State Water Board approves plan to provide $1.2 billion in loans for infrastructure projects

Approval gives funding arm project goals for Fiscal Year 20-21

June 16, 2020

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SACRAMENTO – On June 16, the State Water Board adopted planning and funding documents for the clean water and drinking water state revolving fund programs for Fiscal Year 2020-21 and a total of more than $1.2 billion in potential new funding.

The respective revolving fund programs and plans, referred to as “intended use plans,” are adopted annually and provide millions of dollars of low interest and principal forgiveness loans to dozens of communities throughout California.

"The drinking water and clean water state revolving funds are significant financial tools that further the state's water resiliency goals," said State Water Board Chair E Joaquin Esquivel. “The economic downturn and pressures from the Covid-19 response on our states water systems mean we must continue to innovate and grow the programs. We're fortunate for the collaboration and coordination of many leaders in the water sector, who are partners in the revolving funds' success and future."

This annual funding practice is now entering its third decade with drinking water and four decades for clean water projects. The Clean Water State Revolving Fund intended use plan adds up to $910 million in new projects in fiscal year 20-21. The Drinking Water State Revolving Fund intended use plan has potential funding in excess of $308 million for new projects in fiscal year 20-21.

All projects are directly related to protecting or improving public health, water quality or both.

The Board’s approved intended use plans follow state and federal funding guidelines.

- The Drinking Water State Revolving Fund finances infrastructure improvements to reduce drinking water risks and support the human right to water. It provides funding for drinking water projects such as well rehabilitation and replacement, tank/reservoir replacement, transmission and distribution pipeline replacement, drinking water treatment for primary contaminants and water meters. There are also a few projects on source development/desalination.
The Clean Water State Revolving Fund (CWSRF) includes recycled water and stormwater projects and addresses wastewater discharge violations or enforcement orders issued by the regional water boards. Specifically, wastewater projects include the rehabilitation of existing facilities that treat wastewater, new wastewater treatment facilities, pump station rehabilitation and replacement and sewer pipeline rehabilitation and replacement. Recycled water projects consist of recycled water treatment facilities, pump stations, distribution systems and storage facilities. Storm water projects include projects that prevent, abate, reduce, transport, separate, store, treat, recycle, or dispose of pollutants arising or flowing in storm drainage that is transported in pipes, culverts, tunnels, ditches, wells, channels, conduits, from urban or rural areas to surface or groundwaters of the state and the reuse or disposal of storm water determined acceptable for reuse or disposal.