

Public Comments

No.	Date of Comment	Commenter	Summary of Comments	SWRCB Staff Response to Comments	Staff Proposed Changes to IUP	Comment Submitted by:
1	6/12/2023	City of Burlingame	The City is requesting an increase in the Total Priority Score of the City of Burlingame’s Wastewater Treatment Facility Digester Improvements Project (Project# 8730 -110) from 12 points [as currently shown in the draft IUP] to 13 points. This request is because of the change in the status of Plans & Specs from greater than 49% (1 point) to greater than 89% (2 points) in May 2023.	Projects are scored based on the documentation submitted by December 31st per the CWSRF Policy. Since the Plans & Specs 90% completion was reached after the December 31, 2022 deadline, the change in status of Plans & Specs will be reflected in the next funding cycle (2024-25).	No change proposed to IUP.	Mahesh Yedluri
2	6/21/2023	Las Virgenes Municipal Water District (LVMWD)	The District is <u>not</u> supportive of allowing agencies with multiple projects on the fundable list to leverage those funds into one project. This strategy would defeat the goal of having a cap to provide funding for more projects throughout the State and would be subject to “gaming” the process to maximize funding for a single project.	Staff appreciates the comment. This strategy provides flexibility and helps reduce workload to make the funding process more efficient. Board staff critically evaluate applications to ensure that individual projects are not being artificially sub-divided to thwart the per project cap. The approach is reflected in this year's Intended Use Plan and does not indicate the Board's decision on this matter in future years.	New language was added to the IUP to allow agencies with multiple projects on the Fundable List to combine the funding into one project agreement.	Donald Patterson
			Increased Accountability and Transparency: The District supports the development of Key Performance Indicators (KPIs) for the programs and recommends including a summary of the KPI performance in each year’s IUP to increase transparency and allow agencies to easily ascertain the successes of the programs and opportunities to improve.	Staff appreciates the comment and will evaluate your recommendation as part of our continuous effort to improve transparency in the Program.	No change proposed to IUP.	
			Recommends the following to increase the SRF programs’ ability to deliver projects that meet Statewide goals: Develop a Rolling 3-5 Year Fundable List – This would allow the CWSRF to better match cash flows to project delivery schedules and allow the program to increase funding to eligible projects. The District recognizes recent efforts to better manage cashflow and the fact that increasing the amount of funds in repayment, increases the leveraging of “rolling” funds.	DFA is recommending Scenario F in the revised draft CWSRF IUP, which proposes a cut-off score of 13 for SFY 2023/24 (adding 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan). To align lending levels with the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26. DFA is currently developing amendments to the CWSRF Policy, and will take this comment into consideration as it works to improve the CWSRF program's delivery consistent with prudent financial management of its lending capacity.	Add Scenario F to the IUP.	
			Multi-year Funding - Projects should be funded over time based on project schedules freeing up money to fund additional projects. Multi-year funding should be conditioned on meeting agreed upon project milestones and funding draws that cannot be expedited without approval of the Board	Staff appreciates the comment. The CWSRF’s cashflow is managed on a multi-year basis as seen in Appendix A.	No change proposed to IUP.	
			Partial Funding - The District supports the proposed \$50 million cap on new projects and suggests the Board to consider other limits (e.g. 50% of project cost) on large projects and provide partial funding requiring agencies to secure other financing or pay-go resources.	Staff appreciates the comment.	No change proposed to IUP.	
			Higher Interest Rates for Higher Credit Quality Borrowers – High credit quality borrowers could be assessed a slightly higher interest rate in exchange for less stringent loan terms and covenants. The higher interest rate would generate additional program income while the less stringent loan terms and covenants would reduce compliance costs for eligible applicants.	Higer interest rates are not possible at this time, as State statutes have set a maximum interest rate. Implementing this would require legislative change.	No change proposed to IUP.	
			Shorter Term Loans – Loan terms should be flexible and based on the agency’s ability to repay. Agencies that accept a shorter loan term should get a slightly lower interest rate to encourage early repayment, providing additional funds for future year projects.	Staff appreciates the comment. The CWSRF program does currently offer a 0.25% interest rate reduction if the applicant agrees to a 20-year or less loan term.	No change proposed to IUP.	
