

Expedited Drinking Water Grant (EDWG) Funding Pathway Training

Division of Financial Assistance
Office of Sustainable Water Solutions

Presenter:
Eric Uppal



May 8, 2026

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EDWG Funding Pathway Background

- **Overall Goal:** Develop an alternative funding pathway to secure construction funding that has a streamlined initial application and allows additional application documents to be approved after initial funding agreement execution.
- **Adoption:** The [EDWG Guidelines](#) were adopted by the State Water Board on March 8, 2023, and amended on January 21, 2026.
- **Piloted Rounds of Funding:** DFA has administered five (5) rounds of funding for 38 projects totaling approximately \$230 million and is currently routing 24 projects for Round 5 (as of 3/31/2026).
- **Looking Forward:** **DFA will no longer solicit rounds of funding** and Tech PMs can invite in-house applicants (traditional construction application, full-planning in TA, or executed planning agreement) to the EDWG funding pathway once they are eligible and ready. Application forms, checklists, etc., are being updated, and PMs should be able to start inviting water systems by the week of May 25th, 2026.

Eligible Entities

Community Water Systems: Owned by a Public Agency or Mutual Water Company, or regulated by the California Public Utilities Commission (CPUC).

Non-Transient Non-Communities: Public School Districts.

Not Eligible: Mobile home parks, apartment complexes, private schools, day cares, labor camps, elder care facilities, health care facilities, and tribes as the applicant.

Eligible Funding Sources

Proposition 1 and 68 – Limited availability left, cannot exceed \$5 million per project, and for disadvantaged communities. *Final Disbursement Date: February 28, 2029*

Proposition 4

40% of Prop 4 funds must be for DACs, 10% for SDACs; \$25M must go to tribes. Reasonable geographic allocation throughout the state is required. *Final Disbursement Date: February 28, 2031*

Safe and Affordable Drinking Water (SADW) – Limited availability for FY 26 – 27 and prioritized for disadvantaged communities but can be used for non-DACs if the project results in Greenhouse Gas Reduction. *Final Disbursement Date: February 28, 2029*

Budget Act of 2024 Greenhouse Gas Reduction Fund (GGRF) – Prioritized for disadvantaged communities but may be used for non-DACs if the project results in Greenhouse Gas Reduction. *Final Disbursement Date: February 28, 2029 (SADW-GGRF) or Continuous (non-SADW-GGRF)*

DWSRF Principal Forgiveness (PF) - only 14% of base PF can be used for non-DACs. Also, is not eligible for Advance Payment. *Final Disbursement Date: Continuous.*

The funding source will be determined by DFA staff based on availability, eligibility, and funding appropriation dates. The water system will not have the discretion to select a funding source.

