minimum flow, pressure, and duration requirements. During fire flow events, flow restrictions in portions of the distribution system contribute to low pressures, increasing the likelihood of system contamination. Keeping pressures up throughout the entire system better protects public health. Proposed Water Treatment Plant upgrades will minimize the risk and vulnerability of the community to hazards to protect lives and property.		
Redding, City of	Foothill Water Treatment Plant Generator	\$2,459,798	The proposed project will include the planning, design, and construction for installation of a new standby generator at the City's Foothill Water Treatment Plant (FWTP), the City's largest and primary water supply. It will also include replacement of the two existing transformers and switchboards at the FWTP with a single new transformer and switchboard. Continuous power is needed for operation of the FWTP to supply safe drinking water, meet fire suppression demands, and supply the Redding Power Plant water to operate. The existing system at the FWTP requires a shutdown that cannot be tolerated during an electrical outage. This project will mitigate utility disruption and potential for an outage of the FWTP.	Population 93,000	Kurt Maire, Associate Civil Engineer
	Pump House 1 Generator	\$2,264,305	The proposed project will include the planning, design, and construction for installation of a new standby generator and automatic transfer switch at the City of Redding's Pump House 1 (PH1). PH1 draws raw water from the Sacramento River and pumps it to the Foothill Water Treatment Plant (FWTP). During an outage of PH1, FWTP loses its raw water supply and cannot operate. If the FWTP is out of operation, then the City's water supply may be insufficient, and adequate water pressures and flows for fire suppression cannot be maintained throughout much of the City. This project will mitigate utility disruption and potential for an outage of the FWTP.		

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
	Buckeye Water Treatment Plant Solids Handling Mitigation	\$2,225,000	The proposed project will include the planning, design, and construction for addition of solids handling equipment at the City of Redding's Buckeye Water Treatment Plant (BWTP). It will modify two of the four existing sedimentation basins at the BWTP to add sludge removal equipment that will mechanically remove solids and sludge from the basins. The Carr Fire burned most of the watershed to the Whiskeytown Lake, the supply source for the BWTP. As a result of the fire, increased soil erosion following heavy rainfall periods is increasing the turbidity, suspended solids, total organic carbon (TOC), and natural organic matter (NOM) in the local watershed. These constituents enter the BWTP and must be removed to achieve drinking water regulatory compliant requirements. This project will allow the BWTP to continue operation with the elevated incoming turbidity, suspended solids, TOC and NOM that have and will continue to result from the Carr fire and future fires in the area.		
Shasta CSD	Office/Shop Project	\$2,300,000	Construct a new office, board room, and shop/garage to replace structures lost in the Carr Fire.	2,500	Chris Koeper, General Manager
Shasta Lake, City of	Centimudi Tank Project	\$4,859,000	During the Carr Fire, existing storage tanks could not keep up with the demand of residents and firefighters. This project would include the construction of a new 2.45-million-gallon potable water storage tank for build out and fire flows.	Population 10,386	Jeff Tedder, City Engineer, John Duckett, City Manager, Jessaca Lugo, Assistant City Manager/Grant Writer, Tony Thomasy, Water Department Superintendent
Ventura, City of	Generators Project	\$2,700,000	Due to Southern California Edison's plan to shut power off during fire and extreme weather events, this project proposes to add generators to various booster pump station and well sites in order to improve water system reliability in the event of a power outage. The project will include the purchase and installation of 8 stationary generators at the following locations: Willis Booster Pump Station (BPS), View Park BPS, Kimball BPS, Ondulando BPS, Kimball BPS, Saticoy Well 3, Saticoy Country	110,000	Vincent Ines, Wastewater Utility Manager

Applicant	Project	Estimated Project Cost	Project Description	Size of Community Served	Contact
			Club Well 3, and Saticoy Country Club BPS and 3 portable generators to be used at the following locations: Modella BPS, Nye Wells 7&8, and Ventura River Surface Intake Structure.		
	SCADA Update Project	\$1,000,000	This project includes adding cellular and wireless backup to water control systems to improve resiliency of operations. The SCADA system provides operators the ability to monitor the system and to understand the water levels within tanks, systems pressures, and flow rates at pump stations. During the Thomas Fires there was partial loss of the SCADA system, making it difficult to monitor and operate the system.		
Ventura County Waterworks District No.17 (Bell Canyon)	Bell Canyon Reservoir No. 3 Project and Saddlebow to Stagecoach Pipeline Retrofit Project	\$10,000,000	The existing water distribution system is such that the service area topography is very difficult to access the water transmission supply pipeline. In the event the line is lost during an earthquake or fire event, an additional water storage tank in the northwest service area will provide additional water storage for emergency situations such as major wildfire fighting, and emergency storage. Demand can be excessive if other water line breaks occur in the distribution system that stop the water supply from the eastern side of the distribution system. The existing steel 10-inch diameter water transmission line critically connects two geographic areas of the water distribution system for fire protection. Previous repairs identified the cement mortar lining to be missing at all joints and now corroding. Pipeline is in good condition except for joint locations. Joints require removal and replacement with cement mortar lined and coated steel sections that will protect the distribution pipeline from rupture and replace corrosion locations with lining to prevent water main failure related to structural failure.	Population 2,100 700 Connections	Eric Keller, Deputy Director Operations & Maintenance