



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

**REGION IX**

**75 Hawthorne Street**

**San Francisco, CA 94105-3901**

August 11, 2014

Mr. Darrin Polhemus  
Deputy Director  
Division of Financial Assistance  
California State Water Resource Control Board  
P.O. Box 944212-2120  
Sacramento, CA 94244-2120

Dear Mr. Polhemus:

Enclosed is the final California Clean Water State Revolving Fund (CWSRF) Program Evaluation Report (PER) for state fiscal year 2013. Thank you for your comments on the draft PER, which you provided in your letter dated July 31, 2014. The California State Water Resources Control Board's (SWRCB) response letter on the draft PER is included as an attachment to the final PER.

Your response to the draft PER observations and suggested follow-up actions was thorough and clearly reported the direction the SWRCB has taken or is taking to improve operations and create additional demand for the program. For example, the "frequent financier" approach allows the SWRCB to reduce administrative burden while working with borrowers to establish multiple years of loan demand for the CWSRF. EPA commends the SWRCB for its proactive approach.

Overall this PER found no deficiencies in the management of the California CWSRF program and found the technical, managerial and financial management of the program favorable. We appreciate your clarifying comments and detailed reply to the draft PER, section III, follow-up actions, which are summarized as follows: (For convenience, we used the original letter designations from your response letter.)

- A. 2. The SWRCB will continue to evaluate the financial effect of extended term financing on the CWSRF in its annual report.
- B. 1. The SWRCB acknowledges the positive comments about fund utilization rate.
- B. 2. The SWRCB has reduced its ULO level and is continuing to make management decisions that are appropriate, specific to the state of California, to further improve the operation of its CWSRF and make timely and expeditious use of all funds.
- C. The SWRCB will include in its SFY 2013/1024 annual report, due Oct 30, 2014 full disclosure of the fee rates and program versus non-program revenue generated from the service charges.

On behalf of the review team, I would like to express my appreciation for the assistance you and your staff provided during the review. If you have questions about the final report, please call me at 415-972-3420 or the EPA Region 9 California program officer, Josh Amaris, at 415-972-3597.

Sincerely,

A handwritten signature in blue ink, reading "Douglas E. Eberhardt". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Douglas E. Eberhardt  
Manager, Infrastructure Office

Enclosure

Electronic Copies (with Enclosure):

Jim Maughan, DFA

Christopher Stevens, DFA

Heather Bell, DAS

Kelly Valine, DFA

**STATE FISCAL YEAR 2013 PROGRAM EVALUATION REPORT**  
**California Clean Water State Revolving Fund Program**  
**Review Conducted January 2014**  
**Final Report Prepared August 2014**

## **I. Introduction**

Section 606(e) of the Clean Water Act (CWA) requires EPA to conduct an annual oversight review of the Clean Water State Revolving Fund (CWSRF) program. The purpose of the annual review is to assess the cumulative program effectiveness; fiscal health of the CWSRF program in California since the program began (1988); compliance with the statutes and regulations; Operating Agreement (OA); and grant conditions governing the CWSRF.

The American Recovery and Reinvestment Act (ARRA), signed into law February 17, 2009 by President Obama, made available federal monies for both the CWSRF and Drinking Water State Revolving Fund. The ARRA funds are also subject to an annual oversight review to be carried out by the EPA. The purpose of the ARRA review is to assess the cumulative program effectiveness and fiscal health of the CWSRF program in California in light of the impact of ARRA in addition to evaluating the implementation of ARRA.

EPA Region 9 conducted its on-site annual review of the California CWSRF base and ARRA program activities on January 21-24, 2014. Staff from EPA Region 9 visited the State offices to review selected project files and cash draws, and to talk with state staff about various aspects of the CWSRF base and ARRA activities. Following the review, EPA prepared this Program Evaluation Report (PER). The PER covers all program activities from program inception to the present, with major emphasis on the activities performed during state fiscal year (SFY) 2013. This PER correlates to the State's CWSRF Annual Report for SFY 2013, which ended June 30, 2013. The PER also highlights the review findings and identifies follow-up actions to be addressed in SFY2015.

## **II. Background and Scope**

The CWSRF uses Federal capitalization grants, state match funds, loan repayments, and interest earnings to make loans for construction of wastewater treatment facilities, the implementation of nonpoint source water quality control projects, and the development and implementation of estuary enhancement type projects. Since the program began in 1988 through June 30, 2013, SWRCB has closed 647 loans totaling approximately \$6.5 billion cumulatively, including ARRA.<sup>1</sup>

The California CWSRF program is required to contain the following program and financial elements, which EPA assessed during its review.

### **Required Program Elements**

- Annual Report
- Funding Eligibility
- Compliance with DBE Requirements

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<sup>1</sup> As of June 30, 2013, and as reported in the National Information Management System (NIMs)

### **Required Program Elements Continued**

- Compliance with Federal Cross-Cutting Authorities
- Compliance with Environmental Review Requirements
- Operating Agreement
- Staff Capacity
- Compliance with Davis Bacon and Buy American
- Compliance with Green Project Reserve (GPR)
- Other Program Elements related to ARRA

### **Required Financial Elements**

- Rules of Cash Draw
- Timely and Expeditious Use of Funds
- Compliance with Audit Requirements
- Assistance Terms
- Use of Fees
- Assessment of Financial Capability and Loan Security
- Financial Management
- Compliance with Additional Subsidy
- Other Financial Elements related to ARRA

The scope of the annual review included consideration of the legal, managerial, technical, financial and operational capabilities of the State of California (State) specifically the California State Water Resources Control Board (SWRCB), Divisions of Financial Assistance (DFA) and Administrative Services (DAS).

EPA Region 9 used the SRF Annual Review Guidance, SRF Program Review Checklist, Project File Review Checklist, Transaction Testing Checklist, and data collected in the National Information Management System (NIMS) for SRFs to ensure that all major elements of the program were reviewed and discussed with the California CWSRF management and staff. In response to the Improper Payments Elimination and Recovery Act, the Office of Management and Budget (OMB) through the EPA Office of the Chief Financial Officer (OCFO) has directed that the State Revolving Funds be subject to testing of a random selection of SRF transactions to develop a national estimate of improper payments from these programs. Therefore, for this review, 14 CWSRF cash transactions selected by OCFO were tested. To comply with ARRA oversight responsibilities, two additional transactions from the ARRA pool were selected for testing by EPA Regional staff.

Following the review, EPA Region 9 prepared a draft PER for the State to review for accuracy and context. The final PER includes the State's comments (**Attachment 6**). Copies of the final PER will be provided to the State and EPA HQ.

### **III. Observations, Suggested Follow-up, and State Comments**

EPA's review assessed certain program, financial and project management practices as they relate to the State's ability to effectively administer base and ARRA CWSRF program activities (**Attachment 1**). Based on the review, EPA finds that California is managing the CWSRF program in accordance with State and Federal laws and regulations and that California is in compliance with the conditions and assurances in the CWSRF Operating Agreement and grants. This section presents EPA's specific observations and suggested action items, to be incorporated into the future operations or management of

the program, and the State's comments.

## **A. Financial Management**

### **1. Transaction Testing and Improper Payments**

To comply with OMB and the Improper Payments Elimination and Recovery Act requirements to evaluate improper payments, each Region is required to perform transaction testing of separate payments for State base CWSRF funded transactions and for State ARRA CWSRF funded transactions annually.

EPA tested 16 CWSRF cash transactions comprised of both ARRA and base funded transactions selected by OCFO and the region. Of the 16, 14 were base funded financial transactions with a total draw of over \$55 million from the federal treasury between October 1, 2012 and May 2, 2013. Our review of these base program financial transactions found that there was one improper payment which the state had detected and corrected prior to this review. The erroneous amount was \$14.32 in the draw for \$5,311,488.05. This draw was made to correct a prior erroneous draw in that amount from the ARRA grant. The details for each cash draw tested can be found in **Attachment 2** for the base cash draw transactions.

The remaining two transactions were ARRA funded cash draws. The draws were for a total of roughly \$100,000 from the federal treasury. EPA's review found that there were no improper payments associated with these ARRA financial transactions. The details for each cash draw tested can be found in **Attachment 3** for the ARRA cash draw transactions.

**Suggested follow-up:** None.

### **2. Extended Term Financing**

The CA CWSRF has recently been approved to provide CWSRF funds in the form of extended term financing (ETF) to all eligible recipients in addition to the SDACs, regionalization projects and communities in financial distress or emergency as was reported on in the annual report. EPA approved the CA CWSRF proposals to offer ETF, based on a 60-year model developed by the state that demonstrated the projected revolving level of the fund would not decrease by 10% or more with use of ETF compared to the revolving level the fund would attain if ETF were not offered. While ETF expands the economic benefits of the CWSRF program to a broader spectrum of communities, it also exposes the fund's corpus to financial vulnerability. For this reason the impact of ETF on the fund's viability should be monitored on an annual basis.

**Suggested follow-up:** EPA appreciate the reporting in the financial section D5 of the annual report. The state included the years ETF activity and a discussion of the long-term implications of the years ETF activity. EPA recommends the SWRCB continue this practice in subsequent annual reports.

**State Comments:** *See Attachment 6*



## B. Timely and Expeditious Use of Funds

California's performance for the major CWSRF program financial indicators is above or within an acceptable range of the national average, as described in Table I. California also appears to be in full compliance with the CWSRF requirements for efficient, timely and expeditious expenditure of the funds. The State is maximizing the use and effectiveness of CWSRF assets.

**Table I. Performance Indicators (NIMS)**

Indicator	CWSRF 2013 <sup>1</sup>		CWSRF 2012	
	California	National	California	National
Fund Utilization (line 285)	109%	97%	112%	98%
Return on Federal Investment (line 307)	213%	255%	215%	255%
Retained Earnings (line 317)	11.1%	6.2%	11.5%	6.6%

### 1. Fund Utilization

Fund utilization rate or pace of the program represents the cumulative assistance provided as a percent of cumulative SRF funds available for projects. It is one indicator of how quickly funds are made available to finance CWSRF eligible projects. Table I shows that California has done an excellent job in quickly converting CWSRF funds to loans for eligible projects and exceeds the national average.

Some of the major cash flow and fund management challenges state CWSRF programs face are (1) optimizing and aligning the rate at which loans are committed and disbursed with the funding capacity of the fund; and (2) balancing the need to disburse federal funds quickly while ensuring that recycled and other non-federal funds are also used in a timely and expeditious manner.

As was noted in the 2012 Annual Report, the PER and in discussions with SWRCB staff, the rate of disbursements in the CA CWSRF had not been as high as expected in SFY12, and the SWRCB had increased its rate of commitments to compensate.

Several factors may depress the rate of disbursements, including, but not limited to:

- borrowers infrequently submit disbursement requests, and;
- an insufficient number of projects in the funding pipeline that will expeditiously move through construction.

In SFY13 EPA has observed an improvement in this area of concern. Disbursements appear to be more in line with cash available. The exceedingly low federal ULO is one indicator of this. Another indicator would be comparing the unrestricted cash and cash equivalents from the audited financial statements, \$362M, to the annual principal and interest repayments from NIMS, \$300M. EPA Policy Memoranda, SRF 99-05 and SRF 99-09 indicate that repayments should be committed within a year of receipt. The cash and cash equivalents on hand only slightly exceed the repayments in the year, which indicates the SWRCB is not only committing repayments within a year but disbursing a portion in the year.

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<sup>1</sup> As of June 30, 2013, and as reported in the National Information Management System (NIMS)

**Suggested follow-up:** Timely and expeditious use of the funds is critical to maximizing the use and effectiveness of CWSRF assets and in meeting the environmental and water quality needs of the State. EPA commends both the high pace and the steps the SWRCB has taken to improve the rates of disbursement in SFY13 and recommends continued attention to both.

*State Comments: See Attachment 6*

## 2. Unliquidated Obligations (ULOs) - Use of Federal and Non-federal Funds

While unliquidated obligations or undrawn federal and non-federal funds are not currently a performance indicator, they are being closely tracked by the EPA, OMB and Congress who may look at the unliquidated obligations when determining next year's budget.

As of May 5, 2011, EPA has established new federal fund utilization expectations for water programs, consisting of two inter-related elements. The first element is to accelerate the pace of fund obligation with a long-term goal of obligating all federal funds during the fiscal year in which they are appropriated. The second element is to encourage and monitor the prompt and full utilization of these funds.

Table II shows the status of capitalization grants as of June 30, 2013. The SWRCB has a history of successfully obligating all federal funds during the fiscal year in which they are appropriated. As of June 30, 2013, the SWRCB had the ARRA grant and one base capitalization grant open with a total of \$53 million in unspent federal funds, which is 6% of the federal funds awarded during this period.

**Table II. California ULOs as of end of SFY 2013**

Grant ID	Fiscal Year (of funding)	Approved Funding	Funds Paid to Date	Remaining funds/ULO	ULO (%)
CS06000106	FY06	\$46,383,876.00	\$46,383,876.00	\$0.00	0%
CS06000107	FY07	\$92,791,710.00	\$92,791,710.00	\$0.00	0%
CS06000108	FY08	\$48,826,491.00	\$48,826,491.00	\$0.00	0%
CS06000109	FY09	\$48,667,707.00	\$48,667,707.00	\$0.00	0%
CS06000110	FY10	\$145,721,000.00	\$145,721,000.00	\$0.00	0%
CS06000111	FY11	\$105,570,800.00	\$105,570,800.00	\$0.00	0%
CS06000112	FY12	\$101,065,000.00	\$48,599,294.23	\$52,465,705.77	52%
2W06000209 (ARRA)	FY09	\$280,285,800.00	\$279,251,865.73	\$1,033,934.27	0%
Subtotal CWSRF		\$869,312,384.00	\$815,812,743.96	\$53,499,640.04	6%

This federal ULO is exceptional, especially in light of the large FY 2010 allotment of approximately \$146 million, which is almost three times the previous year's allotment of \$49 million. The federal ULO of \$53 million is less than the total of the two most recent capitalization grants (FY 2011 and FY 2012) of approximately \$206 million.

With respect to the utilization of non-federal dollars in the program, states are required to make timely loans using all available CWSRF funds for eligible projects. As stated in EPA Policy Memoranda, SRF 99-05 and SRF 99-09, one year is a reasonable time frame for expecting states to commit repayments and other available funds to CWSRF projects. The memoranda further clarify that in the event the state does not have sufficient projects ready to receive commitments, it must identify in its Intended Use Plan how and when the funds will be used. In the case of the CA CWSRF program, the NIMs report shows that California has satisfactorily committed all available program funds to CWSRF projects within a year.

Federal, recycled and other non-federal funds need to be disbursed as soon as possible to avoid the appearance of fund underutilization. The CWSRF program uses the following metrics to determine whether a state is having trouble with the timely use of their federal and non-federal funds:

- **Cumulative disbursements as a percent of CWSRF assistance (Line 297).** In the case of the CA CWSRF, the 2013 NIMs shows a ratio of 85%, slightly below the national average of 88% but an improvement over the CA CWSRF previous year's value of 83%.
- **Cumulative construction starts as a percent of CWSRF assistance (Line 299).** For the CA CWSRF, the 2013 NIMs shows a ratio of 89%, slightly below the national average of 91% but an improvement over the CA CWSRF previous year's value of 88%.

Although slightly below the national averages, the increasing trend in these metrics indicate an improvement in project progression and selection of projects that will proceed smoothly and rapidly through construction. Continuing this upward trend should be a priority.

**Suggested follow-up:** To help ensure that all CWSRF funds are committed and expended efficiently and in a timely and expeditious manner, EPA suggests that the CA CWSRF program evaluate and implement incentives to encourage construction starts and improve the rate of disbursements to align with the national averages. Other states have used the following incentives or strategies to get projects to construction and draw funds more quickly:

- Base interest charges on undrawn funds to motivate projects to request disbursements frequently.
- Minimize credit review for large municipalities/repeat customers by assigning them a line of credit based on affordability.
- Provide planning and design loans or additional subsidy assistance.

*State Comments: See Attachment 6*

### **3. Return on Federal Investment**

Return on federal investment represents the cumulative assistance disbursed as a percentage of cumulative federal cash draws. This indicator is designed to show how many dollars of assistance were disbursed to eligible borrowers for each federal dollar spent. States with a direct loan program should have an expected value for this indicator of 120%, which reflects the 83% federal and 17% state contribution ratio for funding projects. States that leverage should have a higher value than 120% because they have more funds available relative to the amount of federal funding than non-leveraged states. In California's case, the State CWSRF has exceeded the standard level of performance, i.e., 120%. The 213% return on investment is in part attributed to availability of more funds due to leveraging, repayments and interest and investment income earned.



**Suggested follow-up:** None

#### **4. Gross Sustainability (Retained Earnings) Includes Subsidy**

This indicator seeks to gauge how well the CWSRFs are maintaining their invested or contributed capital, without making adjustments for loss of purchasing power due to inflation. For purposes of this indicator only, contributed capital is defined as the federal capitalization grant less the 4 percent allowed for administrative expenses, plus the required 20 percent State match regardless of the source (i.e., borrowed, appropriated, etc.). For those States that do not borrow for State match, like California, if the amount of retained earnings of a CWSRF is greater than or equal to zero then the CWSRF is deemed to be maintaining its contributed capital and the sustainability of the fund. The California CWSRF is exceeding the national average by retaining over 11.1% of its contributed capital and thus sustaining the financial health of the fund. While this is good the 5 year trend in this metric is a steady erosion from a high point of 21% in 2008. EPA will continue to monitor this trend.

**Suggested follow-up:** None

#### **C. Use of Fees**

The CA CWSRF program collects two service charges. These service charges provide a source of revenue for the administration of the program and for grant funding to small and disadvantaged communities. In response to the 2012 PER the following were made more evident in the 2013 Annual Report; the amount of revenues generated in SFY 13 for the grant program, the uses of these funds (i.e., personnel costs, equipment, etc.), and the names of the small and disadvantaged community grant recipients. From the Annual Report, EPA was unable to identify or determine the rates of service charges assessed to communities that supported fund 9739 and communities that supported both fund 3147 and 9739. The amounts of program income or non-program income derived from the fees were also unclear.

**Suggested follow-up:** EPA requests that the state identify and show the fee rates charged, and the program versus non-program revenue generated from the service charges with each Annual Report. As a reference, on October 20, 2005, EPA issued guidance on fees charged by states to recipients of Clean Water State Revolving Fund (CWSRF) program assistance, **40 CFR Part 35 [FRL-7983-7] Guidance on Fees Charged by States to Recipients of Clean Water State Revolving Fund Program Assistance**. This guidance provides a framework for the use of fees collected under the CWSRF. The SWRCB should follow this guidance when charging fees to recipients of CWSRF assistance.

**State Comments:** *See Attachment 6*

#### **IV. Project File Review**

EPA project file review found the projects to be eligible and in compliance with the program requirements. Issues that were identified during the file reviews have been resolved and the State is implementing or reinforcing procedures to ensure compliance. The Project File Reviews for each of the below listed projects can be found in **Attachments 4 and 5**:

### **Base Program**

- (1) Graton Community Services District (\$6M)
- (2) City of San Clemente (\$14.4M)

### **ARRA Program**

- (1) Linda County Water District (\$36.5M)
- (2) Covelo CSD (\$1.8M)

## **V. Conclusion**

We have conducted an annual review of the California Clean Water SRF Program base and ARRA activities in accordance with EPA's SRF Annual Review Guidance. Based upon the file reviews, on-site project file reviews and interviews, EPA concludes that the State of California has administered the program in general compliance with the capitalization grant agreements.