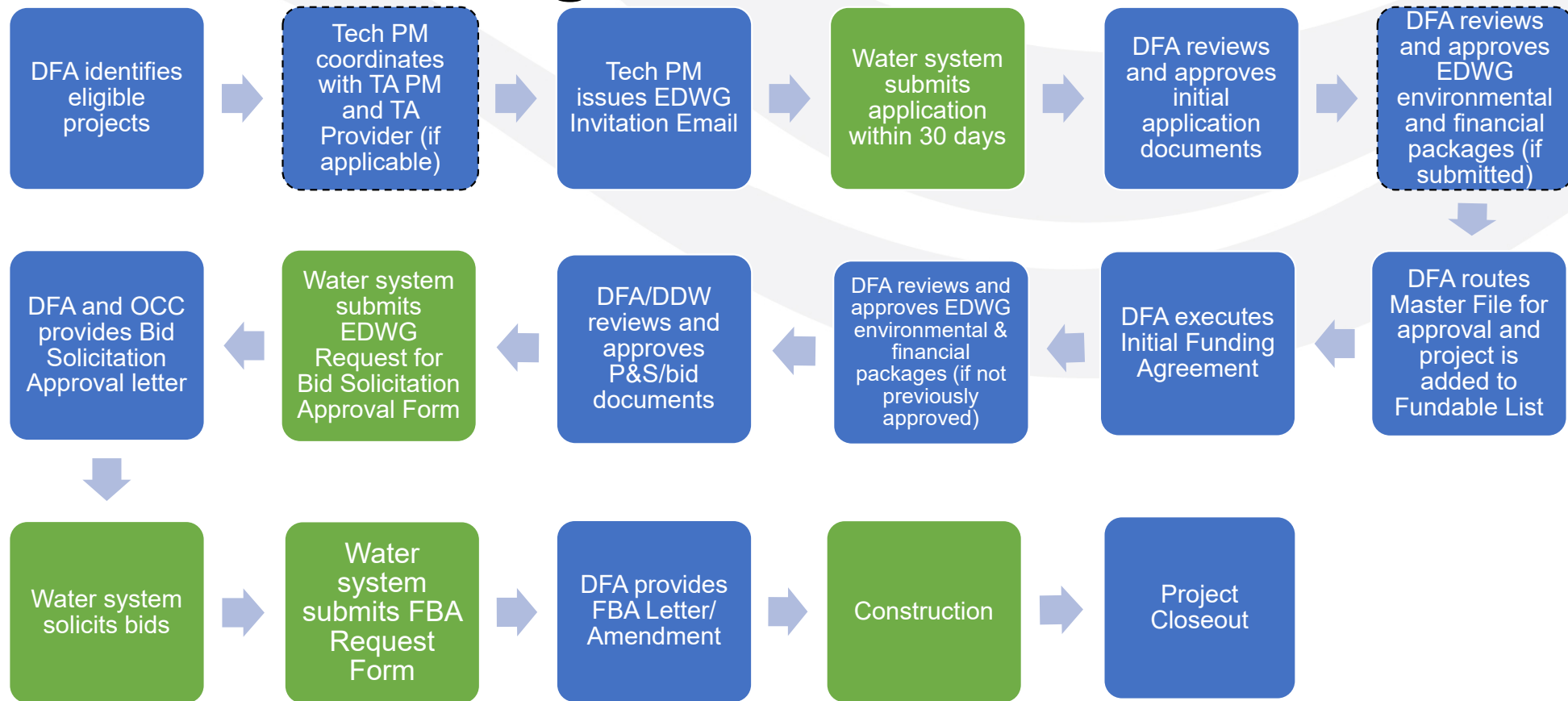
Advance Payment

- **Eligibility for EDWG:** Advance Payment (AP) can be provided for EDWG projects if otherwise eligible (up to 25% of eligible funding source).
- **Funding Sources:** Eligible AP funding sources are listed in the [Advance Payment Guidelines](#), and currently include Props 1, 4, and 68, and SADW funds.
- **AP Agreement Language and Requirements:** The PM must confirm that the applicant has reviewed the AP language and requirements in the Funding Agreement template and will be able to comply. This includes:
 - Establishing and maintaining a Project Reserve Fund consistent with all requirements in the Agreement;
 - Providing audited financial statements;
 - Providing timely reporting; and
 - Submitting timely reimbursement requests.

Advance Payment (Continued)

- **Required Documentation:** Water systems that are requesting AP must submit the [Advance Payment Request Form](#), and the following:
 - A quarterly projection of the project's expenditures, illustrating how AP will be utilized over the course of project construction.
 - If the applicant is a nonprofit, documentation demonstrating the entity's current status in good standing as a 501(c)(3) organization will also need to be provided.
 - Audited financial documents must also be submitted but may be waived for AP if approved by the Deputy Director.
 - Note: The AP Request Form and associated documents must be submitted prior to the initial agreement or during the Final Budget Approval Amendment so the AP language can be incorporated into the funding agreement.
- **AP Checklist:** The Tech PM must complete the AP checklist and receive Senior approval prior to the routing of the project files.
- **Training:** A separate in-depth training will be provided on AP.

EDWG Funding Process



Inviting Water Systems

Tech PMs may formally invite water systems to the EDWG funding pathway (via email template that is approved by the Senior) if all the following are true:

- 1) The project is grant/PF eligible under the current IUP.
- 2) The water system and funding source is eligible under the EDWG Guidelines, e.g., no MHPs, apartment complexes, etc., as applicants, and no projects that include a loan component.
- 3) An Engineering Document ([Engineering Document Guidance](#)) that identifies a selected scope, budget, and schedule has been submitted onto FFAST. A Final Engineering Document is preferred, but a Draft Engineering Document is acceptable (particularly if coming from TA).
- 4) A General Package Form has been submitted onto FFAST (only in-house projects can be invited to EDWG).
- 5) There are no anticipated property/land/easement acquisition issues that will cause significant delay (more than a year) or result in a change of project scope.