3	6/19/2023	Inland Empire Utilities Agency (IEUA)	IEUA recognizes the SWRCB’ recommendation of a cutoff score of 14 due to high number of applications and limited available resources, but have concerns regarding the program’s availability to fund projects now and in the future. IEUA requests that the State Board re-assess this year’s IUP and consider funding all projects with a score of 13 or higher via Scenario E to support critical infrastructure projects that help to mitigate drought impacts at a consistent level with prior IUPs.	Thank you for your comment. DFA is recommending Scenario F in the revised draft CWSRF IUP, which proposes a cut-off score of 13 for SFY 2023/24 (adding 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan). To align the lending levels with the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.	Add IEUA Carbon Canyon Asset Management Improvements Project (8639-110) to the 2023-24 Fundable List.	Shivaji Deshmukh
4	6/16/2023	Union Sanitary District	USD respectfully recommends and urges the SWRCB adjust the Cut-Off Score in the 2023-24 IUP to 13 (Scenario E) or consider adding a subset of the projects with scores of 13 to the fundable list as the Board did in last year’s IUP.	Thank you for your comment. DFA is recommending a cut-off score of 13 (Scenario F, revised draft CWSRF IUP), which will add 17 projects to the Fundable List, including Union Sanitary District’s ETSU Phase 1A and Phase 1B projects, for a total of 37 projects. To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.	Add Union Sanitary District ETSU Phase 1A and Phase 1B projects to the 2023-24 Fundable List.	Paul R. Eldredge
5	6/22/2023	Hi-Desert Water District (HDWD)	HDWD asks that decisions to fund their project (Phase II & III Sewer Collection System) be expedited so construction can begin as soon as possible. HDWD is prepared to begin construction as soon as this fall if funding is awarded.	DFA staff reviews small DAC applications continuously to add projects with complete application to the Fundable List. Small DAC applications are prioritized to determine what projects will be awarded funding in FY 23-24 and move forward with the projects as quickly as feasible.	No change proposed to IUP.	Paul Peschel

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6	6/22/2023	Central Contra Costa Sanitary District (Central San)	Requesting to include the application for the Ultraviolet (UV) Disinfection Replacement, DP 100012 Project in this year's CWSRF IUP. Central San would like to see their score on the list for the purpose of applying for Community Grant Funds.	The project has been added to the Comprehensive List.	Added to Comprehensive List	Heather Ramamurthy
7	6/22/2023	Los Angeles County Public Works	1) Reference: Page 42 Item IV- Added changes for Inclusion of Small Disadvantaged Communities (DACs) & Small Severely DACs Comment: The needed inclusion of Tribal communities? In what capacity are such communities involved?	Tribal communities are eligible applicants to the CWSRF. Therefore, the 2% Technical Assistance allowance is available to help tribal communties.	No change proposed to IUP.	Kathy Medina
			2) Reference: Page 58-59 Item D- Enhanced Performance Metrics and Targets Comment: There should be more descriptive information relating to the processing of expenditures to disperse and release funds timely. This is mentioned as a goal, but it should be an objective with measurable actions to achieve a successful outcome.	Staff appreciates the comment and will evaluate your recommendation as part of our continuous effort to improve transparency in the program. Generally, DFA prioritizes disbursement requests from small disadvantaged communities and plans to fulfill 75% of complete disbursement requests in 60 days or less. There may be instances when staff will need to work with the agency on compiling documentation for the cost incurred. Staff are open to working with applicants on project specific guidance that can be helpful to applicants.	No change proposed to IUP.	
			Reference: Max Allowed (from each Capitalization Grant): 2%, Budgeted from FFY 2023 Base Program Grant: 2% \$1,083,820 (estimate), Budgeted from FFY 2023 General Supplemental Grant: 2% \$2,981,500 (estimate) Comment: More funding allocations are needed for Technical Assistance/Administration. Small companies often do not have the staffing capacity and resources to apply and manage projects that are granted funding from this program. For example – Small Water Systems.	Staff appreciates the comment. DFA is planning to increase TA available for wastewater related projects given the new availability of SRF funding for Technical Assistance. However, the 2% allocation for Technical Assistance is established by the Clean Water Act as amended by the Bipartisan Infrastructure Law, Section III, and a higher amount is not within the State Water Board's authority.	No change proposed to IUP.	
			General Application process Comment: The scoring systems favor projects that mitigate plan, policy, or permit criteria that are being violated or exceeded.	Thank you for your comment. Staff will keep this comment in mind when preparing the CWSRF Policy amendment.	No proposed changes to IUP.	