While this review found no deficiencies in SWRCB's grant management system, the PER Section III identified the following actions to be addressed in the SFY2013 Annual Report:

- **Use of Fees** - *State must identify and show the fee rates charged, and the program versus non-program revenue generated from the service charges with each Annual Report.*
- **Extended Term Financing** – *State must continue to include a discussion on the long-term planning implications of ETF with each Annual Report.*
- **Timely and Expeditious Use of Funds** – *The CA CWSRF program should evaluate and implement incentives to continue to improve the rate of construction starts and the rate of disbursements to align with the national averages. Along these lines, EPA recommends that the CA CWSRF program consider ways to keep demand high with a sufficient number of projects in its pipeline to ensure all funds will be committed and disbursed promptly.*

## **VI. Attachments**

- Attachment 1** CWSRF "Program Review Checklist for Base and ARRA SRF Activities"
- Attachment 2** CWSRF Base Transaction Testing Sheets
- Attachment 3** CWSRF ARRA Transaction Testing Sheets
- Attachment 4** CWSRF Base Project Files Reviews Checklists
- Attachment 5** CWSRF ARRA Project Files Reviews Checklists
- Attachment 6** SWRCB letter dated July 31, 2014: Comments on draft 2013 Annual Program Evaluation Report (PER); California Clean Water State Revolving Fund (CWSRF) Program

**Attachment 1** CWSRF “Program Review Checklist for Base and ARRA SRF Activities”

**APPENDIX B**  
Annual Review Checklist

## **Use of these Checklists**

The checklists that follow are designed to provide a convenient method for ensuring that the annual review has addressed all of the major review elements.

The checklists are organized by topic for easy reference and do not represent a suggested order for conducting the review. For example, project file reviews may touch on many different annual review topics and the checklists provide a mechanism to quickly locate the topic and record the findings while moving from one topic to another. Once the review is completed, all of the topics must either be specifically addressed or noted as not being covered during this review. If an area was not reviewed, note the reason for not reviewing it and any future review activities.

For the items that are reviewed, the requested information on the checklist must be completed noting your findings. Make sure to check all data sources that were used in determining the findings. Pertinent attachments should be added to the checklists and referred to as is appropriate. The checklists must be used as your work papers for the overall evaluation and a reference document in the future to prepare for the next annual review.

It should be noted that the checklist topics are references and are not intended to be comprehensive statements of each program item. Other supporting documents, such as the Annual Review Guidance, program documents provided in the SRF Document Library, the SRF Audit Compliance Supplement, the EPA SRF Financial Planning Model, and many other SRF related information and tools should be utilized to delve in depth into specific review topics.

# SRF Annual Review Information Sheet

Appendix B Annual Review Checklist

State Under Review: California

For SRF Fiscal Year Beginning: July 1 2012 Ending: June 30 2013

Annual Report Received: 10/29/2013  
Annual Audit Received: 10/29/2013  
Audit Year: SFY12/13

State Contact: Doug Wilson

Phone No. 916-341-5745

## Core Review Team:

<u>Role</u>	<u>Name</u>
PO	Josh Amaris
Transaction Testing	Gwen Brown
Transaction Testing	Pam Walsh

<u>State Staff Interviewed</u>

See Final PER

Project files and transactions reviewed:


First Team Meeting

Second Team Meeting

On-Site Visit

Draft PER

Final PER

Estimated Date:

Actual Date:

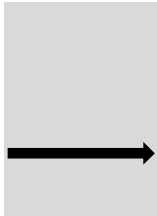
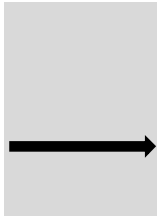

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**APPENDIX B**  
Annual Review Checklist

Required Program Elements				
Review Item and Questions to Answer	Yes	No	N/A	Onsite Discussion Summary
<b>1.1 Operating Agreement</b>				
1 When was the last update to the State's Operating Agreement?				Late 2012. posted on website.
2 Discuss whether the current Operating Agreement accurately reflects the State's program.				Does reflect how the state is doing business
a. Has the OA been updated to include any changes to the SERP, use of bonds for leveraging/state match, sub-state revolving fund programs (i.e., nonpoint source sponsorships), or other significant program changes?	Yes			
3 If the OA does require an update, what is the plan for doing so (i.e., adding an amendment, using examples from other states, etc.)?				NA
<b>1.2 Annual Report</b>				
1 Date that the Annual Report was submitted to the Region:			10/29/2013	
2 Does the State's Annual Report meets the following requirements:				
a. Reports on progress towards goals and objectives	Yes			See annual report and AR Checklist
b. Reports on use of funds and binding commitments	Yes			See annual report and AR Checklist
c. Reports on the timely and expeditious use of funds	Yes			See annual report and AR Checklist
d. Identifies projects and types of assistance provided.	Yes			See annual report and AR Checklist
e. Includes financial statements and cross-references independent audit report	Yes			See annual report and AR Checklist
f. Provides assessment of the SRF's financial position and long-term financial health	Yes			See annual report and AR Checklist
g. Demonstrates compliance with all SRF assurances and certifications	Yes			See annual report and AR Checklist
h. Demonstrates compliance with SRF program grant conditions	Yes			See annual report and AR Checklist
i. Documents eligible Green Project Reserve projects that were funded	Yes			See annual report and AR Checklist
j. Documents projects that received additional subsidy	Yes			See annual report and AR Checklist
k. Documents whether additional subsidy was directed to projects in communities that could not otherwise afford such projects. If not, was an explanation provided for why this decision was made? [Provide explanation in Discussion column.]	Yes			in the IUP 2 catagories of Disadvantaged communities get the subsidy. 1 is the traditional state definition. Category 2 is other Dis advantaged community.
l. Documents whether additional subsidy was directed to projects that repair or replace existing infrastructure; projects that include plans, studies, etc. to improve technical, managerial and financial capacity; and/or projects that reflect the full life cycle costs of infrastructure assets. If not, was an explanation provided for why? [Provide explanation in Discussion column.]	Yes			NA: Subsidy is determine based solely on community statistics.
3 Includes a CWSRF Benefits Reporting System (CBR) summary report or "one-pager" for all projects funded.	Yes			See annual report and AR Checklist

**APPENDIX B**  
Annual Review Checklist

Required Program Elements				
Review Item and Questions to Answer	Yes	No	N/A	Onsite Discussion Summary
1.3 Short and Long-Term Goals				
1 How does the State establish short-term environmental goals?				monthly the sr. staff meet to discuss trends and what is happening in the main areas of the program. This is a forum for inputting what the next years short term goals are. Christopher also takes a lead in determining the years short term goals for the IUP.
a. What is the State doing to achieve these goals?				See AR
2 How does the State establish long-term environmental goals?				These do not change very often.
a. What is the State doing to achieve these goals?				See AR
1.4 Funding Eligibility				
1 Discuss the State's internal controls for funding eligibility. How does the State ensure that SRF funds do not go to ineligible projects or ineligible expenses?				Application involves 4 packages for state review: General, technical, financial and env. As long as these do not raise any red flags and are complete the project can move forward. These are what are covered by the project file checklist (in the new process)
2 Discuss the State's policy for collecting documentation from assistance recipients to support the amount and eligibility of disbursement requests. What type of documentation is required, how are invoices reviewed, etc.?				admin staff receive and do a simple math check to make sure everything adds up and all required paperwork is there. Then to program for PM review. Then the request is signed off on and
1.5 Reporting				
1 Has the State entered data for all projects in the Annual Report into the CBR database?	Yes			
a. Are the records complete, to the extent possible?	Yes			
2 Has FFATA data been entered into usaspending.gov for projects in an amount equal to the capitalization grant?	Yes			Bob Ponterri
3 Does the State submit Interim Federal Financial Reports for all open grants?	Yes			Check with Kelly
4 What is the State's process for ensuring timely and accurate CBR data entry?				quarterly basis: check with Bob P

**APPENDIX B**  
Annual Review Checklist




Required Program Elements				
Review Item and Questions to Answer	Yes	No	N/A	Onsite Discussion Summary
<b>1.6 Staff Capacity</b>				
1 How many CWSRF staff members does the State have in the following areas?				Estimate: Look at IUP
a. Accounting & Finance				8
b. Engineering and field inspection				16
c. Environmental review / planning				6
d. Management				6
2 What is the State CWSRF program's current situation with regard to hiring and training new staff?				no issues.
3 Is current staffing sufficient to manage the program?				Yes
<b>1.7 Compliance with Environmental Review Requirements</b>				
1 Do the State's environmental review procedures (as described during onsite interviews) accurately reflect the process as described in the State Environmental Review Process (SERP)?				Yes All project files reviewed reflected adherence to state environmental review procedures.
2 Describe the State's decision process and documentation requirements for issuing the following environmental review determinations:				
a. Categorical Exclusion (CE) or the State equivalent				cat exemption: in almost all cases municipality makes the call state accepts the determination.
b. Environmental Assessment (EA)/Findings of No Significant Impacts (FONSI) or the state equivalent				neg dec or mitigated neg dec: entity acts as lead, state reviews.
c. Environmental Impact Statement (EIS)/Records of Decisions (ROD) or the State equivalent				EIR: NOD. Entity takes the lead on this.
3 How does the State ensure that public notices and meetings, as required by the SERP, are provided during the environmental review process?				determining all necessary documentation based on the path the env determination went. The state verifies all documentation is
4 How are documented public concerns addressed/resolved by the State in the environmental review process?				recipient is required to provide comments and how they were addressed.
<b>1.8 Compliance with Federal Cross-Cutting Authorities (Cross-Cutters)</b>				
1 What is the State's process for ensuring compliance with Federal cross-cutting authorities?				for env crosscutters: checklist certifying to all of them (no impact). DBE (forms) and Davis bacon (correct language and correct determination) are handled as part of the final budget package.
2 Does the State use equivalency procedures in applying Federal cross-cutting authorities, and if so, how are assistance recipients selected to comply?				across the board
3 What is the State's process for applying Federal cross-cutting authorities to nonpoint source projects or projects that received Categorical Exclusions from environmental review requirements?				if a cross cutter applies it is applied in the same way.
4 Were there any issues which required formal consultation with other State or Federal agencies, and were these resolved?	Yes			Yes and Yes

**APPENDIX B**  
Annual Review Checklist

Required Program Elements				
Review Item and Questions to Answer	Yes	No	N/A	Onsite Discussion Summary
<b>1.9 Compliance with Disadvantaged Business Enterprise Requirements</b>				
1 What is the State's process for ensuring compliance with DBE requirements?				See above
2 Did the State collect 5700-52A DBE reports from assistance recipients (for projects equal to the cap grant) by April 30th and October 30th?				Yes
<b>1.10 Green Project Reserve Requirements</b>				
1 Has the State entered into assistance agreements to meet the GPR requirement?*	Yes			See annual report
a. If not, when and how does the State plan to meet the requirement?				NA
b. If the State identified carryover GPR projects in the Annual Report, what actions is the State taking to ensure that these projects have an assistance agreement by the end of the fiscal year?				NA
2 Does the State's current process for marketing and solicitation of GPR projects appear adequate for identifying a sufficient number of GPR projects?	Yes			Water recycling unit: Categorical
a. If no, Does the State plan to revise their solicitation process?			NA	
3 Review the CBR data for one or two GPR projects with loans closed during the year under review. From the project descriptions provided, do the projects appear to be eligible GPR projects?	Yes			
a. Are the projects reported in the correct GPR category?	Yes			
4 Were business cases posted to the state website, as required? (N/A if no GPR projects required business cases)			NA	
a. Were the posted business cases complete and in accordance with the GPR Attachment to the annual SRF Procedures Guideline?			NA	
<b>1.11 Davis-Bacon Requirements</b>				
1				
What is the State's process for ensuring that Davis-Bacon requirements, including the correct wage determinations, are included in bid documents?				requirements go out in the loan contract. In the first addendum to the lona agreement where the budget is finalized and DBE and Davis Bacon materials are submitted the state verifies that correct DB language was used and that the correct wage determination was also used.
2				
What is the State's process for collecting certifications of compliance with Davis-Bacon from all assistance recipients?				Semi Annualy (Same time as DBE cert) the state also sens out a cert form for DB. Within 30 days the recipients are required to send them back. State when onsite always verifies these.

**APPENDIX B**  
Annual Review Checklist

**Required Financial Elements**

Review Item and Questions to Answer		Yes	No	N/A	Onsite Discussion Summary
<b>2.1 Binding Commitment Requirements</b>					
1	Does the State track and document binding commitments to ensure that 120% of each grant payment is committed to projects within one year of the payment?	Yes			Currently at 255%
	a. If the State is having difficulty meeting the binding commitment requirement, what is the plan to correct this?				NA
2	Do the dates of binding commitments as documented in the project files reviewed match those reported in the Annual Report?	Yes			No need to check with the state, Look at files
3	Does the State track the average time lag between binding commitment and construction initiation? If so, what is the average time lag?	Yes			State is getting a report from LGTS made to flag projects that have not gone to construction initiation in a timely manner
	a. If this is a significant time lag, is it recurring? (If so, note steps the State is taking to correct the situation in the Onsite Discussion column)			NA	
<b>2.2 Assistance Terms</b>					
1	What is the State's process for establishing assistance terms?				1/2 the GO bond rate, in policy and Small disadvantaged communities can be offered lower rates
	a. Are interest rates less than the market rate?	Yes			
	b. Do principal repayments start within one year of project completion and end within 20 years, for all projects without extended term financing agreements?	Yes			Yes with the exception of ETF which the state has the ability to do.
	c. Does the program use extended term financing to the extent it is allowable? (If so report the percentage of project funding used in the Onsite Discussion section.)	Yes			Just received OK to issue ETF to all projects eligible for SRF funding (Going forward)
2	What is the amount and type of additional subsidy provided, and is this consistent with the requirement for the year under review?	Yes			Principal forgiveness small disadvantaged category 1 and 2 and septic to sewer also eligible and regionalization.
	a. If the State is providing subsidy in the form of grant funds, do assistance agreements require compliance with EPA regulation 40 CFR Part 31?		No		
3	How does the State periodically evaluate terms of assistance offered relative to the supply and demand for funds and the Fund's long-term financial health?				ETF that allows the state to adjust terms since the rate is set in policy





**APPENDIX B**  
Annual Review Checklist

**Required Financial Elements**

Review Item and Questions to Answer	Yes	No	N/A	Onsite Discussion Summary
<b>2.3 Use of Fees</b>				
1 Does the State assess fees on assistance? If so, note the fee rate charged and on what basis (e.g., percentage of closing amount, principal outstanding, principal repaid, etc.) in the Onsite Discussion column	Yes			Partially stated in annual report. See draft PER for further recommendations
a. Describe how fee income is used by the program. For each use, indicate whether the fee income is program or non-program income.				Fees and the Small Community Grant program
b. How does the State evaluate the use of fees relative to loan terms to set appropriate total charges to assistance recipients and assess long-term funding needs for program operation?				Loan term is set and the fee is a subset of that and is either 1% or 2%.
c. What are the State's procedures for accounting and reporting fee use?				4% Cap grant for admin taken. SCG fees are awarded and the
<b>2.4 Assessment of Financial Capability and Loan Security</b>				
1 What are the State's procedures for assessing the financial capability of assistance recipients?				set of financial documentation from the recipient. Staff reviews this and uses a checklist to document all requirements
a. Do Project File Reviews indicate that these policies and procedures are being followed?	Yes			Financial review of all reviewed project files underwent state review
2 How does the State ensure that assistance recipients have a dedicated source of revenue for repayment or, for privately-owned systems, adequate security to assure repayment?				The state requires a resolution from the entity proving that there is a designated source.
3 How does the State ensure that assistance recipients have access to additional funding sources, if necessary, to ensure project completion?				Also verify if \$\$ is coming from other sources to finish a project
<b>2.5 Cash Draws</b>				
1 Describe the State's disbursement process and the reviews/internal controls utilized to ensure that disbursements adhere to the Federal cash draw rules.				after admin and PM review the draw gets one or two more reviews and then to accounting. Accounting processes.
2 Have any improper payments been discovered by the State? (If so , note corrective actions that have been taken in the Onsite Discussion column)				One draw was made from repayment funds and should have been made from ARRA. State caught this and corrected it before the ARRA grant was closed.
a. Were all improper payments adequately resolved?	Yes			
b. If improper payments occurred as a result of internal control deficiencies, how will the State review and/or modify its internal controls to decrease the potential for erroneous payments to occur in the future?	Yes			Was a one time oversight.

**APPENDIX B**  
Annual Review Checklist

**Required Financial Elements**

Review Item and Questions to Answer		Yes	No	N/A	Onsite Discussion Summary
<b>2.6 State Match</b>					
1	What is the State's source of state match? Is this source sufficient to provide the 20% match now and into the foreseeable future?				Match bond money and local match?
2	If bonds are issued for state match, and the SRF is used to retire these bonds, do the bond documents clearly state what funds are being used for debt service and security?			NA	Water board did not sold bonds for state match. The state sold bonds and gave the proceeds to the waterboard for match. The state was responsible for paying the debt service,
	a. Has the State's current match bond structure been approved by Headquarters? (Provide details in the Onsite Discussion column)	Yes			
3	Do State accounting records indicate that match funds were deposited at or before applicable federal cash draws?	Yes			currently \$153M overmatched
<b>2.7 Transaction Testing for Improper Payments</b>					
1	Are State accounting records of federal funds received consistent with federal records of federal funds disbursed?	Yes			
2	Does the State track the average length of time between request and disbursement? If so, what is the average time lag?	Yes			goal of 30 days. Slightly over in 2013
3	What proportionality ratio is the State using for cash draws, and how did they establish that ratio? Is the current cash draw proportionality ratio allowing them to use an efficient cash management approach?				100% federal draw, required state match is already drawn




**APPENDIX B**  
Annual Review Checklist

**Required Financial Elements**

Review Item and Questions to Answer		Yes	No	N/A	Onsite Discussion Summary
<b>2.8 Timely and Expeditious Use of Funds</b>					
1	Does a review of the IUP and Annual Report confirm that the State is using SRF funds in a timely and expeditious manner, i.e. within one year of receipt?	Yes			Ask about repayments
	a. What is the State's balance of uncommitted funds?				NA
	b. What is the State's balance of unliquidated funds?				\$55M, less than one capitalization grant
	c. What is the trend in uncommitted and unliquidated funds over the past 2-3 years?				Downward
2	If the State needs to improve its use of funds to ensure timely and expeditious use, what is the State's plan to address the issue?				NA
	a. If the state was required to develop a plan demonstrating timely and expeditious use of funds, is progress being made on meeting this plan?			NA	
<b>2.9 Financial Management</b>					
1	What are the State's short and long-term financial goals, and how is the State's financial management designed to achieve these goals?				See annual reports explanation of short and long term financial goals
	a. Are NIMS financial indicators for the State improving over time? If not, which indicators are declining?	Yes			Pace, Net sustainability, and ULO's are all trending in a positive direction or staying stable
2	What is the State's long-term financial plan to direct the program?				watch the cash flow and market it.
	a. Was financial modeling used to develop the plan? How was modeling conducted?	Yes			
	b. How often is the plan reviewed and updated?				Accounting runs the model monthly for account balances and
	c. Does planning address types of assistance and terms, use of leveraging, and transfers or cross-collateralization between programs?	Yes			Assistance terms and Leveraging only
3	Describe the State's leveraging structure and activities, including ratio, frequency, amount, use of funds, impact on interest rates, etc. <i>(N/A if the state does not leverage)</i>				As cash is needed. Leveraged last year to refinance old bonds. Prior to that the last sale was 2002
	a. Is leveraging activity consistent with the leveraging activities described in the IUP, Annual Report and bond documents?	Yes			
	b. Are net bond proceeds, interest earnings, and repayments being deposited into the fund?	Yes			Last bond issue was a refinance.
4	Does the State have any issues related to loan restructuring, the potential for defaults, and the timeliness of loan repayments? How are these issues being handled?	Yes			One loan received re-structuring in 2013
5	What rate of return is the SRF earning on invested funds?				.0284% in SMIF

**APPENDIX B**  
Annual Review Checklist

**Required Financial Elements**

Review Item and Questions to Answer		Yes	No	N/A	Onsite Discussion Summary
<b>2.10 Compliance with Audit Requirements</b>					
1	Are annual audits being conducted by an independent auditor?	Yes			
	a. Who conducted the most recent audit? Note date of most recent audit in Onsite Discussion column.				Clifton Larson Allen
	b. Did the program receive an unqualified opinion? If a qualified opinion was given, note the reason(s) in the Onsite Discussion column		No		
	c. Were there any findings? If so, describe the findings and resolutions in the Onsite Discussion section		No		
	d. Are the financial statements in conformance with GAAP?	Yes			
2	If there were recommendations in the audit report and/or recommendations in the "Management Discussion & Analysis" letter, has the State implemented them?			NA	
3	Did the most recent audit confirm compliance with State laws and procedures?			NA	Federal Laws and policies
	a. Did the audit include any negative comments or issues regarding the State's internal control structure?		No		
	b. Did the audit identify any erroneous payments/cash draws/disbursements?		No		
	c. Has the State taken action to recover the improperly paid funds?			NA	
4	Did the most recent audit include any repeat findings (from previous audits)?		No		
	a. Have audit findings discussed during the previous Annual Review been resolved?			NA	
5	Did the most recent audit find that state cash management and investment practices consistent with State law, policies, and any applicable bond requirements?			NA	Federal requirements
7	How does the State notify assistance recipients of the requirement to provide a single audit if they expend more than \$500,000 in Federal funds?				Accounting send a notice at the end of the SFY if an entity crosses the \$500,000 threshold
	a. What is the State's process for reviewing assistance recipients' audits and following up with recipients on resolving issues and/or findings?				findings the controllers office sned them to the water board for reconciling. Then after issue is adressed it is sent back to

**APPENDIX B**  
Annual Review Checklist

**EPA's Clean Water Infrastructure Sustainability Policy: Discussion Questions**

**Review Item and Question to Answer**

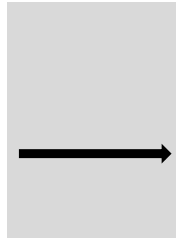
**Yes    No    N/A**

**Onsite Discussion Summary**

*Note: Questions are applicable only to projects funded in FY 2011 and after. SRF activities in support of the Sustainability Policy are voluntary but strongly encouraged by EPA.*

**4.1 Sustainability**

- 1 How does the State encourage the use of asset management programs? Does the State's Project Priority List (PPL) include projects that emerged as a result of an asset management program?
- 2 How does the State encourage planning processes by potential SRF recipients that:
  - a. include steps to consider other relevant community sustainability priorities from other sectors, such as transportation and housing?
  - b. evaluate a range of alternatives, including green and or decentralized alternatives, based on full life-cycle costs?
  - c. ensure that potential recipients have a financial system in place, including appropriate rates,
- 3 Does the State's project pipeline include projects that utilize green infrastructure or decentralized does the project pipeline include projects that maintain or create additional green space?
- 4 Examples could include riparian buffer zones or conservation easements. Describe any activities the State uses to encourage these types of projects.
- 5 Does the project pipeline include projects that make use of technologies and practices to reduce



Sustainability points are added to the SRF policy amendment for project ranking. Asset management was one of those.