Inviting Water Systems (continued)

- 6) The project has a specified scope that is agreed upon by stakeholders and the regulating agency and is not comprised of a significantly large scope that is subject to change.
- 7) Both the financial and environmental reviews have not already been submitted and/or approved.
 - These projects should remain within the traditional funding pathway as it may take more time to pivot to the EDWG funding pathway. If the reviews are pending, and one (or both) are causing significant delay, the Tech PM can consider inviting to the EDWG funding pathway.
- 8) For non-consolidation projects addressing a failing or at-risk water system, the project scope addresses the failing/at-risk issues.
- 9) For consolidation projects, the Receiving Water System has provided a letter of intent to consolidate, unless they are the applicant, or are being required to consolidate via mandatory consolidation order.
 - Additionally, if the Receiving Water System is the applicant, they're aware of the expectation associated with signing EDWG application documents and reviewing the EDWG agreement template and general counsel opinion letter with their attorney during the application submittal process.

Additional Considerations for Inviting Water Systems in TA

For water systems receiving full planning in TA, Tech PMs should also coordinate with DFA TA PMs and TA Provider Staff on the following before formally inviting the water system to the EDWG funding pathway:

- 1) The DFA TA PM and the TA Provider Staff should be aware of the required documents that will be requested for the EDWG application to ensure that the existing workplan can produce the documents, or if it needs to be amended. If the workplan needs to be amended, the DFA Tech PM should not invite the water system until the amendment is executed to prevent delays.
 - TA workplans that have already been scoped to prepare a construction funding application should have language that will allow the water system to complete an EDWG application instead and will not result in a workplan amendment.
- 2) The DFA TA PM and the TA Provider Staff should determine if post executed funding agreement deliverables (such as the financial package, plans and specifications, etc.) will be conducted under the TA workplan or the EDWG funding agreement. The scope of the EDWG funding agreement should be delineated to avoid overlap with the TA workplan.
- 3) The DFA TA PM and the TA Provider Staff shall determine a plan of when the workplan can be closed out and funds from the EDWG agreement can be utilized for post executed funding agreement deliverables (if necessary).

Additional Considerations for Inviting Water Systems in TA (continued)

- 4) The DFA TA PM and the TA Provider Staff shall request a letter of intent from the Receiving Water System for consolidation projects.
 - If the Receiving Water System is the applicant, they will be notified of the expectation of signing EDWG application documents and reviewing the EDWG agreement and general counsel letter templates with their attorney during the application process. If the Receiving Water System is not in agreement of these responsibilities, the PM should not invite the water system to the EDWG funding pathway.
- 5) The DFA TA PM shall consult with the Environmental Review Unit if a test well will be conducted under the EDWG agreement, to determine the appropriate environmental document or information that needs to be scoped and developed under the TA workplan to cover the test well drilling (prior to funding agreement execution and as part of the EDWG application).

Application Forms (Prior to Funding Agreement Execution)

Base EDWG
Application

- Complete DWSRF General Package
- Attachment 1 – Scope of Work (SOW)
- Attachment 2 – Engineering Document (selected project identified and detailed cost-breakdown)
- Attachment 3 – Self-Certification Form (compliance, red flags, and grant agreement/legal opinion template reviewed by Recipient and their Legal Counsel)
- Attachment 4 – Authorized Representative Resolution
- Attachment 5 – Authorized Representative Resolution (for CPUC-regulated or mutual water companies)
- Attachment 6 – California Environmental Quality Act (CEQA) Planning Exemption Certification Form (Attachment 6A) OR DWSRF Package Environmental Package (Attachment 6B)

Additional Documents
(if necessary and
identified in General
Package)

- Letter of Intent (Consolidation Projects)
- CPUC Documentation (for CPUC-regulated entities)
- Additional Ownership Documentation (for MWCs)

Application Forms (Post-Executed Funding Agreement)

Prior to Bid Solicitation Approval

- DWSRF Environmental Package (if Attachment 6A was previously submitted)
- EDWG Financial Package
- Mandatory TMF Elements
- Final Plans and Specifications/Bid Documents
- Right-of-Way/Easements/Property
- Documents required for special condition compliance

Conditional Costs and Agreement Dates

Conditional Cost Line Item: EDWG projects will have an additional line item that can be set up to 30% of total project budget (not including conditional cost line item), and can be set/maximized by the Tech PM. It can be used for unforeseen or underestimated costs during planning and design. This line item can't be accessed without DFA management approval (supervisor level) and can also be shifted during the FBA.