8	6/23/2023	Self-Help Enterprises	Commends the SWRCB on ensuring DACs are a priority for grant funding.	Thank you for your comment.	No change proposed to IUP.	Thomas J. Collishaw
			Consolidation Incentives for Receiving Systems: Recommends the State to allow additional time to submit a construction application for incentive projects. It would be helpful to extend the 1-year time limit from completion of the consolidation project to within 3 years (page 52). Preparing planning documentation for a construction application commonly takes 2 to 3 years to complete.	Ideally we would like to receive these applications within a year to ensure sufficient funds are available. The Draft IUP does authorize the Deputy Director to allow additional time for good cause.	No change proposed to IUP.	
			Additional Performance Metrics: Highlights the effort to fulfill (75%) of complete disbursment requests in 60 days or less. Faster processing times make a huge differene in the ability of small wastewater systems to accept and utilize funding and keeps costs down.	Thank you for your comment.	No change proposed to IUP.	
			Build America Buy America (BABA): Self-Help Enterprises is concerned on the effect BABA requirements will have on Small DAC projects due to the diversity of CWSRF funding sources. Recommends the SWRCB continues to exempt State-funded projects from the BABA requirement and work with USEPA to expand BABA waivers to better support small, disadvantaged communities.	In most cases, we are not applying BABA to small DAC's projects because we are providing state funds. BABA is a federal requirement that is not applicable to state funds and not reportable to USEPA as equivalency projects.	No change proposed to IUP.	
			Appendix D: SCWW Construction Grant/PF Eligibility Criteria (page 76) Self-Help Enterprises commends the State in expanding eligibility of non-profit entities to include "Mutual Benefit Corporations, Homeowners Association or Cooperative that is exempt from taxes under Section 501(c)12 of the United States Internal Revenue Code." It would be helpful to know which "certain grant funding" these entities may be newly eligible for. Suggests that the Board publishes a guide or fact sheet for newly eligible associations and cooperatives.	Staff appreciates the recommendation and are open to working with stakeholders to develop or update any materials that can be helpful to applicants.	No change proposed to IUP.	

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9	6/23/2023	San Francisco Public Utilities Commission (SFPUC)	<p>Funding for New Projects has been Greatly Reduced Since FY2022-23</p> <p>Rollover projects are included in the FY 2023-24 Estimated CWSRF Financing figure, which dramatically reduces the funding available for new projects. In the FY2023-24 CWSRF IUP, Scenario D sets the Estimated CWSRF Financing for SFY 2023/24 at \$626 million. Out of this total amount, only \$190,850,000—equivalent to 30%—is being allocated towards new projects added to the fundable list.</p> <p>SFPUC urges the State to explore options for restoring the capacity to fund new projects to be more aligned with pre-FY2023-24 levels , such as expediting application approval and loan agreement execution to reduce the number of rollover projects each year, or consideration of less conservative financial modeling to increase funding for new projects.</p>	<p>Thank you for your comment. DFA is recommending Scenario F in the revised draft CWSRF IUP, which proposes a cut-off score of 13 for SFY 2023/24 (adding 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan). To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.</p> <p>The revised CWSRF IUP also includes more stringent language concerning rollover projects which will be removed from the Fundable List if the applicant has not consented to loan provisions or provided documents requested to execute a loan by November 30, 2023, unless petitioned and approved otherwise.</p>	Add Scenario F to the IUP. New language added to IUP.	Dennis J. Herrera
			<p>Allow flexibility to adjust funds between selected projects</p> <p>SFPUC has three projects that are currently on the draft FY2023-24 CWSRF IUP Fundable List. Two of these projects were selected to receive partial funding. All projects are in various stages of application review, and none have executed a loan. We respectfully request that the State consider providing flexibility to move project budget from SFPUC’s fully funded project to either of the other two partially funded projects, or combine funding for all three projects under a single project loan.</p>	DFA has revised the IUP to include language allowing applicants to consolidate loan funds across projects on the Fundable List or reallocate funding to multiple financing agreements as long as the total funding does not exceed the total on the Fundable List for the projects.	New language added to IUP.	
			<p>Per Project Funding Cap Should Not Be Retroactive for Rollover Projects</p> <p>SFPUC has concerns about the proposal to reduce the amount of funding for all rollover projects to a maximum of \$50 million. These rollover projects were selected for funding in years prior to the implementation of the \$50 million cap for fiscal years 2022/23 and 2023/2024, and the applicants would have expected to receive the amounts indicated in the IUP of the year they were first placed on Fundable List. This proposed action, along with the dramatic reduction in funding available for new projects, has the potential to severely erode the work that has been done to improve program reliability.</p>	DFA is recommending scenario F which will not cap rollover projects, but will cap new projects at \$50 million of repayable loan each.	Add Scenario F to the IUP, which includes no cap on rollover projects.	