Yes points in the new process (and in CEQA) general plan certification

LCA is part of the technical analysis or full cost pricing analysis can get a sustainability pt.

Part of the standard financial review

Likely yes

potentially conservation easements. Marketing for Non point source type of projects.

Yes

*\*Note: Questions in the Resiliency to Extreme Events and Climate Change section do not*

**4.2 Resiliency to Extreme Events and Climate Change\***

1. Is there a state climate change or adaptation plan?
  - a. If so, does it include a role for water infrastructure or the SRF's?
- 2 Does the SRF program provide information about eligible costs related to developing or implementing an adaptation plan in the IUP or other program information?
- 3 Does the SRF program provide incentives to encourage facilities to incorporate potential climate change impacts or strategies for building resilience to extreme events in new or revised facilities
  - a. What incentives does the SRF program provide?
- 4 Does the state have plans in place for rebuilding water (and other) infrastructure after damage
- 5 Are the state SRF program staff aware of sources of information to help you understand and plan

Yes

AB 32

Yes

sustainability points available for adapting to climate change/mitigation.

No different than any other planning. State will fund this. Not explicitly advertising.

Yes

Gets the municipality sustainability points in the priority process.



See above

not in the state to date.

Yes

Yes



**APPENDIX B**  
Annual Review Checklist

**Attachment 2**      CWSRF ARRA Transaction Testing Sheets

# Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State:</b> California	<b>Cash Draw Amount:</b>	\$ 37,900.92
<b>Indicate CW/DW Review:</b> CW ARRA	<b>Cash Draw Date:</b> 6/3/13	
<b>Reviewer:</b> Josh Amaris	<b>Purpose of Cash Draw (Loan, Admin or Set-Aside):</b>	
<b>Review Date:</b> 1/23/14	<b>Grant Number:</b>	
<b>Selected by Region</b> <input checked="" type="checkbox"/>	<b>Selected by Statistical Sampling</b> <input type="checkbox"/>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	Yes			
2. State accounting records accurately reflect the cash draw	Yes			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	Yes			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			NA	ARRA
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws			NA	ARRA

<b>Project Name:</b> City of Oakland			<b>Project Number:</b> 6199-110	
<b>Disbursement Request Date:</b> 6/3/13			<b>Improper Payment (Yes/No):</b> No	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
10-May-13	8	\$11,491.12	City of Oakland staff (proj 3907)	5/2/2013
10-May-13	8	\$859.92	SF Chronicle	classified advertising
10-May-13	8	\$4,250.00	AGS	
10-May-13	8	\$21,299.88	City of Oakland staff (proj 4244)	5/2/2013
Invoiced Total		\$37,900.92	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				
Amount Paid from SRF funds:		\$37,900.92	Additional Notes:	

<b>Project Name:</b>			<b>Project Number:</b>	
<b>Disbursement Request Date:</b>			<b>Improper Payment (Yes/No):</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
Invoiced Total		\$0.00	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				
Amount Paid from SRF funds:		\$0.00	Additional Notes:	

<b>(a) Total SRF Disbursements</b>	<b>\$37,900.92</b>	
<b>(b) Total Cash Draw Amount:</b>	<b>\$37,900.92</b>	

Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

State Match Amount(if applicable):		
Improper Payment Amount (if applicable):		
Calculate the Federal cash draw ratio (b/a):		

## Project 3907

\$ 661.37  
\$ 661.37  
\$ 661.37  
\$ 514.41  
\$ 661.37  
\$ 293.96  
\$ 514.41  
\$ 514.41  
\$ 661.37  
\$ 514.41  
\$ 293.96  
\$ 661.37  
\$ 514.41  
\$ 514.41  
\$ 587.92  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06  
\$ 326.06

\$ 11,491.12

## Project 4244

\$ 440.93  
\$ 505.04  
\$ 440.93  
\$ 440.93  
\$ 694.41  
\$ 171.83  
\$ 126.39  
\$ 587.92  
\$ 514.41  
\$ 631.26  
\$ 126.39  
\$ 440.93  
\$ 694.41  
\$ 126.39  
\$ 126.39  
\$ 587.92  
\$ 587.92  
\$ 631.26  
\$ 441.89  
\$ 126.39  
\$ 126.39  
\$ 587.92  
\$ 505.04  
\$ 17.22  
\$ 121.85  
\$ 631.26  
\$ 631.26  
\$ 440.93  
\$ 440.93  
\$ 568.15  
\$ 568.15  
\$ 293.96  
\$ 252.53  
\$ 514.41  
\$ 587.92  
\$ 587.92  
\$ 252.53  
\$ 378.79  
\$ 252.53  
\$ 514.41  
\$ 378.79  
\$ 86.81  
\$ 244.56  
\$ 244.56  
\$ 505.04  
\$ 378.79  
\$ 244.56

\$	244.56
\$	126.26
\$	378.79
\$	244.56
\$	244.56
\$	244.56
\$	126.26
\$	244.56
\$	244.56
\$	315.64
\$	244.56
\$	378.79
\$	48.99
\$	21,299.88

# Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State:</b> California	<b>Cash Draw Amount:</b>	\$ 59,601.00
<b>Indicate CW/DW Review:</b> CW ARRA	<b>Cash Draw Date:</b> 1/14/13	
<b>Reviewer:</b> Josh Amaris	<b>Purpose of Cash Draw (Loan, Admin or Set-Aside):</b> Loan	
<b>Review Date:</b> 1/23/14	<b>Grant Number:</b> 2W06000209	
<b>Selected by Region</b> <input checked="" type="checkbox"/>	<b>Selected by Statistical Sampling</b> <input type="checkbox"/>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	Yes			
2. State accounting records accurately reflect the cash draw	Yes			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	Yes			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			NA	ARRA
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws			NA	ARRA

Project Name: Inland Empire			Project Number: 5327-110	
Disbursement Request Date: 12/20/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
20-Dec-12	36	\$18,686.22	SSC Construction	
		-\$14,514.94	less stop payment	
		-\$3,628.74	less stop payment fee	
Invoiced Total		\$542.54	Explanation If Paid Amount is Different from Invoiced Total:	
Contractor spreadsheet rounding		-\$0.46		
Amount Paid from SRF funds:		\$543.00	Additional Notes:	

Project Name: Inland Empire			Project Number: 5327-110	
Disbursement Request Date: 12/20/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
30-Nov-12	36	\$21,616.89	IEUA Staff (CM)	
9/19/2012	167686	\$8,194.25	Ninyo and Moore	
9/30/2012	750082	\$2,399.11	Universal Protection Services	
10/1/2012	743603	\$1,368.50	Universal Protection Services	
10/4/2012	4147	\$1,341.00	Alliant Consulting	
10/18/2012	168333	\$9,741.00	Ninyo and Moore	
11/1/2012	4163	\$653.00	Alliant Consulting	
11/3/2012	253222058	\$108.00	Randstad	
Invoiced Total		\$45,421.75	Explanation If Paid Amount is Different from Invoiced Total:	

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

Contractor spreadsheet rounding	-\$0.25	
Amount Paid from SRF funds:	\$45,422.00	Additional Notes:

Project Name: Inland Empire			Project Number: 5327-110	
Disbursement Request Date: 12/20/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
30-Nov-12	36	\$13,603.23	IEUA Staff (Admin)	
30-Nov-12	815949	\$32.93	UPS	Freight charges
Invoiced Total		\$13,636.16	Explanation If Paid Amount is Different from Invoiced Total:	
Contractor spreadsheet rounding		\$0.16		
Amount Paid from SRF funds:		\$13,636.00	Additional Notes:	

(a) Total SRF Disbursements	\$59,601.00	
(b) Total Cash Draw Amount:	\$59,601.00	
State Match Amount(if applicable):		NA
Improper Payment Amount (if applicable):	\$ -	
Calculate the Federal cash draw ratio (b/a):		NA



## CM

\$ 2,708.96  
\$ 3,511.64  
\$ 1,204.00  
\$ 3,635.04  
\$ 3,826.35  
\$ 2,487.13  
\$ 336.00  
\$ 246.00  
\$ 60.00  
\$ 1,337.75  
\$ 1,440.74  
\$ 823.28  
\$ 21,616.89

## Admin

\$ 366.72  
\$ 2,109.44  
\$ 1,708.91  
\$ 1,548.70  
\$ 63.66  
\$ 23.89  
\$ 50.75  
\$ 81.20  
\$ 50.75  
\$ 415.05  
\$ 332.02  
\$ 672.65  
\$ 192.19  
\$ 96.09  
\$ 996.08  
\$ 498.04  
\$ 166.02  
\$ 166.02  
\$ 934.40  
\$ 292.00  
\$ 384.37  
\$ 288.28  
\$ 623.10  
\$ 1,275.85  
\$ 267.05  
\$ 13,603.23

**Attachment 3**      CWSRF Base Transaction Testing Sheets

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

**State:** California

**Indicate CW/DW Review:** CW

**Reviewer:** Pam Walsh

**Review Date:** 1/21/14

**Cash Draw Amount:** \$1,060,809.00

**Cash Draw Date:** 2/1/13

**Purpose of Cash Draw (Loan, Admin or Set-Aside):** Loan

**Grant Number:** CS06000110

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

<b>Project Name:</b> City of Tehachapi			<b>Project Number:</b> C-06-5563-110	
<b>Disbursement Request Date:</b> 11/27/12			<b>Improper Payment (Yes/No):</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
30-Sep-12	14	\$1,807,356.00	W.M Lyles Company	Cumulative eligible construcion costs to date (\$3,805,559.00) less amount previously paid (\$1,992,203)
11/21/2012	37292480	\$3,901.29	AECOM	Construction Administration/Engineering
10/24/2012	37283389	\$28,012.37	AECOM	
9/30/2012	37274562	\$31,396.98	AECOM	Original invoice for \$31,411.74 but \$14.76 disallowed from invoiced total - Ineligible
7/13/2012	37254140	\$31,180.71	AECOM	Original invoice for \$32,008.96 but \$828.25 disallowed from invoiced total - ineligible
6/23/2012	37248712	\$40,897.67		
Invoiced Total		\$1,942,745.02	Explanation If Paid Amount is Different from Invoiced Total: Partial amount disbursed separately	
Amount Paid from Other Sources		\$971,373.00		
Rounding of Initial Invoice		\$0.02		
Amount Paid from SRF funds:		\$971,372.00	Additional Notes:	

<b>Project Name:</b> Union Sanitary District			<b>Project Number:</b> C-06-5219-110	
<b>Disbursement Request Date:</b> 1/8/13			<b>Improper Payment (Yes/No):</b> No	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

31-Dec-12	22	\$81,188.00	Anderson Pacific	Calculated based on eligible cumulative total (\$7,445,631.00) less retainage (\$382,788.00) and costs previously paid (\$6,981,655)
12/1/2013	27	\$18,756.51	The Covello Group	Construction management
1/1/2013	28	\$13,382.50	The Covello Group	Construction management
Invoiced Total		\$113,327.01	Explanation If Paid Amount is Different from Invoiced Total: Total costs incurred for construction management exceeded allowances for these costs in original contract. State paid only \$8,249.00 of invoiced total for these expenses.	
Amount Paid from Other Sources		\$23,890.01		
Amount Paid from SRF funds:		\$89,437.00	Additional Notes:	

Total SRF Disbursements	\$1,060,809.00	Disbursed amount rounded to the nearest dollar value
Total Cash Draw Amount:	\$1,060,809.00	
State Match Amount(if applicable):		
Improper Payment Amount (if applicable):		

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State: California</b>
<b>Indicate CW/DW Review: CW</b>
<b>Reviewer: Pam Walsh</b>
<b>Review Date: 1/22/2014</b>

<b>Cash Draw Amount:</b>	<b>\$2,871,420.05</b>
<b>Cash Draw Date: 3/12/2013</b>	
<b>Purpose of Cash Draw (Loan, Admin or Set-Aside): Loan</b>	
<b>Grant Number: CS06000112</b>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

Project Name: City of San Diego			Project Number: 4905-110	
Disbursement Request Date: 1/10/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
28-Sep-12	12-001-06	\$2,293,456.00	Burtech Pipeline Inc.	
				Cumulative expenses incurred to date, segment M-1
28-Sep-12	11-015-8	\$4,922,820.00	Burtech Pipeline Inc.	Cumulative expenses incurred to date, segment N-1
14-Oct-12	5	\$1,926,005.00	Southwest Pipeline and Trenchless Corp.	Cumulative expenses incurred to date, segment O-1
9/12/2012	8	\$3,658,551.00	Southwest Pipeline and Trenchless Corp.	Cumulative expenses incurred to date, segment P-1
10/16/2012	18891	\$9,041.53	Harris & Associates	Construction Management
9/14/2012	18575	\$12,279.81	Harris & Associates	Construction Management
8/8/2012	18165	\$10,082.74	Harris & Associates	Construction Management
7/12/2012	17932	\$11,780.48	Harris & Associates	Construction Management
6/11/2012	17548	\$9,485.49	Harris & Associates	Construction Management
10/16/2012	18892	\$8,724.41	Harris & Associates	Construction Management
9/14/2012	18576	\$10,756.97	Harris & Associates	Construction Management
8/8/2012	18166	\$10,398.18	Harris & Associates	Construction Management
7/12/2012	17933	\$10,140.24	Harris & Associates	Construction Management
6/11/2012	17549	\$10,862.73	Harris & Associates	Construction Management
10/16/2012	18890	\$9,348.45	Harris & Associates	Construction Management
9/14/2012	18574	\$12,309.95	Harris & Associates	Construction Management
8/8/2012	18164	\$9,844.18	Harris & Associates	Construction Management
7/12/2012	17931	\$10,782.86	Harris & Associates	Construction Management

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

Invoiced Total	\$12,946,670.02	Explanation If Paid Amount is Different from Invoiced Total: \$5,681,751.00 previously paid to contractor.		
Rounding of initial invoice	\$0.02			
Amount Paid from Other Sources	\$5,681,751.00			
Amount Paid from Other Sources	\$4,393,498.95	Disbursed from CS06000111		
Amount Paid from SRF funds:	\$2,871,420.05	Additional Notes:		

<b>Total SRF Disbursements</b>	<b>\$2,871,420.05</b>	
<b>Total Cash Draw Amount:</b>	<b>\$2,871,420.05</b>	<b>Amount drawn from this cap grant. Remainder from the invoiced total drawn separately.</b>
<b>State Match Amount(if applicable):</b>	<b>\$0.00</b>	
<b>Improper Payment Amount (if applicable):</b>	<b>0%</b>	

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State: California</b>
<b>Indicate CW/DW Review: CW</b>
<b>Reviewer: Pam Walsh</b>
<b>Review Date: 1/21/14</b>

<b>Cash Draw Amount:</b>	<b>\$3,175,678.00</b>
<b>Cash Draw Date: 9/27/12</b>	
<b>Purpose of Cash Draw (Loan, Admin or Set-Aside): Loan</b>	
<b>Grant Number: CS06000111</b>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

<b>Project Name: City of Vacaville</b>			<b>Project Number: 4841-130</b>	
<b>Disbursement Request Date: 5/22/12</b>			<b>Improper Payment (Yes/No): No</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
14-Feb-12	363162-H	\$475,421.00	HDR Engineering, Inc.	Project management & Design costs
Invoiced Total		\$475,421.00	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				
Amount Paid from SRF funds:		\$475,421.00	Additional Notes:	

<b>Project Name: City of Vacaville</b>			<b>Project Number: 4841-130</b>	
<b>Disbursement Request Date: 8/15/12</b>			<b>Improper Payment (Yes/No): No</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
12-Mar-12	367499-H	\$449,244.34	HDR Engineering, Inc.	
1/18/2012	355774-H	\$524,989.84	HDR Engineering, Inc.	
5/22/2012	386406-H	\$210,325.46	HDR Engineering, Inc.	
4/18/2012	387361-H	\$614,301.08	HDR Engineering, Inc.	
6/19/2012	6274-B	\$37,181.49	HDR Engineering, Inc.	
Invoiced Total		\$1,836,042.21	Explanation If Paid Amount is Different from Invoiced Total: State rounded disbursement to nearest dollar	
Amount Paid from Other Sources				
Amount Paid from SRF funds:		\$1,836,042.00	Additional Notes:	

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>Project Name: Union Sanitary District</b>			<b>Project Number: C-06-5219-110</b>	
<b>Disbursement Request Date: 9/5/12</b>			<b>Improper Payment (Yes/No): No</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
4-Sep-12	14-18	\$806,913.00	Anderson Pacific Engineering	Total eligible costs incurred (\$6954530.00) less retainage (\$358233.00) less previously paid amount (\$5789384.00)
9/1/2012	2010022-24	\$32,700.50	The Covello Group	
8/1/2012	2010022-23	\$24,601.93	The Covello Group	Original invoiced total \$25,080.93; \$478 disallowed for eligibility
Invoiced Total		\$864,215.43	Explanation If Paid Amount is Different from Invoiced Total: State rounded disbursement amount to nearest dollar	
Amount Paid from Other Sources				
Amount Paid from SRF funds:		\$864,215.00	Additional Notes:	

<b>Total SRF Disbursements</b>	<b>\$3,175,678.00</b>	
<b>Total Cash Draw Amount:</b>	<b>\$3,175,678.00</b>	
<b>State Match Amount(if applicable):</b>	<b>\$0.00</b>	
<b>Improper Payment Amount (if applicable):</b>	<b>0%</b>	



## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

**State: California**

**Indicate CW/DW Review: CW**

**Reviewer: Pam Walsh**

**Review Date: 1/21/14**

**Cash Draw Amount: \$3,274,515.00**

**Cash Draw Date: 10/24/12**

**Purpose of Cash Draw (Loan, Admin or Set-Aside): Loan**

**Grant Number: CS06000111**

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

Project Name: City of Millbrae			Project Number: 5017-110	
Disbursement Request Date: 9/27/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
30-Apr-12	30	\$737,368.00	West Bay Builders	Total eligible costs to date (\$19673416) less retainage (\$4780) less previously paid amount (\$18931268.00)
3/5/12 - 8/30/12	Various	\$314,470.79	Kennedy Jenks Consultants	23 invoices included dating from 3/5/12 through 8/30/12 for construction engineering services.
2/17/12 - 9/5/12	Various	\$629,671.99	URS Corporation	Eight invoices dating from 2/17/12 - 9/5/12 for construction inspection services
Invoiced Total		\$1,681,510.78	Explanation If Paid Amount is Different from Invoiced Total: Total amount invoiced for construciton management costs (engineering & inspections) exceeded allowable total; only \$105874.00 was disbursed towards these totals.	
Amount Paid from Other Sources		\$838,268.78		
Amount Paid from SRF funds:		\$843,242.00	Additional Notes:	

Project Name: North Marin Water District			Project Number: C -06-5211-120	
Disbursement Request Date: 7/3/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
31-Mar-12	5	\$108,179.00	Blastcoe, Inc.	Invoices for cumulative total eligible costs through March 2012 of \$276,640 less retainage (\$28331) less amount previously paid (\$140131)
3/31/2012	2	\$11,010.48	Blastcoe, Inc.	Costs incurred for Materials & Supplies. Sub-invoices included for all specific materials & vendors.
3/31/2012	2	\$6,340.70	Blastcoe, Inc.	Force account for labor

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

3/31/2012	2	\$326.25	Blastcoe, Inc.	Force account for vehicles
3/31/2012	Various	\$14,648.00	Labor costs for Construction Administration	Total invoice for \$38897.00 less previous paid amount of \$24249
30-Jun-11	41972	\$1,275.00	CSW/Stuber-Stroeh Engineering	Total invoiced amount allocated this project for \$1700; 75% of invoiced amount eligible
6/30/2011	94086	\$134.39	ESA	Total invoiced amount allocated this project was \$179.19; 75% of invoiced amount eligible
6/30/2011	94032	\$207.91	ESA	Total invoiced amount allocated for this project \$277.21; 75% of invoiced amount eligible
8/19/2011	11524	\$1,451.27	Miller Pacific	Total invoiced amount allocated for this project \$1935.03; 75% of invoiced amount eligible
26-Aug-11	13019	\$800.90	RMC	Total invoiced amount allocated for this project \$1067.86; 75% of invoiced amount eligible
10/6/2011	2011.101-5	\$3,783.75	Covello Group	Total invoiced amount allocated for this project \$5045.00; 75% of invoiced amount eligible
11/10/2011	2011.010-6	\$11,927.25	Covello Group	Total invoiced amount \$15903.00; 75% eligible
12/9/2011	2011.010-7	\$9,950.20	Covello Group	Total invoiced amount \$13266.93; 75% eligible
19-Jan-12	2011.010-8	\$13,658.40	Covello Group	Total invoiced amount \$18211.20; 75% eligible
2/8/2011	2011.010-09	\$6,342.77	Covello Group	Total invoiced amount \$8457.02; 75% eligible
3/7/2012	2011.010-10	\$4,919.66	Covello Group	Total invoiced amount \$6559.55; 75% eligible
4/10/2012	2011.010-11	\$2,982.19	Covello Group	Total invoiced amount \$3976.25; 75% eligible
31-Mar-12	Various	\$114.75	A/P	Vehicle costs for construction administration
6/30/2011 - 2/15/2012	Various	\$1,127.00	Drew McIntyre - Engineering costs	Chief Engineer Costs for Construction Administration
3/31/2012	Various	\$21,002.24	A/P	Engineering costs for Construction Administration
Invoiced Total		\$220,182.11	Explanation If Paid Amount is Different from Invoiced Total: Invoiced totals for construction management, vehicles, and administration	
Amount Paid from Other Sources		\$42,363.11	represent cumulative totals. \$42,363 of these costs was paid in a previous invoice.	
Amount Paid from SRF funds:		\$177,819.00	Additional Notes: State rounded to the nearest dollar for disbursement of \$177389.00	

Project Name: North Marin Water District			Project Number: C -06-5211-120	
Disbursement Request Date: 7/3/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
3/15/12, 4/19/12, 5/10/12	1, 2, 3	\$364,446.25	Ranger Pipelines, Inc.	Eligible cumulative costs incurred to date \$302378 in construction and \$103076.00 in materials on hand; less retainage
3/15/12, 4/19/12, 5/10/12	1,2,3	\$48,549.00	Ranger Pipelines, Inc.	Eligible cumulative costs; Force Acct for Materials Costs. Sub-invoices submitted with disbursement request.

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

3/15/12, 4/19/12, 5/10/12	1,2,3	\$816.89	Ranger Pipelines, Inc.	Eligible cumulative costs; Force Account for Labor. Supporting timesheets included as sub-invoices
3/15/12, 4/19/12, 5/10/12	1,2,3	\$91.50	Ranger Pipelines, Inc.	Eligible cumulative costs; Force Account for Vehicle Use. Timesheets for vehicle use submitted with invoices.
2/29/2012	13909	\$3,217.50	RMC Water & Environment	Invoiced amount listed represents eligible 75% of original total
4/10/2012	96973	\$2,042.81	ESA	Invoiced amount listed represents eligible 75% of original total
2/8/2012	2011-010-9	\$4,447.13	Covello Group	Invoiced amount listed represents eligible 75% of original total
3/7/2012	2011-010-1c	\$12,027.19	Covello Group	Invoiced amount listed represents eligible 75% of original total
4/10/2012	2011-101-11	\$16,400.63	Covello Group	Invoiced amount listed represents eligible 75% of original total
4/19/2012	44540002	\$645.00	Jacobs Associates	Invoiced amount listed represents eligible 75% of original total
5/8/2012	97552	\$351.16	ESA	Invoiced amount listed represents eligible 75% of original total
5/8/2012	2011.0101	\$16,142.06	Covello Group	Invoiced amount listed represents eligible 75% of original total
5/10/2012	44540003	\$322.50	Jacobs Associates	Invoiced amount listed represents eligible 75% of original total
5/23/2012	12008	\$1,110.00	Miller Pacific Engineering	Invoiced amount listed represents eligible 75% of original total
1/31/12 - 5/15/12	2	\$16,670.02	A/P	Labor costs for planning & design
1/31/-12 - 5/15/12	2	\$149.63	A/P	Vehicle costs for planning & design
1/31/12- 4/30/12	2	\$2,647.00	A/P	Labor costs for Chief Engineer; Totaling \$4732.53 less previous paid amount of \$2085.00
Invoiced Total		\$490,076.27		
Amount Paid from Other Sources				
Amount Paid from SRF funds:		\$490,076.00	Additional Notes: Disbursed amount rounded to nearest dollar	
<b>Project Name: North Marin Water District</b>			<b>Project Number: C -06-5211-130</b>	
<b>Disbursement Request Date: 7/3/12</b>			<b>Improper Payment (Yes/No): No</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
2/17/2012	5416-04	\$52,060.00	Ghilotti Construction Company, Inc.	Original invoice for \$94189.79; change orders subtracted for \$19276.58 and \$592.21 and retainage of \$4709.49 withheld
2/17/2012	5416-04	\$5,717.00	Ghilotti Construction Company, Inc.	Materials & supplies invoices
2/17/2012	5416-04	\$27,046.96	Ghilotti Construction Company, Inc.	Materials & supplies invoices
2/17/2012	5416-04	\$8,845.88	Ghilotti Construction Company, Inc.	Labor & Vehicle Costs to date
7/23/2010	72010	\$16.78	Bold & Polisner	Invoiced amount representes eligible 75% of total
17-Aug-10	81710	\$68.90	Bold & Polisner	Invoiced amount representes eligible 75% of total
7/14/2010, 8/12/2010	None listed	\$3,826.79	A/P Costs for Bold & Polisner	Personnel invoices allocated to planning costs
9/30/12- 4/15/12	None	\$2.25	Vehicles & Equipment Costs	Vehicle timesheets supplied along with sub-invoices; vehicle costs listed here allocated to design costs
2/23/2012	178AE8062	\$1.93	UPS	

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

4/10/2012	96973	\$3,634.69	ESA	Design costs
8/19/2012	11524	\$1,451.24	Miller Pacific	Amount listed represents eligible 75% of invoiced total
8/26/2011	13019	\$800.88	RMC	Amount listed represents eligible 75% of invoiced total
9/15/2011	13128	\$314.30	RMC	Amount listed represents eligible 75% of invoiced total
10/6/2011	2011-010-5	\$2,885.44	Covello Group	Amount listed represents eligible 75% of invoiced total
11/10/2011	2011-010-6	\$7,101.75	Covello Group	Amount listed represents eligible 75% of invoiced total
12/9/2011	2011-010-7	\$11,645.81	Covello Group	Amount listed represents eligible 75% of invoiced total
1/19/2012	2011-010-8	\$23,388.23	Covello Group	Amount listed represents eligible 75% of invoiced total
1/20/2012	12012	\$4.50	NMWD Petty Cash	Amount listed represents eligible 75% of invoiced total
2/8/2012	2011-010-9	\$21,975.15	Covello Group	Amount listed represents eligible 75% of invoiced total
3/7/2012	2011-010-10	\$9,934.34	Covello Group	Amount listed represents eligible 75% of invoiced total
4/10/2012	2011-010-11	\$3,592.50	Covello Group	Amount listed represents eligible 75% of invoiced total
8/31/2011-4/30/12	2	\$6,197.84	A/P Costs for Labor - Construction Administration	
3/15/2012	2	\$474.86	Drew McIntyre	Processional Engineering Services
1/31/2012	2	\$3.38	A/P Costs for Vehicle Use - Admin	Vechicle timesheets supplied to show costs allocated to admin
Invoiced Total		\$190,991.40	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources		\$47,592.14		
Amount Paid from SRF funds:		\$143,399.00	Additional Notes:	

Project Name: Santa Nella County Water District			Project Number: C-06-7132-110	
Disbursement Request Date: 9/27/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
6-Sep-12	7	\$73,403.00	Nicholas Construction, Inc.	Total eligible cumulative costs to date \$1097240 less retainage and previously disbursed amount
Invoiced Total		\$73,403.00	Explanation If Paid Amount is Different from Invoiced Total: Split project; half of invoiced costs disbursed separately	
Amount Paid from Other Sources		\$36,702.00		
Amount Paid from SRF funds:		\$36,701.00	Additional Notes:	

Project Name: Union Sanitary District			Project Number: C-06-5219-110	
Disbursement Request Date: 10/3/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
30-Sep-12	19	\$182,046.00	Anderson Pacific Engineering Construction, Inc.	Total eligible cumulative costs to date \$7,146,158.00 less retainage and previously disbursed amount.
10/1/2012	2010.022-25	\$21,577.00	The Covello Group	
				Construction Management Services
Invoiced Total		\$203,623.00	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

Amount Paid from SRF funds:	\$203,623.00	Additional Notes:
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Project Name: Victor Valley Wastewater Reclamation Authority			Project Number: C-06-5376-110	
Disbursement Request Date: 10/4/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
31-Jul-12	18	\$1,204,651.00	SSC Construction	Total eligible cumulative costs to date \$14130875 less retainage and previously disbursed amounts
5/23/2012	00381644-H	\$12,201.21	HDR Engineering	Design
8/13/2012	00017455-B	\$2,156.56	HDR Engineering	Design
9/13/2012	00025070-B	\$12,224.24	HDR Engineering	Design
5/23/2012	381710-H	\$54,648.32	HDR Engineering	Construction Management
8/31/2012	00017741-B	\$37,294.49	HDR Engineering	Construction Management
9/13/2012	00025105-B	\$34,188.79	HDR Engineering	Construction Management
Invoiced Total		\$1,357,364.61	Explanation If Paid Amount is Different from Invoiced Total: \$4170 disallowed from allowances for design & construction management due to contract exceeding the set total for these costs.	
Amount Paid from Other Sources		\$4,710.00		
Amount Paid from SRF funds:		\$1,352,655.00	Additional Notes:	

Total SRF Disbursements	\$3,247,515.00	
Total Cash Draw Amount:	\$3,247,515.00	
State Match Amount(if applicable):	\$0.00	
Improper Payment Amount (if applicable):	0%	

# Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State:</b> CA SWRCB	<b>Cash Draw Amount:</b>	<b>\$3,405,260.90</b>
<b>Indicate CW/DW Review:</b> CW	<b>Cash Draw Date:</b> 11/07/2012	
<b>Reviewer:</b> Gwendolyn L. Brown	<b>Purpose of Cash Draw (Loan, Admin or Set-Aside):</b> Loan	
<b>Review Date:</b> January 22, 2014	<b>Grant Number:</b> CS-06000112	
<b>Selected by Region</b> <input type="checkbox"/>	<b>Selected by Statistical Sampling</b> <input checked="" type="checkbox"/>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	x			
2. State accounting records accurately reflect the cash draw	x			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	x			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)	x			
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	x			

<b>Project Name:</b> Chico Urban Area Joint Power Financial Authority			<b>Project Number:</b> 4111-220, Contract No. 07-883-550	
<b>Disbursement Request Date:</b> 11/07/12			<b>Improper Payment (Yes/No):</b> No	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
	See Attached	\$402,492.00	Chico Urban Area Joint Power Auth	Separate Contract - 07-883-550, Project: 4111-220, C/S 6172478
	See Attached	\$9,601.00	Earlimart PUD	Separate Contract - 10-821-550, Project: 10-821-550, C/S 6172478
<b>Invoiced Total</b>		<b>\$412,093.00</b>	Explanation If Paid Amount is Different from Invoiced Total: Invoices = \$4,812,363. Disbursement = \$3,405,260.90. SRF Fed 11 = \$1,407,102.10 Fed; \$279,507.60 local match; \$1,920.20 local match. SRF Fed 12 = \$3,405,260.90 Fed; \$ local match = \$681,068.40.	
<b>Amount Paid from Other Sources</b>				
<b>Amount Paid from SRF funds:</b>		<b>\$412,093.00</b>	<b>Additional Notes:</b>	

<b>Project Name:</b> Upper San Gabriel Valley MWD			<b>5115-110, Contract 09-803-550</b>	
<b>Disbursement Request Date:</b>			<b>Improper Payment (Yes/No):</b> No	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
	See attached	\$4,400,270.00	Upper San Gabriel Valley MWD	Separate Contract - 09-803-550/ Project: 5115-110; C/S 6172478
<b>Invoiced Total</b>		<b>\$4,400,270.00</b>	Explanation If Paid Amount is Different from Invoiced Total:	
<b>Amount Paid from Other Sources</b>				
<b>Amount Paid from SRF funds:</b>		<b>\$4,400,270.00</b>	<b>Additional Notes:</b>	

<b>(a) Total SRF Disbursements</b>	<b>\$4,812,363.00</b>	
<b>(b) Total Cash Draw Amount:</b>	<b>\$3,405,260.90</b>	

Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

State Match Amount(if applicable):		
Improper Payment Amount (if applicable):		
Calculate the Federal cash draw ratio (b/a):		

Note: Total disbursements = \$4,812,363 from CAP grants as follows:.

SRF FED 11 = \$1,407,102.10                      Local Match = \$279,507.60

SRF FED 12 = \$3,405,260.90                      Local Match = \$681,068.40

Pymt:	Contract:	Project:	Vendor Name:	Amount:
12	07-833-550	4111-220	Chico Urban Area Joint Power Fin. Auth Nitrate Compliance Project	\$402,492
10	10-821-550	7190-110	Earlimart Public Utility District	\$9,601
4	09-803-550	5115-110	Upper San Gabriel Valley MWD Water Recycling Pipeline & Pump Station Project IIB	4,400,270
				\$4,812,363



Chico Urban Area Joint Power Finance Authority, Pymt #12, Contract 07-833-550, Project 411-220

Construction Costs (Phase 2):

R&R Horton Construction, Inc	\$171,297
Visinoni Brothers	195,437
Duke Sherwood	\$41,448
R.J. Heuton	\$43,826

Allowances (Soft Costs):

Planning	\$30,985
Less local match (16.67%)	(\$80,501)
	\$402,492

R&\$ = Final Pymt

4" PVC Sewer Lateral S-17, Type A	
Replacement Curb, Gutter & Sidewalk	\$750
Eligible CCO's	\$92,101
Held at SWRCB's request	-847
Retention	\$79,293
	\$171,297

Visinoni Brothers = Final Pymt

Cty Std S-17, Type A, Alt 2 Pavement	
Replacement on SS Main	\$35,940 (Eligible Cost; not included in pymt)
4" PVC Serer Lateral S-17, Type A	
Replace Curb, Gutter & Sidewalk	\$1,800 (Eligible cost; not included in pymt)
Water Pollution Control Work	\$300 (Eligible cost; not included in pymt)

Construction Costs	\$38,040
Eligible CCO's	\$5,117
Retention	\$152,280
	\$195,437

Duke Sherwood Contracting Inc

Approved Eligible CCO's	\$1,448
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R.J. Hueton

Construction Layout and Stakiing	\$320
City Std S-17, Type A, Alt 2 Pavement	
Replacement on SS Main	\$4,764
Water Pollution Control Work	\$160
Approved Eligible CCO's	\$16,150
Retention	\$22,433
	\$43,827 Paid \$43,826

Planning:

Alexander B.	\$1,365
Mariya P.	\$24,750
Sarah H.	\$8,750
Other expenses:	\$274.87
	\$35,140

Note: Disbursed only \$30,985 vs. \$34,865 for labor costs; excludes \$274.87 for other expenses.

Earlimart Public Utility District: \$9,601

Note: Paid \$9,601 on Claim Schedule 6172479. This was part of a split payment w/PCA 51012 Contract 10-821-550, Project 7190-110. Batch Number 416, sequence #2; Claim Schedule 6172478.

Upper San Gabriel Valley MWD: \$4,440,270, Pymt #4

Note: Disbursement was for a Purchase Agreement in the amount of \$5,280,245 less match (16.667%) in the amount of \$880,075.

Invoice number 2103-00000001, amount \$5,280,345 which includes \$1 million for recycled pipeline.

# Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State:</b> CA	<b>Cash Draw Amount:</b>	<b>\$4,218,311.50</b>
<b>Indicate CW/DW Review:</b> CW	<b>Cash Draw Date:</b> 10/9/12	
<b>Reviewer:</b> Gwendolyn L. Brown	<b>Purpose of Cash Draw (Loan, Admin or Set-Aside):</b> Loan	
<b>Review Date:</b> January 21, 2014	<b>Grant Number:</b> CS-06000111	
<b>Selected by Region</b> <input type="checkbox"/> <b>Selected by Statistical Sampling</b> <input checked="" type="checkbox"/>		

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	x			
2. State accounting records accurately reflect the cash draw	x			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	x			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)	x			
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	x			

<b>Project Name:</b> Various - See Below			<b>Project Number:</b> Various, See Below, Claim Schedule 6172458	
<b>Disbursement Request Date:</b> 10/09/12			<b>Improper Payment (Yes/No):</b> No	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
	See attached	\$824,541.00	City of Live Oak	Separate Contract No. 09-802-550, Proj No. 5042-110, Pymt #18
	See attached	\$2,257,294.00	City of Vista	Separate Contract No. 11-815-550, Proj No. 5921-110, Pymt #1
		\$989,367.50	Russian River County Sanitation	Separate Contract No. 10-819-550, Proj No. 5201-110, Pymt #1
		\$147,109.00	Yucaipa Valley Water District	Separate Contract No. 09-864-550, Proj No. 7476-1101, Pymt #7
<b>Invoiced Total</b>		\$4,218,311.50	Explanation If Paid Amount is Different from Invoiced Total:	
<b>Amount Paid from Other Sources</b>				
<b>Amount Paid from SRF funds:</b>		\$4,218,311.50	Additional Notes: Disbursement = four projects shown above. See attached sheets for details.	