Change Order Contingency: This is separate from the Conditional Cost Line item and will be subject to the limitations set forth in the IUP. These costs can only be used for construction change orders or can be shifted during the final disbursement request if funds are remaining.

ITEM	DESCRIPTION
A	Construction
B	Pre-Purchased Material / Equipment
C	Purchase of Land / Easements
D	Change Order Contingency
E	Force Account
F	Allowances (Soft Costs)
G	Conditional Costs (≤ 30% of total project cost, i.e., sum of items A-F)
TOTAL	

Estimated Completion of Construction Date: This date can be extended with informal PM/management approval and does not require a formal amendment. This date represents the estimated date the construction will be completed.

Critical Dates: The Final Disbursement Date is pushed back as far as the funding source end appropriation date allows, and the Project Completion Date should be offset to three (3) months prior. For example, for Safe and Affordable Drinking Water (SADW) funds, the Project Completion Date should be December 31, 2028, and the Final Disbursement Date should be February 28, 2029.

For DWSRF PF funded projects, the Project Completion and Final Disbursement Date should be pushed back 12 and 18 months, respectively, from the Estimated Completion of Construction Date.

COMPLETE THIS SECTION FOR EDWG DATE CHANGES (DO NOT COMPLETE NEW DATE SECTION ABOVE)

NEW ESTIMATED CONSTRUCTION COMPLETION DATE: _____

NEW PROJECT COMPLETION DATE: _____

NEW FINAL REIMBURSEMENT REQUEST DATE: _____

Timelines

Application Submittal: The EDWG Invitation Email references a timeline of thirty (30) days to submit a complete initial EDWG funding application. For CPUC-regulated entities or mutual water companies, additional time may be needed to submit the additional required application documents.

Execution of an Initial Funding Agreement: The estimated timeframe between the receipt of a complete initial EDWG application and the execution of an initial funding agreement is 180 days (6 months).

Bid Solicitation Approval

EXPEDITED DRINKING WATER GRANT (EDWG) REQUEST FOR BID SOLICITATION APPROVAL FORM

I. GENERAL INFORMATION		
Recipient:		
State Assigned Project Number:		
Estimated Bid Publication Date:		
II. REQUIRED DOCUMENTATION		
Attached	Previously Submitted	Required Documentation
<input type="checkbox"/>	<input type="checkbox"/>	A. EDWG Environmental Package
<input type="checkbox"/>	<input type="checkbox"/>	B. EDWG Financial Security Package
<input type="checkbox"/>	<input type="checkbox"/>	C. Mandatory TMF Assessment Elements
<input type="checkbox"/>	<input type="checkbox"/>	D. Final Plans and Specifications
<input type="checkbox"/>	<input type="checkbox"/>	E. Public Agency Approvals, Entitlements, Permits, and Agreements
<input type="checkbox"/>	<input type="checkbox"/>	F. Updated Self-Certification Form or a copy of the previously submitted Self-Certification Form <i>Choose one of the following:</i> <input type="checkbox"/> The responses in the attached Self-Certification Form are true and correct as of the date of this Request for Bid Solicitation Approval Form, or <input type="checkbox"/> An explanation of changes to the Self-Certification Form is attached.
<input type="checkbox"/>	<input type="checkbox"/>	G. Other Special Conditions (as applicable)
<input type="checkbox"/>	<input type="checkbox"/>	H. Supplemental Legal Opinion (if applicable)
III. STANDARD AND SPECIAL CONDITION COMPLIANCE		
Is the Recipient in compliance with the EDWG grant agreement, including but not limited to all standard conditions in Exhibit C and all special conditions in Exhibit D, and has the Recipient satisfied all conditions required prior to the solicitation of bids? <input type="checkbox"/> Yes <input type="checkbox"/> No*		
*If No, explain: <div style="border: 1px solid black; height: 30px; width: 100%;"></div>		

EDWG Request for Bid Solicitation Approval Form (Request Form): The water system must submit the Request Form once the required documents have been completed, submitted, and approved by DFA. The water system cannot solicit bids without receiving formal DFA approval via letter.

EDWG Bid Solicitation Approval Checklist and Letter: The Tech PM must complete the checklist and receive Senior approval, before drafting the approval letter that will route up to the Assistant Deputy Director for issuance.