10	6/23/2023	Los Angeles County Sanitation Districts (LACSD)	LACSD is concerned with the continuing decrease in estimated total Water Board financing available for projects added to the Fundable List through the annual scoring process. While approximately \$191 million in estimated financing is added to the Fundable List for only seven projects, approximately \$228 million in Board-approved funding is being expunged from rollover projects.	<p>Thank you for your comment. DFA is recommending Scenario F in the revised draft CWSRF IUP, which proposes a cut-off score of 13 for SFY 2023/24 (adding 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan). To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.</p> <p>The revised CWSRF IUP also includes more stringent language concerning rollover projects which will be removed from the Fundable List if the applicant has not consented to loan provisions or provided documents requested to execute a loan by November 30, 2023, unless petitioned and approved otherwise.</p>	Add Scenario F to the IUP. New language added to IUP.	Felicia Petrie
			LACSD is concerned with the lack of transparency with which the IUP is presented. At minimum, LACSD expected the retroactive reduction in funding to be presented in the Executive Summary and have that clearly communicated with stakeholders, instead we must piece together the details from clues throughout the IUP. LACSD would like better communication with stakeholders.	Thank you for your comment. DFA is recommending scenario F in the revised IUP, which will not cap rollover projects, but will cap new projects at \$50 million of repayable loan each. This cap is shown in the Executive Summary, Section H.	Add Scenario F to the IUP, which includes no cap on rollover projects.	
			Under the current scoring system, maintenance/repair projects do not score well enough to get funded. LACSD encourages the Water Board to amend the scoring methodology to allow rehabilitation projects to be equally competitive.	Staff will keep this comment in mind when preparing the CWSRF Policy amendment.	No change proposed to IUP.	

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			There has been a significant drop in the number of agreements executed with only 27 agreements executed during 2022-23, the lowest since 2018-19. LACSD recommends evaluation of staffing and human capital needs to align with workload demands.	Thank you for your comment. Staffing levels are determined by the Legislature and Governor through the state's budgeting process. Currently, all project applications are reviewed by the Board's engineering, environmental, and financial staff. DFA is working with the Stakeholder Advisory Group to implement the Enviromental Financing Center's (EFC) recommendations from its report to streamline both our application and review process.	No change proposed to IUP.	
11	6/23/2023	City of Daly City	Delay the adoption of the 23-24 CWSRF IUP from July 2023 to August or September	Thank you for your comment. At the Board's direction, the CWSRF IUP adoption has been delayed to consider additional funding scenarios.	No change proposed to IUP.	Joshua Cosgrove
			Revise the 23-24 IUP to create other funding scenarios that will provide all previously approved funding to the rollover projects and also approve the new 23-24 fundable list projects at their current proposed levels	Thank you for your comment. DFA is recommending Scenario F in the revised draft CWSRF IUP, which proposes a cut-off score of 13 for SFY 2023/24 (adding 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan). To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.	Add Scenario F to the IUP.	
			Review all funding options under these scenarios with the Board and stakeholders with full transparency	Staff appreciates the comment. DFA has met with stakeholders and the Program's financial advisor to review additional funding scenarios and provide transparency on the lending capacity of the program. As part of this effort, DFA is proposing a new funding scenario, Scenario F, which will add 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan. To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.	No additional changes needed.	