<b>Project Name:</b>			<b>Project Number:</b>	
<b>Disbursement Request Date:</b>			<b>Improper Payment (Yes/No):</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
<b>Invoiced Total</b>		\$0.00	Explanation If Paid Amount is Different from Invoiced Total:	
<b>Amount Paid from Other Sources</b>				
<b>Amount Paid from SRF funds:</b>		\$0.00	Additional Notes:	

<b>(a) Total SRF Disbursements</b>	<b>\$4,218,311.50</b>	
<b>(b) Total Cash Draw Amount:</b>	<b>\$4,218,311.50</b>	

Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

State Match Amount(if applicable):		
Improper Payment Amount (if applicable):		
Calculate the Federal cash draw ratio (b/a):		

#### 4 Contracts

City of Live Oak, Wastewater Treatment Plan Upgrades Project	\$824,541
City of Vista, Carsbad Interceptor Project	\$2,257,294
Russian River County Sanitation District	\$989,367.50
Yuccapai Valley Water District, Brineline Extention Project	\$147,109
	\$4,218,312

City of Live Oak, Contract 09-802-550, Project 5042-110, Amount \$824,541, Payment #18.

Disbursement equals the difference between the amount previously pad and the remaining contract total:  
 $\$13,535,015 - \$12,728,474 = \$824,541$ . Final payment equals Soft Costs.

Retention costs requested were \$879,769. Recipient reimbursed \$824,541, which was remaining amount available for that line item.

City of Vista, Contract: 11-815-550, Project: 5921-110, Pymt \$1, Amount \$2,257,294

Note: Cost = cost incurred less 10% retention

Construction:

CCL Contracting, Inc.:

Bid Items:

Costs:

Mobilization x 1	101,250
Cleaning Grubbing x 1	7380
Unclassified Excavation x 100	1620
Construction schedule x 1	4806
Traffic Control x 1	6,199
Landscaping Restoration x 1	3321
Erosion Control & SWPPP x 1	5,978
24" HDPE SDR 11 Pipe x 100	\$113,400
24" HDPE SDR 11 Pipe x 2400	\$772,110
24" Ductile Iron Pipe x 1	\$540,270
24" Ductile Iron Pipe x 1	\$482,760
24" HDPE SDR II Pipe x140	\$45,990
24" Ductile Iron Pipe x 200	\$146,772
Demo, Removal a/o Salvage of Pipeline	\$6,683
ACP Pipe Removal x1	\$6,642
24" Plug Valve x8	\$71,379
16" Plug Valve x5	\$15,840
24" Magnetic Flow Meter x2	\$12,375
Concrete Vault for Flow Meter x2	\$62,100
Air & Vacuum Release x4	\$30,600
Dewatering x1	\$24,300
Sheeting, Scaffolding & Shoring x1	\$3,713
Hydrostatic Testing x1	\$1,134
Temporary Sewer Bypassing x1	\$9,900
Replace 2 1/2" Water Line x700	\$42,777
	2,519,299

Pymt this request: \$2,519,298

Less retention: (\$251,930)

Held by CA SWRCB (\$10,074)

Contract Totals \$2,257,294

Russian River County Sanitation District Payment #2,  
\$989,367.50, Contract No.10-819-550, Project No. 5201-110

Request for Disbursement =	\$1,978,735	
Construction (Byblon Reid) =	\$855,001	See Sheets 3-4
Allowance (Soft Costs) =		
Planning	\$111,357	See Sheet 4
Design	\$733,117	See Sheets 5-6
Construction Mgt	\$179,260	
Administration	\$100,000	See Sheet 7
	\$1,978,735	See Sheet 7

Note: Paid 1/2 in Claim Schedule 6172458 (this schedule) and the other half in Claim Schedule 6172459.

3 Construction Invoices (\$966,276.95):

A/A Doc G703 (period to 8/15/11) 1 of 3

Bonds	\$80,000
Insurance	\$50,000
Safety Program	\$5,000
Mobilization/Demobilization	\$100,000
Demolition	\$60,000
Furnish Disinfection System	\$38,745
Commissioning	\$6,000
All other work	\$40,520
Chemical Storage Area	(\$5,007)
Credit for Tote Mixer	(\$2,323)
	\$372,935

Invoice 2 of 3, period to 9/15/11

Shoring and Bracing	\$5,000
Coagulation/floculation System & Accessories	31,150
Install Disinfection System	155,000
Commissioning	2,000
All other work	\$125,000
	\$318,150

Invoice 3 of 3, period to 10/28/11

Coagulation/Flocculation System Accessories	\$77,250	372,935
Install Disinfection System	148,750	318,150
All other work	\$26,280	275,182
Contingency Reserve	\$22,901.95	966,267 Exceeds amnt paid, \$855,001
	\$275,182	

Soft Costs

Planning: \$111,357

Vendor	Description	Amount
Force Account Labor	Env/Permits	\$10,251.48
Force Account Labor	Tech Writing	\$49,124.62
Force Account Labor	Equalization Basin	\$16,898.79
Force Account Labor	UV Transmit	\$24,549.98
Farella Braunt Martel	Legal	\$10,532.10
		\$111,356.97



Design Allowance: \$733,117

Amount

Vendor	Description		
Force Account Labor	Design Work	\$365,222.39	
Force Account Labor	Drafting	\$4,336.98	432,997.84
Force Account Labor	Survey	\$14,299.31	70,750
Force Account Labor	Tech Writing	\$43,010.67	50,029.60
Force Account Labor	Design Review	\$6,128.49	179,775.46
			Amount of invoices
		\$432,997.84	733,552.90 exceeds draw amount

HDR Engineering Inc	Inv M-213903	\$9,750
HDR Engineering Inc	Inv M-225672	7800
HDR Engineering Inc	Inv M-230102	700
HDR Engineering Inc	Inv M-236479	2500
HDR Engineering Inc	Inv M-88591	5500
HDR Engineering Inc	Inv M-93115	14000
HDR Engineering Inc	Inv M-96805	300
HDR Engineering Inc	Inv M-105039	250
HDR Engineering Inc	Inv M-184342	2450
HDR Engineering Inc	Inv M-189231	3850
	Inv M-197444	17,650
	Inv M-207022	6,000
		\$70,750

Vendor	Description	Amount
1-800-Conference	Inv. PD0829921	\$108.73
same	same	208.44
Fed Ex		15.7
1-800-Conference	Inv. PD0829921	32.52
same	same	\$47.01
So Co Reprographics	printing	3863.09
Press Democrat		750.57
Fed Ex		24.25
Fed Ex		28.59
So Co Reprographics		1834.84
Fed Ex		65.86
OZONIA North America		43,050.00
		\$50,029.60

Design Allowances con't:	Invoice #	
HDR Engineering	M-244623	\$1,250
same	M-249508	1750
	M-257358	8250
	M-263804	\$18,000.00
	M-271601	35000
	M-284567	8750
	M-294283	2500
	00037070H	15000
	45321-H	8750
	55267-H	10875
	63370-H	6375
	78974-H	4500
	93212-H	3150
	86476-H	15750
	97918H	1350
	106995H	6750
	113725-H	4500
	117451H	2250
	279043-H	5985
	HDR 309410-H	3000
	309410-H	3964.9
	317363-H	6054.96
	324958-H	6000.54
		\$179,755

Admin Allowances:

Force Acct Labor	Contract Admin	\$29,087.31
same	Funding Financing	\$11,298.45
same	project Mgt	61,948.68

1-800-Conference		\$25.37
Fed Ex Corp	Inv 7-461-66056	\$34.69
Same	Inv7-578-49213	\$25.13

Invoices exceed the amount  
\$102,419.63 paid, \$100,000.

Construction Mgt \$179,260

Vendor	Description	Costs
Force Acct Labor	Construction	224.64
same	Inspection	2189.19
same	Contract Admin	\$166,529.11
Digital Prints Imaging	Inv 1605	181.39
1-800-Conference	Inv 1200745813	53.99
Independent Electrical	Acct 8355	2,758.83
1-800-Conference		365.58
3QC Inc	Inv 55083-6	1739.29
3QC Inc	Inv 55117/55125/ 55124	1739.29
3Q2 Inc	Inv 55174-77	1739.29
3Q2 Inc	Inv 55253-55/55266	1739.29
		179259.89

Yucaipai Valley Water District, Regional Brineline Extension Project, Pymt #7,  
\$147,109, Contract No. 09-864-550, Project No. 7476-110

Construction (W.A. Rasic) : \$147,109

Bid Items, Phase 3	Amount
Gen Req's	650
20" HDPE	38441
Flow Metering Facility Discharge	
Manhole & Connect 20" HDPE	20616
Jack & Bore under San Timeteo	
Channel 30" Casing 20" HDPE	16552
Brineline Maint Hole	5320
Brineline Air Vent Valves	1286
Brineline Drains	340
1 1/4" Single Duct Conduit in Trench	1020
Pressure Testing BulkHead Set-up	4775
Grind & AC Cap Streets	
City of Loma Linda	57640
Permit Fee	470
	147110

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

**State:** California  
**Indicate CW/DW Review:** CW  
**Reviewer:** Pam Walsh  
**Review Date:** 1/23/14

**Cash Draw Amount:** \$4,327,059.00  
**Cash Draw Date:** 1/10/2013  
**Purpose of Cash Draw (Loan, Admin or Set-Aside):** Loan  
**Grant Number:** CS006000112

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

Project Name: Orange County Water District			Project Number: C-06-4463-110	
Disbursement Request Date:11/27/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
30-Sep-12	11	\$2,597,642.00	McCarthy Buliding	Total cumulative eligible costs \$23,312,697.00 less previously disbursed amount of \$20,715,055.00
5-Oct-12	1147326	\$107,331.28	Black & Veatch Corporation	Construction Management
5-Oct-12	1210A021	\$163,659.88	Parsons Water & Infrastructure	Construction Management
9/24/2012	11	\$12,734.00	Converse Consultants	Admin
10/15/2012	12	\$25,511.25	Converse Consultants	Admin
10/15/2012	13	\$1,386.00	Converse Consultants	Admin
10/15/2012	14	\$800.00	Converse Consultants	Admin
9/28/2012	2-032-55170	\$16.03	FedEx	Admin
10/1/2012	4663(b)	\$310.00	Jabez Building Services	Admin
10/22/2012	2194	\$1,000.00	Robert Naik Photography	Admin
9/26/2012	645978	\$104.00	Rutan & Tucker	Admin
10/5/2012	646735	\$156.00	Rutan & Tucker	Admin
10/15/2012	M50851	\$100.00	Tropical Plaza Nursery	Admin
10/26/2012	265529	\$486.00	U.S. Safety & Supply	Admin
10/26/2012	265529	\$15.35	U.S. Safety & Supply	
10/26/2012	265529	\$26.89	U.S. Safety & Supply	Total invoice for \$37.67; \$10.78 in costs disallowed
10/17/2012	265251	\$2,343.60	U.S. Safety & Supply	Admin
10/9/2012	337878	\$31.50	Interoffice Billing	Admin
10/20/2012	20 - 22	\$37,152.98	A/P Salaries, Wages, & Benefits	Admin

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

10/20/2012	20 - 22	\$10,549.50	A/P Salaries, Wages, & Benefits	Admin
Invoiced Total		\$2,961,356.26	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				
Rounding of Initial Invoices		\$0.26		
Amount Paid from SRF funds:		\$2,961,356.00	Additional Notes: State rounded disbursed amount to nearest dollar value	

<b>Project Name: Fallbrook Public Utility District</b>	<b>Project Number: C-06-7613-110</b>
<b>Disbursement Request Date: 12/10/12</b>	<b>Improper Payment (Yes/No): No</b>

**Improper Payment Resolution:**

Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
3-Dec-10	100115887	\$26,560.36	Malcom Pirnie	Planning costs
17-Dec-10	10017025	\$42,993.64	Malcom Pirnie	Planning costs
28-Jan-11	364111	\$16,232.87	Malcom Pirnie	Planning costs
27-Mar-11	372057	\$63,024.75	Malcom Pirnie	Planning costs
6/12/2011	388408	\$51,335.23	Malcom Pirnie	Planning costs
8/23/2011	400268	\$45,560.13	Malcom Pirnie	Planning costs
11/7/2012	2863	\$4,907.91	FPUD Staff	Payroll listing included with invoice
7-Nov-12	2889	\$12,226.29	FPUD Staff	
16-Nov-11	1128724	\$49,177.50	Black & Veatch	
22-Dec-11	1131176	\$46,630.10	Black & Veatch	
16-Jan-12	1132261	\$27,406.50	Black & Veatch	
20-Feb-12	1134104	\$164,936.31	Black & Veatch	
20-Mar-12	1135974	\$34,180.15	Black & Veatch	
17-Apr-12	1137542	\$52,454.71	Black & Veatch	
18-May-12	1139678	\$68,525.46	Black & Veatch	
13-Jun-12	1140890	\$122,452.50	Black & Veatch	
5-Jul-12	1142028	\$131,593.10	Black & Veatch	
31-Aug-12	1145401	\$157,039.50	Black & Veatch	
28-Sep-12	1146982	\$144,040.11	Black & Veatch	
29-Feb-12	1373	\$5,789.00	Trussel Technologies	
31-Mar-12	1402	\$3,320.00	Trussel Technologies	
30-Apr-12	1428	\$2,795.00	Trussel Technologies	
30-Sep-12	1544	\$1,060.00	Trussel Technologies	
31-Oct-12	1565	\$1,560.00	Trussel Technologies	
12/9/2011 - 12/24/2012	1 - 15	\$34,505.50	Water & Wastewater Design Association	Consecutive invoices 1 - 15 included in disbursement request; summary listed here
29-Sep-11	3748	\$1,820.00	DHK Engineers	
20-Oct-11	3754	\$840.00	DHK Engineers	

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

12/19/2011	44073932	\$698.00	Test America Labs	
12/19/2011	44073938	\$623.00	Test America Labs	
12/19/2011	44073939	\$623.00	Test America Labs	
12/19/2011	44073940	\$623.00	Test America Labs	
7/2/2012	13693	\$1,430.00	Environmental Services	
10/18/2012	14386	\$3,891.88	Advanced Telemetry Systems International, Inc.	
10/24/2012	481290	\$1,498.64	Malcom Pirnie	
Invoiced Total		\$1,322,354.14	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				
Rounding of Initial Invoices		\$0.14		
Amount Paid from SRF funds:		\$1,322,354.00	Additional Notes: State rounded disbursement amount to nearest dollar value	

Project Name: Donner Summit Public Utility District			Project Number: C-06-7670-210	
Disbursement Request Date: 12/19/12			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
14-Dec-12	648656	\$41,326.62	Stantec Consulting Services, Inc.	56% of costs funded by SRF; amount paid by SRF \$23142.91
12/14/2012	648670	\$29,549.93	Stantec Consulting Services, Inc.	56% of costs funded by SRF; amount paid by SRF \$16547.96
12/13/2012	1112054	\$6,533.05	Holdrege & Kull Consulting Engineers	56% of costs funded by SRF; amount paid by SRF \$3658.51
Invoiced Total		\$77,409.60	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources		\$34,060.22		
Rounding of Initial Invoices		\$0.22		
Amount Paid from SRF funds:		\$43,349.00	Additional Notes: State rounded disbursement to the nearest dollar value	

Total SRF Disbursements	\$4,327,059.00	State rounded to \$4,327,059.00 total
Total Cash Draw Amount:	\$4,327,059.00	
State Match Amount(if applicable):		
Improper Payment Amount (if applicable):		

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State: California</b>
<b>Indicate CW/DW Review: CW</b>
<b>Reviewer: Pam Walsh</b>
<b>Review Date: 1/22/2014</b>

<b>Cash Draw Amount:</b>	<b>\$4,393,498.95</b>
<b>Cash Draw Date: 3/12/2013</b>	
<b>Purpose of Cash Draw (Loan, Admin or Set-Aside): Loan</b>	
<b>Grant Number: CS06000111</b>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

Project Name: City of San Diego			Project Number: 4905-110	
Disbursement Request Date:			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
28-Sep-12	12-001-06	\$2,293,456.00	Burtech Pipeline Inc.	
				Cumulative expenses incurred to date, segment M-1
28-Sep-12	11-015-8	\$4,922,820.00	Burtech Pipeline Inc.	Cumulative expenses incurred to date, segment N-1
14-Oct-12	5	\$1,926,005.00	Southwest Pipeline and Trenchless Corp.	Cumulative expenses incurred to date, segment O-1
9/12/2012	8	\$3,658,551.00	Southwest Pipeline and Trenchless Corp.	Cumulative expenses incurred to date, segment P-1
10/16/2012	18891	\$9,041.53	Harris & Associates	Construction Management
9/14/2012	18575	\$12,279.81	Harris & Associates	Construction Management
8/8/2012	18165	\$10,082.74	Harris & Associates	Construction Management
7/12/2012	17932	\$11,780.48	Harris & Associates	Construction Management
6/11/2012	17548	\$9,485.49	Harris & Associates	Construction Management
10/16/2012	18892	\$8,724.41	Harris & Associates	Construction Management
9/14/2012	18576	\$10,756.97	Harris & Associates	Construction Management
8/8/2012	18166	\$10,398.18	Harris & Associates	Construction Management
7/12/2012	17933	\$10,140.24	Harris & Associates	Construction Management
6/11/2012	17549	\$10,862.73	Harris & Associates	Construction Management
10/16/2012	18890	\$9,348.45	Harris & Associates	Construction Management
9/14/2012	18574	\$12,309.95	Harris & Associates	Construction Management
8/8/2012	18164	\$9,844.18	Harris & Associates	Construction Management
7/12/2012	17931	\$10,782.86	Harris & Associates	Construction Management
Invoiced Total		\$12,946,670.02	Explanation If Paid Amount is Different from Invoiced Total: \$5,681,751.00 previously paid to contractor.	



## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

Rounded from Initial Invoice	\$0.02	
Amount Paid from Other Sources	\$5,681,751.00	
Amount Paid from Other Sources	\$2,871,420.05	Paid from CS06000112
Amount Paid from SRF funds:	\$4,393,498.95	Additional Notes:

<b>Total SRF Disbursements</b>	<b>\$4,393,498.95</b>	<b>Total SRF disbursements invoiced here are \$7,264,919.02. This cash draw is the amount of the invoiced total that was drawn from CS06000111. The invoiced total was split between two cap grants; The remaining \$2,871,420.05 was disbursed on 3/12/13 from</b>
<b>Total Cash Draw Amount:</b>	<b>\$4,393,498.95</b>	<b>Amount drawn from this cap grant. Remainder from the invoiced total drawn separately.</b>
<b>State Match Amount(if applicable):</b>	<b>\$0.00</b>	
<b>Improper Payment Amount (if applicable):</b>	<b>0%</b>	

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

**State:** California  
**Indicate CW/DW Review:** CW  
**Reviewer:** Pam Walsh  
**Review Date:** 1/22/2014

**Cash Draw Amount:** \$5,154,543.00  
**Cash Draw Date:** 3/7/2013  
**Purpose of Cash Draw (Loan, Admin or Set-Aside):** Loan  
**Grant Number:** CS06000111

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

Project Name: Orange County Water District			Project Number: 4463-110	
Disbursement Request Date: 2/11/13			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
30-Nov-12	13	\$4,750,663.00	McCarthy Building Contractors, Inc.	Total eligible cumulative costs to date (\$30,660,905) less retainage and previously disbursed amount
29-Nov-12	54590	\$149,099.75	Black & Veatch Corporation	Construction Management
6-Dec-12	54723	\$215,919.20	Parsons Water & Infrastructure	Construction Management
12/1/2012	4750	\$310.00	Jabez Building Services	Construciton Administration
11/16/2012	15 & 16	\$20,263.50	Converse Consultants	Construction Administation
11/27/2012	650753	\$156.00	Rutan & Tucker	
11/15/2011	6058028R	\$452.13	Arc Imaging	
12/30/2011	6240778	\$440.75	Arc Imaging	
9/28/2012	6603526	\$757.76	Arc Imaging	
12/14/2012	25 & 26	\$21,498.16	A/P Salaries & Wages	
12/7/2012	2-105-51904	\$16.32	Fedex	
Invoiced Total		\$5,159,576.57	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources		\$5,033.27		
Amount Paid from SRF funds:		\$5,154,543.30	Additional Notes:	

Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

Total SRF Disbursements	\$5,154,543.30	
Total Cash Draw Amount:	\$5,154,543.00	
State Match Amount(if applicable):	\$0.00	
Improper Payment Amount (if applicable):		

# Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State:</b> CA	<b>Cash Draw Amount:</b> \$5,311,488.05
<b>Indicate CW/DW Review:</b> CW	<b>Cash Draw Date:</b> 2/7/13
<b>Reviewer:</b> Gwendolyn L. Brown	<b>Purpose of Cash Draw (Loan, Admin or Set-Aside):</b> Loan
<b>Review Date:</b> January 21, 2014	<b>Grant Number:</b> CS-06000111
<b>Selected by Region</b> <input type="checkbox"/> <b>Selected by Statistical Sampling</b> <input checked="" type="checkbox"/>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	x			
2. State accounting records accurately reflect the cash draw	x			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	x			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)	x			
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	x			

Project Name: Various - See attached sheets			Project Number: Various - See Attached Sheets, Claim Schedule 6172538	
Disbursement Request Date: 2/07/12			Improper Payment (Yes/No): Yes, \$14.32 was drawn correctly to re-imburse the ARRA grant which was erroneously charged for this amount.	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
		\$2,180,863.00	Castro Valley Sanitation Dist	Contract 10-812-550, Project 5351-110, C/S 6172538
		\$3,668,829.00	City of Redding	Contract 11-849-550, Project 5380-110, C/S 6172538
		\$974,054.00	City of San Leandro	Contract 11-806-550, Project 7002-110, C/S 6172538
		\$86,037.00	Eastern Municipal Wtr District	Contract 09-809-550, Project 5311-110, C/S 6172538
		\$409,081.00	Eastern Municipal Wtr District	Contract 10-839-550, Project 5312-110, C/S 6172538
		\$2,817,877.00	Orange County Water District	Contract 11-821-550, Project 4463-110, C/S 6172538
		\$337,753.00	Susanville Sanitary District	Contract 10-824-550, Project 5727-110, C/S 6172538
		\$326,242.00	Union Sanitary District	Contract 10-817-550, Project 5222-110, C/S 6172538
		\$267,484.00	Victor Valley Wastewater Reclamation Authority	Contract 10-810-550, Project 5376-110, C/S 6172538
		\$14.32	City of Sant Cruz	Contract 08-326-550, Project 6913-110, C/S 6172524B
Invoiced Total		\$11,068,234.32	Explanation If Paid Amount is Different from Invoiced Total: Invoiced amounts = \$11,068,2234.32. \$14.32 was accidentally charged to ARRA (C/S 6172523) and corrected by charging it to the 2011 CAP Grant (C/S 6172538).	
Amount Paid from Other Sources				
Amount Paid from Other Sources		\$5,756,746.27	Portion paid out of the SRF FED grant 10.	
Amount Paid from SRF funds:		\$5,311,488.05	Additional Notes: Disbursement = 10 contracts. See attached pages for details.	

<b>(a) Total SRF Disbursements</b>	<b>\$5,311,488.05</b>	
<b>(b) Total Cash Draw Amount:</b>	<b>\$5,311,488.05</b>	
<b>State Match Amount(if applicable):</b>		
<b>Improper Payment Amount (if applicable):</b>		
<b>Calculate the Federal cash draw ratio (b/a):</b>		

Castro Valley Sanitation District, Contract 10-812-550, Project 5351-110, \$2,180,863, Payment 2, Claim Schedule 6172538  
Master Plan Priority 2 Phase 2/Streetscape Project

Construction:

Ghilotti Construction, Inc	\$1,073,465
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Allowances (Soft Costs)

Planning	\$12,486
Design	\$99,141
Construction Mgt	\$897,171
Administration	\$98,600
	\$2,180,863

Construction Contract Bid Items:

Description:	Amount
Sewer & Manhole Abandonment	\$7,000
Sewer Bypass Pumping	\$6,000
Dewatering	\$20,000
Trench Over-excavation	\$800
Sheeting and Shoring	\$30,000
Striping & Marker Replacment	\$150
Trench Paving	\$3,456
60" Daimeter Manhole	\$20,000
60" Diameter Manhole	\$20,000
72" Diameter Manhole	\$15,000
Traffic Control	\$10,000
27" VCP Trunk Sewer	\$52,000
24" VCP Trunk Sewer	\$370,560
Sewer Bypass Pumping	\$5,000
Dewatering	\$4,250
Sheeting and Shoring	\$20,000
60" Diameter Manhole	\$40,000
48" Diameter Manhole	\$3,500
Extend 6" VCP Lateral	\$23,100
Extend 4" VCP Lateral	\$47,685
Replace Lateral (15LF) and Install BPS	\$18,000
24" VCP Trunk Sewer	\$470,250
8" VCP Main	\$7,020
	\$1,193,771
Less Retention	(\$120,306)
	\$1,073,465

Planning	\$8,245.88 (Owed from disb. #1)
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\$4,240.00  
\$12,485.88

Design	\$73,606.79 (Owed from disb. #1)
	\$5,153.96
	\$20,380.29
	\$99,141.04

NOTE: Disbursement #1 only allowed \$50,000 for planning and \$470,000 for design.  
The difference/remaining balances were paid in Disbursement #2.

Planning amount for Disbursement #2 was \$12,486. This amount included  
\$8,245.88 remaining from Disbursement #1.

Design amount for Disbursement #2 was \$99, 141. This amount included  
\$73,606.79 remaining from Disbursement #1.

Construction Mgt \$897,171	
Description	Amount
Advanced Hydro Engineering (AHE)/MPP2 Project	\$85,767.50
Winzler & Kdily (W&K)/MPP2 Project	\$31,415.08
Covello Group/MPP2 Project	\$312,096.53
Geo Engineering/MPP2 Project	\$23,377.75
Klein Felder/MPP2 Project	\$10,415.66
Holman/MPP2 Project	\$17,754.03
Advanced Hydro Engineering (AHE)/Streetscape Project	\$120,567.50
DCM/GEO Engineering/Streetscape Project	\$19,533.00
Covello Group/Streetscape Project	\$251,607.65
Holman and Associates/Streetscape Project	\$17,931.72
Whitley Burchett & Associates/Streetscape Project	\$6,705.00
	\$897,171.42
Admin \$98,600	
Admin Costs	\$78,685.91
MPP2 Project	\$6,803.36
Streetscape Project	\$13,110.87
	\$98,600.14
Invoice for Admin Costs, \$78,685.91	
E. Johnson	\$3,080.43
G. Williams	\$53.03
J. Stuart	\$101.98
L. Lochrie	\$7,489.80
M. Jeyaprakagh	\$42.47
M. Kanpp	\$3,317.85
P. Krevey	\$2,398.05
R. Williams	\$234.93
R. Chen	\$47,711.66
S. Lamont	\$1,606.50
S. Marcoux	\$12,083.90
T. Jackson	\$565.21
	\$78,685.81

NOTE: Cost incurred/requested were \$102,931.00; cost paid were \$98,600.14. \$4,330.86 had no invoices.

City of Redding, Contract 11-849-550, Project 5380-110, \$3,668,829, Payment #1, Claim Schedule 6172538  
Stillwater WWTP Expansion Phase I Project

Construction:

RTA Construction	\$2,249,217
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Allowances (Soft Costs)

Planning:	\$46,212
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Design: \$1,027,399	
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City of Redding	\$95,380
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Consultant/Waterworks	\$932,019.80
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Construction Mgt: \$329,258	
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City of Redding	\$36,122.40
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Consultant/Waterworks	\$293,135.84
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Administration:

City of Redding	\$16,743
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	\$3,668,830
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Construction:

Ray Toney JV/RTA Construction	
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Description	Costs
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Trench Sheet piling Shoring, Bracing & Trench	
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Execution Plan	\$6,700
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Water Pollution Control and Preparation of SWPPP	25,500
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Project Funding Sign	\$3,750
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New Secondary Clarifier No. 3	\$287,351
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Two new filters	\$312,640
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Digestive Solids Storage Basin/Emergency Retention Basin Improvements	\$773,993
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Digestive Solids Storage Basin/Emergency Retention Material Excavation and Disposal	\$120,071
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Electrical and Instrumentation	\$3,000
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General Civil,, Site Work, and Yark Piping	\$159,600
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All other work except Bid items 1-13	\$225,630
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Bid Alternative No. 1 - New Secondary Clairfier #4	\$200,410
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	\$2,118,645
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Materials on Hand (MOH)	130,572
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	\$2,249,217
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Planning	\$46,212.14
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Description	Amount
Associate Civil Engineer	\$3,029.85
Exec Assist II	\$134.08
Exec Assist I	\$15.26
City Surveyor	\$456.67
Mgt Analyst	\$199.19
Asst Eng	\$41,623.15
Asst Eng	\$753.94
	\$46,212.14

Design	\$95,379.94
Description	Amount
Project Coordinator	\$6,015.91
Info Tech Supv	\$44.79
Asst Public Works Dir.	\$16,382.13
Exec Asst I	\$99.94
Electric Utility Dist Planner II	\$308.49
Mgt Analyst	\$199.19
Eng Tech II	\$3,648.91
Survey Party Chief	\$3,758.76
Eng Tech III	\$500.02
Assoc Civil Eng	\$3,571.36
Assoc Civil Eng	\$56,002.43
Asst Public Works Dir.	\$3,687.77
GIS Analyst II	\$60.99
City Surveyor	\$438.08
Advertisting	\$661.17
	\$95,379.94

Water Work Engineers, Inc.      \$932,019.80

Invoice #:	Amount
1016	\$51,670.23
1044	\$86,049.22
1066	\$67,305.73
1090	\$96,292.96
1117	\$91,571.54
1149	\$123,892.59
1180	\$148,043.44
1195	\$79,814.78
1251	\$26,527.69
1282	\$1,605.72
1487	\$12,847.81
1528	\$2,121.98
1557	\$2,358.98
1591	\$6,120.73
1630	\$2,373.75
1674	\$3,989.90
1735	\$13,091.88
1764	\$12,114.65
1811	\$7,197.71
1861	\$5,132.61
1931	\$3,612.37
1960	\$5,722.05
2023	\$2,435.51
2082	\$10,455.61
2134	\$6,381.31
2177	\$9,141.65
2197	\$17,535.66
2264	\$8,578.88
2297	\$6,145.83
2340	\$5,783.77
2,383	\$2,134.92
2433	\$5,090.67
2469	\$6,385.99
2542	\$2,491.68
	\$932,019.80

\$932,019.80  
\$95,380  
\$1,027,399.74

Construction Management \$329,258

City of Redding: \$36,122.40

Project Coordinator	\$1,259.02	
Project Coordinator	\$6,451.13	
Asst Eng	\$2,154.62	
Assoc Civil Eng	\$24,360.32	
App Fee (SWRCB WDID No)	\$582.00	(Fee Statement)
Printing (Plans & Specs)	\$1,315.31	
	\$36,122.40	

Water Works Engs: 4293,135.84

Invoices	Amount	
2385	\$20,303.75	
2437	\$49,807.12	
2437	\$77,734.55	
2525	\$77,897.40	
2595	\$67,393.02	
	\$293,135.84	
		\$293,135.84
		\$36,122.40
		\$329,258.24

Admin \$16,743

Exec Asst I	\$542.08
Asst Eng	\$3,119.66
Contract Compliance Tech	\$13,016.60
Assoc Civ Eng	\$64.24
	\$16,742.58

Project 7002-110, \$974,054, Payment #13,  
Claim Schedule 6172538  
WWTP Improvement Project

Construction	
S.J. Amoroso Construction Co., Inc	\$848,680

Allowances (Soft Costs)	
Construction Mgt	\$98,343
Admin	\$27,031
	\$125,374

Construction Costs:	
S.J. Amoroso Construction Co., Inc	
Demolition	\$640
Yard Piping	\$113,917
Electrical	\$51,421
Instrumentation	\$34,076
Headworks & Influent Pump Station	\$108,091
Grit Facility	\$150,095
Primary Clarifier No. 3	\$32,914
Fixed - Film Reactor	\$127,120
Secondary Clarifier No's 1&2 Improvements	(\$16,650)
Equalization Tanks No's 1&3 Improvements	\$5,247
Equalization Basin	\$3,560
Digester No's 1&2 Improvements	\$195,749
Admin Control Bldg	\$42,500
	\$848,680

Allowances:	
Construction Testing Svcs - Inspections	\$11,996.91
Carollo - Construction Spt Svcs	\$86,345.71
	\$98,342.62

Admin \$27,030.95	
City Staff - Period 11/2/12 - 11/15/12	\$15,513.58
City Staff - Period 11/16/12 - 11/30/12	11,517.41
	\$27,030.99

Eastern Municipal Water District, Contract C-06-5311-110, Project 09-809-550, Payment #18, \$86,037  
APAD Project

Construction	\$48,202	48202
W.M. Lyle/J.R. Filanc Co, Inc.		37835
Control system programming & Programmable Logic Controller System		86037
Allowances	\$37,835	

NOTE: Invoice 1104\_S-40 was submitted for \$69,744.07 less \$21,542 of ineligible costs.

Allowance: \$37,835

Consultants - Eng Elan Assoc	\$710
Consultants - Eng 3QC Inc	2,832.48
Outside Svcs - Other	
Minders Protective Svcs	\$310.95
Engineerings Labor	\$33,981.95
	\$37,835

Engineering Labor Costs: \$33,981.95

Direct labor	\$4,300.71
Engineering Labor	\$8,728.72
Construction Admin Labor	\$6,913.10
Project Spec Labor	\$4,057.91
Inspection Labor	\$9,981.07
	\$33,981.51

Eastern Municipal Water District, Contract 10-839-550, Project 5312-110, Pymt 10, \$409,081  
 Project: Temecula Valley Regional WR Facility

Construction	\$306,575
Allowances	\$102,506
	\$409,081

Construction:

PCL Construction Company

Item	Costs
TVRWRF 18 MGD Upgrades	
Project Complete & In Place	\$307,742
Compliance w/SCAQMD Rule 403	\$600
Compliance w/Storm Water Regulations (NPDES)	\$2,400
Less Retention	(\$4,167)
	\$306,575

Construction Invoices:

1155S-17, PCL Construction Inc	\$204,381.57
1155S-18, PCL Construction Inc	\$102,193.65
	\$306,575.22

Allowances

Construction Mgt

Construction Claim #9, Expenses 11/1/12 - 12/31/12	\$102,505.82
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Consultants - Engineering (Elan Assocs LTD)	\$887.50
Consultants - Engineering (Construction Mgt Solutions)	\$3,220
Consultants - Engineering (TSG Enterprises Inc)	\$4,621.65
Consultants - Engineering (Carollo Eng)	\$42,029.84
Outside Svcs - (Mindere Protective Svcs)	\$8,348.02
Engineering labor (WO 412397)	\$2,124.74
Engineering labor CO 468296)	\$41,274.07
	\$102,505.82

Orange County Water District, Contract 11-821-550, Project 4463-110, Pymt #12, \$2,817,877  
 Project: Ground Water Replenishment System Phase II

Construction	
McCarthy Building Companies, Inc.	\$2,597,545

Allowances	
Construction Mgt	\$182,841
Admin	\$37,491
	\$2,817,877

Construction Costs	\$1,386,268
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Description	Costs
Worker Protection & Safety/Sheeting, Shoring & Bracing	\$11,672
Welded Steel Storage	\$3,490
Seimens Low Pressure Microfiltration System Equipment	\$190,651
Lime Feed System Equipment	\$674,539
Dewatering	\$30,096
Pipe Installation	\$185,766
Witnessing Factory Testing	\$4,758
Process Control System Integration	\$110,304
Furnish all equipment, labor & materials to construct the Initial expansionof the Groundwater Replenishment ssytem, including all work not included in other bid items, complete in place.	\$1,386,268
	\$2,597,544

## Construction Mgt

Item	Costs
Task 1 - PM Labor	\$8,394.33
Task 2 - RE Labor	\$61,427.40
Subconsultant (CPM)	\$13,560
Task 3 - FE Labor	\$36,846.95
Subconsultant (SPI)	\$6,190
Task 4 - I Labor	\$51,772.74
O.T./Premium Amt	\$4,650.04
	\$182,841.46

Admin \$37,491

### Direct Labor Costs:

William D.	\$3,349.70
Joseph F.	\$698.39
Jeffrey K.	\$4,360.74
Robert P.	\$223.61
James K.	\$3,402.00
Patrick L.	\$899.10
Mehul P.	\$14,832.92
David Y.	\$2,081.46
Sandy S-R.	\$5,124.33
Lo T.	\$773.17
Michael S.	\$231.83
Jabez Bldg Svcs	\$310
Robert Naik Photo	\$1,000
Rutan & Tucker	\$104
Tropical Plaza Tree Planting	\$100
	\$37,491



Susanville Sanitary District, Contract 10-824-550, Project 5727-110, Payment #16, \$337,753  
Filtration/UV Disinfection Project

Construction Costs

RTA Construction, Inc	\$446,444
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Allowances

Construction Mgt	\$614
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NOTE: This is part of a split payment. \$109,305 was paid on Claim Schedule 6172537.  
The remaining balance, \$337,753, was paid on this Claim Schedule, 6172538.

Construction costs included \$242,441 of Change Order Costs which includes  
\$204,003 pending Funds Request and \$614 for Construction Mgt Costs.

Items	Costs
1. Updated Geotechnical Report	\$2,900
2. Alternate Shadow Engineered Foundation Work, Installation of Flexibie Couplings at Traveling Bridge and UV System Sequential/ Composite Effluent Sampler	\$228,558
3. Relocate Festoon, Electrical Mods Concrete Modifications	\$6,619
5. Additional Festoon Relocation Check Point Bioassay Pump	\$4,366
	\$242,443

Union Sanitary District, Contract10-817-550, Project 5222-110, Pymt #9, \$326,242

Construction	
GSE Construction Co., Inc	\$168,346

Allowances (Soft Costs)	
Construction Mgt	\$148,496
Admin	\$9,400
	\$326,242

Construction	
Completion of all work included as part of	
Contract Documents, except as specified	
under items 2-7, for lump sum amount.	\$182,051
Sheeting, shoring, and bracing	\$5,000
Less retention	(\$18,705)
	\$168,346

Construction Mgt	
Brown & Caldwell	\$32,738.33
same	\$29,904.60
same	\$31,712.06
same	\$31,777.52
Winzler & Kelly	\$7,678.46
same	\$8,983.47
same	\$3,492.28
same	\$2,209.62
	\$148,496.34

Note: \$79,304.86 = Unclaimed amounts from disbursement #8.

\$69,191.48 = disbursement #9 (invoiced)

	\$79,304.86
	\$69,191.48
	\$148,496.34

Admin \$9,400	
Raymond C.	\$600
Curtis B.	\$2,000
Raymond C.	\$360
Curtis B.	\$2,000
Raymond C.	\$720
Curtis B.	\$1,500
Raymond C.	\$720

Curtis B.

\$1,500

\$9,400

Reclamation Auth, Contract 10-  
810-550, Project No. 5376-110,  
Phase III A Regulatory Upgrade Project

Construction \$267,484  
SSC Construction

NOTE: Disbursement # 18, 19, and 20 were combined.

Procurement	\$54,257
UV E Bldg	\$24,013
Digester Gas	\$5,369
Primary Claifiers	\$41,604
Chemical Feed	\$32,161
Site Work	\$76,934
Yard Piping	\$29,880
Project Completion	\$17,345
Less retention	(\$14,078)
Less Agency Hold	(\$1.00)
	\$267,484

City of Santa Cruz, Contract 08-326-550, Project 6913-110, Pymt 18, \$14.32, Claim Schedule 6172524B

Per email from Kelly on 2/4/13, \$14.32 should've been charged to CAP Grant, not ARRA (Claim Schedule 6172523). Correction was made. Additional draw was made w/ Claim Schedule 6172538.

# Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State:</b> CA	<b>Cash Draw Amount:</b> \$8,137,488
<b>Indicate CW/DW Review:</b> CW	<b>Cash Draw Date:</b> December 13, 2012
<b>Reviewer:</b> Gwendolyn L. Brown	<b>Purpose of Cash Draw (Loan, Admin or Set-Aside):</b> Loan
<b>Review Date:</b> January 23, 2014	<b>Grant Number:</b> CS-06000112
<b>Selected by Region</b> <input type="checkbox"/>	<b>Selected by Statistical Sampling</b> <input checked="" type="checkbox"/>

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	x			
2. State accounting records accurately reflect the cash draw	x			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	x			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)	x			
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	x			

<b>Project Name:</b> Various - See attached sheets			<b>Project Number:</b> Various - See attached pages, Claim schedule 6172500	
<b>Disbursement Request Date:</b> 12/13/12			<b>Improper Payment (Yes/No):</b> No	
<b>Improper Payment Resolution:</b> N/A.				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
		\$3,698,144.00	City of Vacaville	Contract 11-812-550, Project 4841-110, Claim Sched 6172500
		\$500,726.00	Donner Summit Public Utility District	Contract 12-805-550, Project 7670-210, Claim Sched 6172500
		\$3,938,618.00	Eastern Municipal Water District	Contract 10-804-550, Project 5159-110, Claim Sched 6172500
<b>Invoiced Total</b>		\$8,137,488.00	Explanation If Paid Amount is Different from Invoiced Total:	
<b>Amount Paid from Other Sources</b>				
<b>Amount Paid from SRF funds:</b>		\$8,137,488.00	Additional Notes: Disbursement = three contracts. See attached pages for details.	

<b>Disbursement Request Date:</b>			<b>Improper Payment (Yes/No):</b> No.	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
<b>Invoiced Total</b>		\$0.00	Explanation If Paid Amount is Different from Invoiced Total:	
<b>Amount Paid from Other Sources</b>				
<b>Amount Paid from SRF funds:</b>		\$0.00	Additional Notes:	

<b>(a) Total SRF Disbursements</b>	<b>\$8,137,488.00</b>
<b>(b) Total Cash Draw Amount:</b>	<b>\$8,137,488.00</b>

Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

State Match Amount(if applicable):		
Improper Payment Amount (if applicable):		
Calculate the Federal cash draw ratio (b/a):		

City of Vacaville, Pymt #8, Amount \$3,698,144, Contract 11-812-550, Project 4841-110  
 Easterly WWTP Tertiary Project

Construction Costs:

C. Overaa & Company:	\$3,469,815	
Subcontractor Work	\$2,187,605	
Site Work/Misc	\$30,500	
Headworks/Screening Area	85,750	
South Aeration Basin	\$1,850	
Equipment	\$717,940	
Underground Piping	\$190,420	
Aboveground Piping	\$255,750	
subtotal:	\$3,469,815	3,469,815
		228,329.22
		3,698,144

Allowances (Soft Costs):

Construction Mgt:	\$228,329.22			
		PO#	Inv #	Date
Harris & Associates	\$114,925.34	23192	18177	8/9/2012
HDR Engineering Inc.	\$35,881.09	23149	378035-H	4/18/2012
HDR Engineering Inc.	\$38,745.14	23149	12128-B	7/18/2012
HDR Engineering Inc.	\$38,777.65	23149	19578-B	8/14/2012
subtotal:	\$228,329.22			

\$3,469,815

\$228,329.22

\$3,698,144

NOTES:

Invoice 18177:

Construction Mgt:	\$113,545.34
Labor Compliance:	\$1,380
	\$114,925.34

Invoice 378035-H:

Project Mgt and QA/QC:	4,318.72
Engineering Svcs During Construction:	29,596.77
O&M and Start-up Svcs:	1,965.60
	35,881.09



City of Vacaville, Pymt #8, Amount \$3,698,144, Contract 11-812-550, Project 4841-110

Invoice 12128-B:

Task 1 - Project Mtg and QA/QC:	1,673.18
Task 2 - Eng Svcs During Construction:	30,280.99
Task 3 - Record Drawing:	1,742.91
Task 4 - O&M and Start-up Services:	5,048.07
	38,745.15

Invoice 19758-B:

Task 1 - Project Mtg and QA/QC:	2,504.96
Task 2 - Eng Svcs During Construction:	33,183.80
Task 4 - O&M and Start-up Services:	3,088.89
	38,777.65

Donner Summit Public Utility District (PUD), Pymt #2, \$500,726, Contract: 12-805-550, Project: 7670-210  
 WW Facilities Upgrade/Expansion Project

Construction Costs:

Syblon Reid	\$416,381	416,381
		55,194
Allowances (Soft Costs):		29,151
Construction Mgt:	29,151	500,726
Admin	55,194	

Construction Costs:

General Requirements:	2,520
Site Work	67,161
Concrete	205,332
Equipment	53,732
Mechanical	3,416
Irrigation Area	129,926
Shoring	560
Less Agency Hold	-1
Less Retention	-46,265
	416,381

Allowances (Soft Costs):

Admin	\$55,194.00		
		PO#	Inv # Date
STANTEC Consulting Svcs:	\$34,073.74		60006 6/22/2012
Project: 184030310	\$1,642.75		604196 7/10/2012
	\$4,887.63		614247 8/15/2012
	\$22,382.28		624117 9/19/2012
	\$14,819.00		631803 10/16/2012
Holdredge & Kull	\$17,979.10		912116 10/17/2012
SWRCB	\$776.00		430455 8/23/2012
PG&E	\$2,000.00		6161831-8
	\$98,560.50		
	X56%		
	\$55,193.88		

Allowances (Soft Costs):

Construction Mgt: \$29,151.00

PO#

Inv #

Date

STANTEC Consulting Svcs:

\$1,085.00

596232 6/8/2012

3985.73

611571 8/3/2012

\$10,217.10

622019 9/13/2012

36,767.56

629226 10/5/2012

\$52,055.39

X56%

\$29,151.01

Eastern Municipal Water District, Payment #11,  
Amount \$3,938,618, Contract: C-06-5159-110, Project: 10-804,550  
San Jacinto Valley Reg. WR Facilities

Construction:

PCL Construction, Inc.	\$3,058,317	3,058,317
		880,301
Allowances (Soft Costs):		3,938,618
Construction Mgt:	\$880,301	

Construction Costs:

Construct San Jacinto Valley RWRF Title 22 Tertiary Treatment Upgrade Project	\$1,021,257
--	-------------

Construct San Jacinto Valley RWRF Plant 2 Facilities Expansion Project	\$2,037,060
	\$3,058,317

Invoice #	Descrip:	Amt:
1047S_17	Contract Progress Est.	\$779,719.50
1047S-18	Contract Progress Est.	\$2,119,247.13
	Less ineligible Items	-164,568.06
Retention Pymt - Wells Fargo Bank		\$323,919
		\$3,058,317.57

Wells Fargo Invoices:

\$86,635.50	3/20/2012
237,283.01	4/20/2012
\$323,918.51	

Construction Mgt Costs:

Vendor	Amount:
Carollo Eng - Consultant Eng	\$216,952.18
Converse Consultants - Consultant Eng	\$20,034.46
Elan Assoc Ltd - Consultant Eng	\$910.73
MWH Constuctors Inc - Consultant Eng	\$369,090.71
3QC Inc - Outside Svcs	\$5,514.22
Minders Protection - Outside Svcs	\$10,053.86
On Site Technical Svcs - Outside Svcs	\$2,437.48
Rightway Site Svcs - Outside Svcs	\$165.86
Maxim Security Svcs - Outside Svcs	\$25,597.90
Engineering Labor CO 468200	\$229,543.90
	\$880,301.30

Cash Draw Amount: \$8,137,448

Contracts that make up draw amount:

City of Vacaville: 3,698,144 Sheets 1-2  
Project: Easterly WWTP Tertiary Project  
Contract: 11-812-550  
Project:4841-110  
Claim Sched: 6172500

Donner Summit PUD \$500,726 Sheets 3-4  
Project: WW Facilities Upgrade/Expansion Project  
Contract: 12-805-550  
Project:7670-210  
Claim Sched: 6172500

Eastern MWD: \$3,938,618 Sheets 5-6  
Project: San Jacinto Valley Reg. WR Facilities  
Contract: 10-804-550  
Project:5159-110  
Claim Sched: 6172500

8,137,488

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

**State:** California  
**Indicate CW/DW Review:** CW  
**Reviewer:** Pam Walsh  
**Review Date:** 1/22/2014

**Cash Draw Amount:** \$9,606,883.00  
**Cash Draw Date:** 3/11/2013  
**Purpose of Cash Draw (Loan, Admin or Set-Aside):** Loan  
**Grant Number:** CS6000111

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

Project Name: Eastern Municipal Water District			Project Number: C-06-5159-110		
Disbursement Request Date: 1/18/13			Improper Payment (Yes/No): No		
Improper Payment Resolution:					
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice	
9-Jan-13	20	\$8,291,226.00	PLC Construction, Inc.	Total eligible costs to date \$58,233,264.00 (cumulative) less amount previously paid	
14-May-12	122237	\$123,451.08	Carollo Engineers		
12-Jun-12	122598	\$170,116.67	Carollo Engineers		
7/12/2012	123085	\$170,039.24	Carollo Engineers		
5/26/2012	21	\$18,861.14	Converse Consultants		
7/23/2012	22	\$23,012.01	Converse Consultants		
8-Jun-12	5007-02L-05CG	\$373.46	Elan Associates LTD		
12-Jul-12	5007-02L-06CG	\$1,011.75	Elan Associates LTD		
6/12/2012	1468423	\$157,205.31	MWH Constructors Inc		
8/6/2012	1471716	\$220,545.04	MWH Constructors Inc		
6/21/2012	19-92	\$600.00	Ventura Consulting Group		
16-Jul-12	12-201	\$5,916.73	Ventura Consulting Group		
10-Jul-12	8308-B	\$734.00	HDR Engineering		
10/18/2012	SJVRWRF-1	\$2,676.75	Consolidated CM		
5/31/2012	55676	\$2,757.11	3QC Inc		
6/30/2012	55718	\$2,757.11	3QC Inc		
6/11/2012	0808-2842	\$1,641.76	Minders Protective Services		
25-Jun-12	0808-2853	\$2,072.94	Minders Protective Services		
9-Jul-12	0808-2863	\$1,745.42	Minders Protective Services		

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

5/31/2012	7137	\$3,347.49	On Site Technical Services	
7/9/2012	7179	\$10,076.01	On Site Technical Services	
6/21/2012	708687	\$82.93	Rightway Site Services Inc	
19-Jul-12	710022	\$82.93	Rightway Site Services Inc	
31-May-12	156321	\$2,461.00	JAM Fire Protection Inc	
7/3/2012	57653	\$1,050.00	Morr-Is Tested Inc.	
7/1/2012	12-1866	\$3,045.00	Water Quality & Treatment Solutions, Inc.	
5/29/2012	1485F	\$15,628.89	Maxim Security Systems	
6/30/2012	468200	\$168,003.36	A/P Labor Costs - Summary	
Invoiced Total		\$9,400,521.13	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				
Rounding of Initial Invoices		\$0.13		
Amount Paid from SRF funds:		\$9,400,521.00	Additional Notes:	

Project Name: Union Sanitary District			Project Number: C-06-5222-110	
Disbursement Request Date: 2/11/13			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
31-Dec-12	19	\$163,004.00	GSE Construction, Inc.	Total eligible costs incurred to date (\$3,510,966) less reainage (\$351097) for \$3,159,869 costs approved; this amount less previously disbursed total of \$2,996,865 for current disbursement amount
12/27/2012	11184166	\$38,983.82	Brown & Caldwell	Construction Management
12/19/2012	5/21/2090	\$1,894.27	GHD, Inc.	Construction Management
12/31/2012		\$2,480.00	A/P- Labor costs for Administration	Total invoices for cumulative \$61,200; previously disbursed amount was \$58720
Invoiced Total		\$206,362.09	Explanation If Paid Amount is Different from Invoiced Total:	
Amount Paid from Other Sources				
Rounding of Initial Invoices		\$0.09		
Amount Paid from SRF funds:		\$206,362.00	Additional Notes:	

<b>Total SRF Disbursements</b>	<b>\$9,606,883.00</b>	
<b>Total Cash Draw Amount:</b>	<b>\$9,606,883.00</b>	
<b>State Match Amount(if applicable):</b>		
<b>Improper Payment Amount (if applicable):</b>		



123451.08	
170116.67	
170039.24	463606.99
18861.14	
23012.01	
373.46	41873.15
1011.75	
157205.31	1385.21
220545.04	
600	
5916.73	
734	377750.35
2676.75	
2757.11	
2757.11	6516.73
1641.76	
2072.94	734
1745.42	
3347.49	2676.75
10076.01	
82.93	
82.93	5514.22
2461	
450	
600	
3045	5460.12
15628.89	
168003.36	
1109295.13	13423.5
	165.86
	2461
	1050
	3045
	15628.89
	168003.36
	1109295.13

## Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

**State:** California  
**Indicate CW/DW Review:** CW  
**Reviewer:** Pam Walsh  
**Review Date:** 1/23/14

**Cash Draw Amount:** \$265,610.00  
**Cash Draw Date:** 4/30/13  
**Purpose of Cash Draw (Loan, Admin or Set-Aside):** Loan  
**Grant Number:** CS06000112

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	X			
2. State accounting records accurately reflect the cash draw	X			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	X			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)			X	
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	X			

Project Name: Graton Community Services District			Project Number: C-06-4986-110	
Disbursement Request Date:3/29/13			Improper Payment (Yes/No): No	
Improper Payment Resolution:				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
11-Mar-13	7	\$255,558.00	K.G. Walters Construction	Total eligible costs incurred to date \$1,470,962 less previously disbursed amount of \$1,215,404
20-Feb-13	671895393	\$111.88	PG&E	
20-Mar-13	67189656970-8	\$99.00	PG&E	
2/28/2013	114-1130717	\$81.65	United Site Services	
3/15/2012	9	\$17,463.49	GCSD Personnel Costs	
Invoiced Total		\$273,314.02	Explanation If Paid Amount is Different from Invoiced Total: Project costs split; remaining amount paid from other sources	
Amount Paid from Other Sources		\$7,703.99		
Rounding of Initial Amount		\$0.03		
Amount Paid from SRF funds:		\$265,610.00	Additional Notes:	

Total SRF Disbursements	\$265,610.00	Amount disbursed rounded to the nearest dollar value
Total Cash Draw Amount:	\$265,610.00	
State Match Amount(if applicable):	N/A	
Improper Payment Amount (if applicable):	N/A	

# Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

<b>State:</b> CA	<b>Cash Draw Amount:</b> \$385,476.42
<b>Indicate CW/DW Review:</b> CW	<b>Cash Draw Date:</b> 3/21/13
<b>Reviewer:</b> Gwendolyn L. Brown	<b>Purpose of Cash Draw (Loan, Admin or Set-Aside):</b> Loan
<b>Review Date:</b> 1/23/14	<b>Grant Number:</b> CS-06000112
<b>Selected by Region</b> <input type="checkbox"/> <b>Selected by Statistical Sampling</b> <input checked="" type="checkbox"/>	

Review Item	Yes	No	N/A	Descriptions/Comments
1. The State is reviewing and approving invoices in a timely manner	x			
2. State accounting records accurately reflect the cash draw	x			
3. Funds are being disbursed to recipients in a timely manner following requests for reimbursement and cash draw	x			
4. State used the correct proportionality ratio to calculate value drawn (enter the proportionality ratio from the State's IUP or grant application in the Comments section)	x			
5. If State is drawing 100% federal funds, the entire state match was disbursed prior to federal draws	x			

<b>Project Name:</b> South Bayside System Authority			<b>Project Number:</b> 11-827-550; Contract: 06-5216-110, Pymt #3, Claim Schedule 6172566	
<b>Disbursement Request Date:</b>			<b>Improper Payment (Yes/No):</b> No	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
		\$5,136,982.00	C. Overaa	
<b>Invoiced Total</b>		\$5,136,982.00	Explanation If Paid Amount is Different from Invoiced Total: \$385,476.42 was paid on Claim Schedule 6172566 (remaining balance).	
<b>Amount Paid from Other Sources</b>		\$4,751,505.58	\$4,751,505.58 was paid on Claim Schedule 6172565. Total invoice was for \$5,136,982.	
<b>Amount Paid from SRF funds:</b>		\$385,476.42	<b>Additional Notes:</b>	

<b>Project Name:</b>			<b>Project Number:</b>	
<b>Disbursement Request Date:</b>			<b>Improper Payment (Yes/No):</b>	
<b>Improper Payment Resolution:</b>				
Invoice Date	Invoice Number	Invoice Amount	Payee	Notes on Invoice
<b>Invoiced Total</b>		\$0.00	Explanation If Paid Amount is Different from Invoiced Total:	
<b>Amount Paid from Other Sources</b>				
<b>Amount Paid from SRF funds:</b>		\$0.00	<b>Additional Notes:</b>	

<b>(a) Total SRF Disbursements</b>	<b>\$385,476.42</b>	
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Appendix D Transaction Testing Worksheet: For Regional Review of State CWSRF and DWSRF

(b) Total Cash Draw Amount:	\$385,476.42	
State Match Amount(if applicable):		
Improper Payment Amount (if applicable):		
Calculate the Federal cash draw ratio (b/a):		

Souty Bayside System Authority, Contract C-06-5216-110,  
 Project No. 11-827-550, Pymt 33, Amount \$385,476.42  
 Administration Plan Control Bldg Project

Construction (C. Overaa): \$4,565,556

Allowances (Soft Costs):

Construction Mgt: 500,444

Admin: 70,982

Construction Costs:

C. Overaa \$4,586,425

CCO's (\$20,869)

\$4,565,556

Allowances:

Construction Mgt: \$500,444.19

Vendor	Description	Costs
Allen Trailer	CMT Maint Trailer Rental	\$3,250
AT&T	TI Relocation Svcs	\$7,505.36
Covello Group	Construction Mgt	363,410.62
HKIT Architects	Architectural svcs/ Interior design	83,466.48
Moovers Inc	Relocation from Temp Ofcs	13,677.58
Pacific Mobile Structuresq	Modular Ofc & Commercial Coach	12,448.75
Rolf Jensen & Assoc	Sprinkler System Review	800.00
Thomas Swan Sign Co	Room Signs	8,634.00
United Site Svcs	Rental of Restroom & Holding Tank	7,251.40
		\$500,444

Admin: 70,982.01

Vendor	Description	Costs
AG Premia/The Point	Rent for Temp Ofc Space	56,005.65
David Schricker	Legal Svcs	1,272.82
JSG Elevator	Elevator Consultant Svcs	2,175.00
SBCA Eng - Direct Labor	Allocation of SBCA Labor	9,028.54
Telepacific Communications	Temp Ofc Communication Svcs	2,500.00
		70,982.01

Construction Costs:		Cost
Item No.	Description	
1	Survey	\$3,000
2	SWPPP Plan and Maintenance	6650
3	Tree removal, site clearing, grubbing, earthwork, pavement sub-base courses, asphalt, concrete paving, markings and signage, concrete pavings and concrete finishers	84,954
4-8, 10,11 & 18	Concrete for topping slab, crystalline admix water proofing, and reinforcing steel, and steel decking	97,540
12-13	Structural metal framing, metal fabrications, metal stairs, slip resistant metal fab, and alum tub railings	63,569
14	Metal wall panels, sefl adhesive wall water proffing membrane	41,685
15	Interior architectural wood work	108,130
16	Plastic paneling	1,800
17	Deck Water proofing	19,765
19	Building Insulation	110,723
20	Fluid applied water vapor air barrier (Billed \$53,869; paid \$38,389)	38,389
21	Built up asphalt roofing	22,400
22	Expansion joints	19,570
23	Fire-resistive joint systems (Billed \$14,000; paid \$12,500)	12,500
24	Joint sealants	9,600
25	Access doors and frames	4,713
26	Doors, frames, and door hardware	40,697
27	Alum-framed entrances and storefronts, curtain wall and solar shelf glazing	212,608
28	Unit skylights	10,268
29	Insulated translucent panel system	35,795
30	Portland cement plaster	134,306
31	Spray-applied fire restrictive materials	39,690
32	Metal framing and drywall	375,540
33-34	Acoustical wall panels & acoustical panel ceiling (billed \$89,927; paid \$88,649)	88,649
35	Painting and wall covering	252,541
36	First floor epoxy painting preparation (billed \$35,550; paid \$30,000)	30,000
37	Tiling	31,000
38	Resilient floor and carpet	48,027
39	Access flooring	4,560
40	Viaual display surfaces	9,142
41	Fiberboard panels	10,226
42-43	Toilet compartments and toilet accessoreis	8,070
46	Metal lockers	18,301
47	Fire extinguisher cabinets	2,665
48	Operable partitions	3,135
49	Comer guards	4,958