Timing: If a water system submits a Request Form, and all required approvals have been provided, the estimated timeframe to conduct the Checklist and issue the Letter is approximately 30 days. If approvals are still required at the time of submittal (such as the financial or environmental reviews), the timeframe to issue the Letter can range from 60 – 90+ days.

Extension of Document Submittal: The requirement for Public Agency Approvals, Entitlements, Permits, and Agreement; Property Rights, etc., may be pushed to the FBA amendment, and specified as a condition in the Letter.

Special Conditions: Tech PMs will check and confirm if special conditions that are required prior to Bid Solicitation Approval have been satisfied. If conditions need to be extended to FBA, it should be specified in the Letter.

FBA Request Form

FBA Request Form: The water system must submit the FBA Request Form and package once a contractor has been selected.

FBA Letter/Amendment: The drafting, issuance, and execution of an FBA letter/amendment is the same as the traditional funding pathway.

STATE OF CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF FINANCIAL ASSISTANCE

CWSRF/DWSRF FINAL BUDGET APPROVAL (FBA) REQUEST FORM

The Final Budget Approval (FBA) Form and all attachments should be submitted as soon as possible after the bid or proposal opening to ensure all applicable requirements have been met. Failure to meet all applicable requirements may result in a loss of funding. The FBA Form and attachments should be submitted electronically or as a hard copy in one of the following three ways. Applicants are encouraged to utilize the Financial Assistance Application Submittal Tool (FAAST) to streamline the application submittal and review process, but if online submittal creates a hardship, email or mail can be utilized. Failure to receive Division approval of the final budget, either via letter or formal Financing Agreement amendment, may result in the construction work being ineligible for reimbursement.

- 1.) Apply online via the FAAST: <https://faast.waterboards.ca.gov>

If you need assistance, you can contact the FAAST Help Desk at 1-866-434-1083 or FAAST_ADMIN@waterboards.ca.gov.

Conditional Costs and Agreement...

- 2.) To submit an FBA Package via email, please use the following email addresses:

For Clean Water State Revolving Fund (CWSRF) Program:

CleanWaterSRF@waterboards.ca.gov

For Drinking Water State Revolving Fund (DWSRF) Program:

DrinkingWaterSRF@waterboards.ca.gov

- 3.) To submit a CWSRF or DWSRF Program FBA Package via mail, please use the following address:

State Water Resources Control Board
Division of Financial Assistance
P.O. Box 944212
Sacramento, CA 94244-2120

Final Budget Approval (FBA) Request Form Instructions

Section I - General Information

Recipient Name – Enter the entity that is the legal signatory to the Financing Agreement.

Financing Agreement Number – Enter the recipient's Financing Agreement number.

State Assigned Project Number – Enter the recipient's assigned Project number that appears on the Financing Agreement.

Section II - Pre-Construction Requirements

EDWG Quarterly Reports

EDWG Quarterly Report Template: There is a separate EDWG quarterly report template that will be provided by Tech PM and the Funding Recipient/consultant will fill out. The Tech PM may request supplementary documentation/information if necessary.



Expedited Drinking Water Grant (EDWG) Program
Project Progress Report

Section 1: General Project Information	
All recipients of financial assistance must submit quarterly progress reports to the Division of Financial Assistance (DFA). The DFA Project Manager reviews the file to ensure quarterly reports are up to date when reviewing each disbursement request.	
Recipient Name	
Project Title	
Project / Contract Number	
Authorized Representative	
Primary Project Contact(s) (if applicable)	
Environmental Consultants(s) (if applicable)	
DFA Project Manager	
Name of contact completing the form:	Select the reporting period:
Contact information (phone or email):	<input type="checkbox"/> Q1: January 1- March 31
Date report completed:	<input type="checkbox"/> Q2: April 1- June 30
	<input type="checkbox"/> Q3: July 1- September 30
	<input type="checkbox"/> Q4: October 1- December 31
Section 2: Documents Required Prior to Reimbursement <input type="checkbox"/> N/A and skip section if all documents have previously been provided.	
The following documents are required prior to the reimbursement of certain costs. Indicate which deliverables have been submitted.	
<input type="checkbox"/> Conflict of interest code (prior to the reimbursement of any project funds). Submittal date:	
<input type="checkbox"/> Executed consultant services contract (prior to reimbursement of costs associated with the contract)	

Questions?