12	6/23/2023	Olivehurst Public Utilities District (OPUD) and the City of Wheatland (Wheatland),	OPID recognizes that the State Water Resources Control Board has made important changes in the CWSRF program over the past several years that have created a pathway to grant eligibility for small disadvantaged communities and supports the continued inclusion of those provisions in the proposed 2023-24 CWSRF IUP.	Staff appreciates the comment.	No change proposed to IUP.	Lacey Nelson (OPUD), Rick West (City of Wheatland)
13	6/23/2023	City of Los Angeles's Bureau of Sanitation (LASAN)	LASAN recommends the following options (in the order of the most preferred, to least): ● Revert LASAN's loan amount to \$251 million AND group LASAN's project with the "Rollover Projects with Funding Decision in Progress" due to our continued good faith effort to draft a loan agreement ● Select Scenario A which would maximize the reduction of backlog of rollover projects ● Revise Scenario D to limit the maximum repayable loan amount based on a percentage of the Total Project Financing Need of each rollover and new project	Thank you for your comment. DFA is recommending Scenario F in the revised draft CWSRF IUP, which proposes a cut-off score of 13 for SFY 2023/24 (adding 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan). To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.	Add Scenario F to the IUP.	Barbara Romero
14	6/23/2023	Community Water Center, Clean Water Action, Leadership Council for Justice & Accountability, Natural Resources Defense Council	The Board Should Develop a Step-by-Step Overview of the SRF Funding Process It would be helpful to include a step-by-step overview of the funding process. The Plans should also include a check-list of minimum requirements and establish application benchmarks for applications to begin being considered.	Staff appreciates the recommendation and are open to working with stakeholders to develop or update any materials that can be helpful to applicants.	No proposed changes to IUP.	Erick Orellana (Community Water Center), Jennifer Clary (Clean Water Action), Michael Claiborne (Leadership Counsel for Justice & Accountability), and Edward R. Osann (Natural
			The Board Should Improve its Performance Metrics to Ensure Faster Project Delivery. CWC suggests the following: 1) 75% of disbursement requests are fulfilled in less than 60 days; 2) 50% of disbursement requests are fulfilled in less than 30 days; and 3) 100% of completed disbursement requests submitted by DAC or SDAC projects will be processed by the Board within 10 days. We also suggest quarterly reporting of this metric so we can quickly see whether it is being fulfilled.	Staff appreciates the comments. The draft IUP includes the first performance measure suggested - "Fulfill 75 percent (75%) of complete disbursement requests in 60 days or less". DFA currently prioritizes disbursement requests from small disadvantaged communities and will evaluate the additional performance measures and the quarterly reporting suggested.	No proposed changes to IUP.	
			The Board Should Include DAC Status for the List of Congressionally-Directed Projects To better demonstrate how Congressionally-Directed Spending is impacting DACs, we request the Board update both Plans to include DAC and SDAC status for the project lists in Appendix K.	DFA has updated the draft IUP to add statistics on community size and estimate DAC status to Appendix K: Congressionally Directed Spending for CWSRF.	Updated Appendix K to include statistics on community size and estimate DAC status.	

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			<p>The Board Should Prioritize Funds From the Small Community Grant Program for Community Engagement for Septic-to-Sewer Projects</p> <p>Recommends the Board to establish a technical assistance program for DAC and SDAC applicants, prioritizing those communities who have an opportunity to combine a wastewater or septic-to-sewer project with a current drinking water consolidation</p>	There is technical assistance available for small community wastewater projects. DFA is planning to increase TA available under this program and will prioritize projects similar to the priorities in the IUP.	No proposed changes to IUP.	
			CWC appreciates and supports the inclusion of septic-to-sewer incentives In the CWSRF	Staff appreciates the comment.	No proposed changes to IUP.	
15	6/2/2023	California Association of Sanitation Agencies (CASA) and WateReuse California (WRCA)	(1) Delay the current July 19, 2023 proposed adoption date for the 2023 IUP	Thank you for your comment. At the Board's direction, the CWSRF IUP adoption has been delayed to consider additional funding scenarios.	No proposed changes to IUP.	Adam Link (CASA), Jennifer West (WRCA)
			(2) Revise the 2023-24 IUP to create other funding scenarios that will provide all previously approved funding to the rollover projects and also approve the new 2023-24 Fundable List projects at their current proposed levels	Thank you for your comment. DFA is recommending Scenario F in the revised draft CWSRF IUP, which proposes a cut-off score of 13 for SFY 2023/24 (adding 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan). To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.	Add Scenario F to the IUP.	
			(3) Review all funding options under these scenarios with the Board and stakeholders with full transparency.	Staff appreciates the comment. DFA has met with stakeholders and the Program's financial advisor to review additional funding scenarios and provide transparency on the lending capacity of the program. As part of this effort, DFA is proposing a new funding scenario, Scenario F, which will add 17 projects to the Fundable List, for a total of 37 projects with ~\$1.3 billion in repayable loan. To balance the long-term sustainable loan capacity, the State Water Board anticipates adding approximately \$750 million of new loan projects in SFY 2024/25 and adding no new loan projects in SFY 2025/26.	No additional changes needed.	