	51 Server rack	9,305
	53 Foot grills	6,184
	54 Roller shades	45,624
	55 Elevator	94,921
	56 Elevator support framing	46,171
	57 Fire protection	101,838
	58 Clean agent fire extinguishing system	25,962
	59 Plumbing	331,530
	60 HVAC System	532,065
	61 Sheet Metal	10,000
	62 Flashing Panels	10,000
63-65	Electrical	514,402
	67 Employee Salaries (\$20,869 - contingency)	
	(Billed \$738,720 less change order, \$20,869 = \$717,851	717,851
	68 Profit (Fixed Fee @ 5.5%)	262,744
	69 Bond (at 0.6%)	29,170
	70 PHASE I - Evaluation	75,000
	Sub contract costs	\$4,817,933
	Less retention	(\$252,377)
	Total	\$4,565,556

Allowances:

Construction Mgt:	Inv	Date	Amt	Description
Allen Trailer \$3,250				
	9068	7/31/2012	300	45 Ft Trailer Rental
	9069	7/31/2012	350	50 Ft Trailer Rental
	9147	8/31/2012	300	45 Ft Trailer Rental
	9148	8/31/2012	350	50 Ft Trailer Rental
	9214	9/30/2012	300	45 Ft Trailer Rental
	9215	9/30/2012	350	50 Ft Trailer Rental
	9291	10/31/2012	300	45 Ft Trailer Rental
	9292	10/31/2012	350	50 Ft Trailer Rental
	9349	11/30/2012	300	45 Ft Trailer Rental
	9350	11/30/2012	350	50 Ft Trailer Rental
			3250	

AT&T \$7,505.36

(Fixed Contract Price)

727.26 Engineering Labor  
2324.46 Material Costs  
4453.64 Construction Labor  
7505.36

Covello Group	2012.003-5	8/1/2012	70,551.96
	2012.003-6	9/1/2012	69,132.51
	2012.003-7		61,403.96
	2012.003-8		80,862.49
	2012.003-9		81,459.70
			363,410.62

HKIT Architects

0000028	8/10/2012	11,336.12
0000029	9/10/2012	18,682.14
000019B	9/10/2012	931.19 (Not eligible)
0000030	9/30/2012	28,235.61
000020B	9/30/2012	859.56 (Not eligible)
0000031	10/31/2012	25,212.61
000021B	10/31/2012	1785.55 (Not eligible)
		87,042.78
		(\$3,576.30) (Non eligible costs = design & furnishings)
		\$83,466.48

Moovers Inc	3198	11/20/2012	\$13,667.58 (Billed \$27,355.16; paid \$13, 677.58)
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Pacific Mobile Structures

071812-2571	7/18/2012	\$2,489.75	24X40 and 36X60 Mobile Ofc w/Restroom
081812-21446	8/18/2012	\$2,489.75	same



091812-21446	9/18/2012	\$2,489.75	same
101812-21446	10/18/2012	\$2,489.75	same
111812-21446	11/18/2012	\$2,489.75	same
		\$12,448.75	

Rolf Jensen & Assoc  
(RJA), Inc.

8138401	8/24/2012	\$800.00	Sprinkler Review
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Thomas - Swann

10/5/2011	\$8,634	45 6"X6" room signs
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United Site Services

114-703476	7/9/2012	\$1,254.52	Rental of Restroom & Holding Tank
114-727782	7/20/2012	\$195.76	same
114-758981	8/6/2012	\$1,254.52	same
114-782266	8/17/2012	\$195.76	same
114-816916	9/3/2012	\$1,254.52	same
114-835937	9/14/2012	\$195.76	same
114-869322	10/1/2012	\$1,254.52	same
114-890517	10/12/2012	\$195.76	same
114-919548	10/29/2012	\$1,254.52	same
114-944285	11/9/2012	\$195.76	same
		\$7,251.40	

Administration:	Inv	Date	Amt	Description
AG/Prewmia Redwood Shores, LLC				
c/o Premia Capital	6222012	6/22/2012	10,500	Rent for Temp Office Space
	7202012	7/20/2012	10,500	same
	8172012	8/17/2012	10,500	same
	9142012	9/14/2012	10,500	same
	10122012	10/12/2012	10,500	same
	12052012	12/5/2012	3,506	same
			56,006	

David Schricker

8012012	8/1/2012	\$1,104.07	Legal Services
9042012	9/4/2012	\$168.75	same
		\$1,272.82	

NOTE: August statement/invoice was for \$16,067.82. Only \$1,104.07 was billed to this project.  
 4.85 hrs @ \$225/hr = \$1,091.25 + \$12.82 for Fed Ex delivery for Connolly v. SBSA et al) = \$1,104.07.

Sep statement/invoice was \$13,555.25. Only \$168.75 billed to this project.  
 .75 hrs @ \$225/hr = \$168.75

JSG Elevator 103060 10/1/2012 \$2,175

NOTE: Invoice billed amount was \$2,850. Only paid \$2,175.

#### SBSA Engineering Dept Labor Costs

Pyroll End date	Total Pyroll
7/7/2012	\$281.78
7/21/2012	\$301.54
8/4/2012	\$904.59
8/18/2012	\$603.08
9/1/2012	\$301.54
9/15/2012	\$603.08
10/13/2012	\$402.05
10/27/2012	\$1,206.12
11/10/2012	\$1,105.64
11/24/2012	\$1,206.12
12/8/2012	\$1,306.65
12/22/2012	\$806.35
	\$9,028.54

NOTE:

Salaries	\$7,092.54
Casual labor	\$93.10
Retirement	\$851.11
Insurance	\$357.59
Worker's Comp	\$55.86
Retiree Health	\$474.14

Medicare

\$104.20

\$9,028.54

Telepacific Communications

Inv	Date	Amount	Note:
38464785-0	7/9/2012	\$500	Billed \$3,028.69; paid \$500 for this project
39176657-0	8/9/2012	\$500	Billed \$3,026.53; paid \$500 for this project
40007439-0	9/9/2012	\$500	Billed \$3,426.53; paid \$500 for this project
40647842-0	10/9/2012	\$500	Billed \$3,214.80; paid \$500 for this project
41422664-0	11/9/2012	\$500	Billed \$3,156.04; paid \$500 for this project
		\$2,500	

**Attachment 4**      CWSRF ARRA Project Files Reviews Checklists

Appendix E  
ARRA Project File Review Checklist  
for the Clean Water State Revolving Funds (SRFs)

State: <u>California</u>		Reviewer: <u>Josh Amaris</u>
Project or Borrower: <u>Covelo</u>	<u>Covelo</u>	Review Date: <u>1/21/2014</u>

Required Program Elements				
Review Item and Question to Answer	ARRA			Comments
	Yes	No	N/A	
<b>1.1 Funding Eligibility</b>				
1 The project and recipient are eligible for ARRA funding (e.g. no zoos, casinos, golf courses, land purchases, etc.)	Yes			Federal ID Number 94-2155597. for treatment plant improvements
2 All funds are under contract or construction by February 17, 2010 <i>[note values of signed contracts and dates those contracts were signed in Comments section]</i>	Yes			Loan Signed 9/2009, reuiring all construction contracts by 12/2009. Contract signed on 12/2009
3 For refinance projects, the initial debt was incurred between October 1, 2008 and February 17, 2009			NA	
<b>1.2 Green Project Reserve (GPR)</b>				
1 Project file includes EPA concurrence with conclusion that project is GPR eligible			NA	No Green

Appendix E  
ARRA Project File Review Checklist  
for Clean Water/Drinking Water State Revolving Fund (SRF)  
American Recovery and Reinvestment Act (ARRA) Projects

Required Technical Elements				
Review Item and Question to Answer	ARRA			Comments
	Yes	No	N/A	
<b>2.1 Bid, Procurement, and Construction Contracts</b>				
File contains documentation that specifications or construction contracts contain the following required socio-economic cross-cutter and ARRA-specific language and forms:				
1	a. Reference to Buy American requirements	Yes		Contract addendum 3
Project file contains documentation showing the amount of the contract and the winning bidder (record date in comments) <i>[Note: Construction contract, selected bid, or notice to proceed may include this information]</i>				
2		Yes		2,133,465 signed on 12/29/09. Split funding which is why Contract is for larger amount than SRF loan
<b>2.2 Reporting and Ongoing Compliance (* required section for repeat reviews)</b>				
1	Project file includes reports on job creation and retention [quarterly at minimum]	Yes		Verified on site visits and quarterly reporting sheets are in the green project file folder.
<b>2.3 Buy American Compliance</b>				
1	Project file includes applicable Buy American documentation:			
	a. Documentation from the assistance recipient on utilization of the Buy American de minimis waiver		NA	Not claiming any diminimus
	b. For projects covered by a Buy American national waiver, documentation of qualification for that waiver		NA	
	c. For projects that have received a project-specific Buy American waiver, documentation of compliance with the requirements of the waiver <i>[may be included in inspection reports]</i>		NA	
<b>2.4 State Inspections (*required section for repeat reviews)</b>				
1	Inspection reports indicate project is in compliance with:	Yes		Inspection Form in Green folder Labeled MF
	a. Buy American requirements	Yes		Inspection Form in Green folder Labeled MF
	b. Requirement to report jobs created or retained (e.g. assistance recipients has maintained documentation to show that job data reported to the states is being compiled and calculated accurately)	Yes		Inspection Form in Green folder Labeled MF
	c. Requirement to post ARRA logo and whistleblower poster onsite	Yes		Inspection Form in Green folder Labeled MF
	d. Green Project reserve eligibility (when applicable)		NA	Inspection Form in Green folder Labeled MF

Appendix E  
ARRA Project File Review Checklist  
for Clean Water/Drinking Water State Revolving Fund (SRF)  
American Recovery and Reinvestment Act (ARRA) Projects

Required Financial Elements				
Review Item and Question to Answer	ARRA			Comments
	Yes	No	N/A	
<b>3.2 Loan or Bond Purchase Agreement</b>				
1 The loan or bond purchase document makes reference to:				
b. Buy American requirements	Yes			loan exhibit E
c. Requirement to report jobs created or retained	Yes			loan exhibit E

Appendix E  
ARRA Project File Review Checklist  
for the Clean Water State Revolving Funds (SRFs)

State: <b>California</b>	Reviewer: <b>Josh Amaris</b>
Project or Borrower: <b>Linda County</b>	Review Date: <b>1/21/2014</b>

Required Program Elements				
Review Item and Question to Answer	ARRA			Comments
	Yes	No	N/A	
<b>1.1 Funding Eligibility</b>				
1 The project and recipient are eligible for ARRA funding (e.g. no zoos, casinos, golf courses, land purchases, etc.)	Yes			Loan signed 8/13/09, fed ID 94-1322622, WWTP upgrades
2 All funds are under contract or construction by February 17, 2010 <i>[note values of signed contracts and dates those contracts were signed in Comments section]</i>	Yes			10-Nov-09
3 For refinance projects, the initial debt was incurred between October 1, 2008 and February 17, 2009			NA	
<b>1.2 Green Project Reserve (GPR)</b>				
1 Project file includes EPA concurrence with conclusion that project is GPR eligible			NA	Not green



Appendix E  
ARRA Project File Review Checklist  
for Clean Water/Drinking Water State Revolving Fund (SRF)  
American Recovery and Reinvestment Act (ARRA) Projects

Required Technical Elements				
Review Item and Question to Answer	ARRA			Comments
	Yes	No	N/A	
<b>2.1 Bid, Procurement, and Construction Contracts</b>				
File contains documentation that specifications or construction contracts contain the following required socio-economic cross-cutter and ARRA-specific language and forms:				
1	Reference to Buy American requirements	Yes		In the constuction contract
Project file contains documentation showing the amount of the contract and the winning bidder (record date in comments) <i>[Note: Construction contract, selected bid, or notice to proceed may include this information]</i>				
2		Yes		File has bid tabs, selected bidder which matches with awarded contract
<b>2.2 Reporting and Ongoing Compliance (* required section for repeat reviews)</b>				
1	Project file includes reports on job creation and retention [quarterly at minimum]	Yes		Green project file folder
<b>2.3 Buy American Compliance</b>				
1	Project file includes applicable Buy American documentation:			
	a. Documentation from the assistance recipient on utilization of the Buy American de minimis waiver	Yes		Verified at 5 on site inspections
	b. For projects covered by a Buy American national waiver, documentation of qualification for that waiver		NA	
	c. For projects that have received a project-specific Buy American waiver, documentation of compliance with the requirements of the waiver <i>[may be included in inspection reports]</i>		NA	
<b>2.4 State Inspections (*required section for repeat reviews)</b>				
1	Inspection reports indicate project is in compliance with:			
	a. Buy American requirements	Yes		5 site inspections
	b. Requirement to report jobs created or retained (e.g. assistance recipients has maintained documentation to show that job data reported to the states is being compiled and calculated accurately)	Yes		5 site inspections
	c. Requirement to post ARRA logo and whistleblower poster onsite	Yes		5 site inspections
	d. Green Project reserve eligibility (when applicable)		NA	

Appendix E  
ARRA Project File Review Checklist  
for Clean Water/Drinking Water State Revolving Fund (SRF)  
American Recovery and Reinvestment Act (ARRA) Projects

Required Financial Elements				
Review Item and Question to Answer	ARRA			Comments
	Yes	No	N/A	
<b>3.2 Loan or Bond Purchase Agreement</b>				
1 The loan or bond purchase document makes reference to:				
b. Buy American requirements	Yes			Exhibit E to the loan contract
c. Requirement to report jobs created or retained	Yes			Exhibit E to the loan contract

**Attachment 5**      CWSRF Base Project Files Reviews Checklists

# APPENDIX C

## Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

State: California

Project or Borrower: Graton

Required Program Elements						
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N	PER Citation
<b>1.1 Funding Eligibility</b>						
1 File contains an application submitted by the recipient	Yes			Fed ID #77-0648246.	No	
2 The assistance recipient and project is eligible for CWSRF assistance	Yes			WWTP upgrades and reclamation project	No	
3 All technical documents required by the state for the type of project have been submitted (preliminary engineering reports, plans & specs, etc.) and reviewed	Yes			Masterfile Checklist filled out	No	
<b>1.2 Green Project Reserve (GPR)</b>						
1 Project file indicates that any portion of the project designated to receive GPR funding is either:						
a. Categorically qualified for the GPR		No		No green	No	
b. Supported as GPR eligible by a State-approved business case			NA		No	
2 Business case has been posted on State website by the end of the quarter in which the project was funded			NA		No	
<b>1.3 Socio-Economic and Other Cross-Cutters</b>						
1 Project file contains documentation that the assistance recipient agrees to comply with the following <i>[required for projects in an amount equal to the capitalization grant]</i> :						
a. Equal Employment Opportunity requirements (Executive Order 11246)	Yes			E2 of loan contract	No	
b. Suspension and Debarment prohibitions (Executive Order 12549)	Yes			E2 of loan contract	No	
c. Disadvantaged Business Enterprise requirements	Yes			E2 of loan contract	No	
<b>1.4 State Environmental Review</b>						
1 Project File includes the following, as appropriate <i>[Note: may be included in the Preliminary Engineering Report or Facilities Plan]</i> :					No	
a. Discussion of required mitigation measures	Yes			pg6 and 7 of Env, Review summary tab 5 in master file	No	
b. Analysis of other sites and/or other projects considered			NA	Within existing WWTP footprint	No	
2 The project is subject to the State Environmental Review Process (SERP) <i>[N/A for nonpoint source projects]</i> :	Yes				No	
a. For projects subject to the SERP, file includes an Environmental Information Document (EID) from the assistance recipient <i>[N/A for projects receiving a Categorical Exclusion]</i> :	Yes				No	
3 File contains the state's decision memo (with environmental assessment, as applicable) documenting <b>one</b> of the following:					No	
a. Decision to classify the project as a Categorical Exclusion (CE or CatEx)			NA		No	
b. Decision to grant a Finding of No Significant Impact (FNSI or FONSI)	Yes			MND	No	
c. Decision to require an Environmental Impact Statement (EIS)			NA		No	
4 File includes Environmental Impact Statement and accompanying Record of Decision <i>[N/A for projects receiving a Categorical Exclusion or Finding of No Significant Impact]</i>			NA		No	
5 File includes evidence of public notification, as required:					No	
a. State environmental decision memo received public notification or an announcement was distributed to a list of interested parties and agencies, as specified in the SERP	Yes			Clearinghouse	No	
b. The comment period was in accordance with state procedures	Yes				No	
c. The state addressed all comments.			NA	No comments	No	

# APPENDIX C

## Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

Required Program Elements					
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N
<b>1.5 Environmental Cross-Cutters</b> <i>[required for projects in an amount equal to the capitalization grant, including projects not subject to the SERP and projects receiving a categorical exclusion]:</i>					
1 For each of the laws listed below, does the project file contain either documentation of a State determination of "no potential effect", OR concurrence from the agency responsible for administering the law?					
a. Endangered Species Act and Magnuson-Stevens Fishery Conservation and Management Act (essential fish habitat)	Yes			Master File tab 5A page 5: No impact	No
b. National Historic Preservation Act	Yes			No impact via Tier II review process	No
c. Wild and Scenic Rivers Act	Yes			Master File tab 5A page 5: No impact	No
d. Coastal Zone Management and Coastal Barriers Resources Act	Yes			Master File tab 5A page 5: No impact	No
e. Farmland Protection Policy Act	Yes			Master File tab 5A page 5: No impact	No
f. Wetland Protection (Executive Order 11990)	Yes			Master File tab 5A page 5: No impact	No
g. Flood Plain Management (Executive Order 11988)	Yes			Master File tab 5A page 5: No impact	No
h. Clean Air Act	Yes			Master File tab 5A page 4: mitigation measures required	No
i. Sole-source Aquifers (Safe Drinking Water Act)	Yes			Master File tab 5A page 6: No impact	No

# APPENDIX C

## Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

Required Technical Elements						
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N	PER Citation
<b>2.1 Bid, Procurement, and Construction Contracts</b>						
1 File contains request for proposals or bid announcement	Yes			Bid process document	No	
2 File contains evidence that request for proposals or bid announcement was advertised according to state rules	Yes				No	
3 File contains a copy of specifications or construction contracts OR documentation that these items were reviewed by the State	Yes			Checklist showing that the state did review these documents is in the project file folder	No	
4 File contains documentation that specifications or construction contracts contain the following required socio-economic cross-cutter language and forms [required for projects in an amount equal to the Federal capitalization grant]:						
a. Disadvantaged Business Enterprise (DBE) good faith efforts	Yes			In the specifications, located these on the states computer system	No	
b. DBE forms 6100-2, 6100-3 and 6100-4	Yes			In the specifications, located these on the states computer system	No	
c. Equal Employment Opportunity requirements (Executive Order 11246)	Yes			In the specifications, located these on the states computer system	No	
d. Suspension and Debarment prohibitions (Executive Order 12549)	Yes			In the specifications, located these on the states computer system	No	
5 File includes documentation that specifications or construction contracts contain the applicable EPA Davis-Bacon grant term and condition [For CWSRF projects, Davis-Bacon requirements only apply to treatment works projects and publicly-owned decentralized treatment projects regulated by a NPDES permit.]	yes					
a. File includes documentation that specifications or construction contracts contain the applicable Davis-Bacon wage determination(s)	Yes			Yes correct determination included in the file	No	
b. For assistance recipients that are non-governmental entities: File includes documentation that state obtained and reviewed wage determinations prior to bid advertisements to ensure compliance with Davis-Bacon requirements			NA	Yes correct determination included in the file	No	
					No	
<b>2.2 Reporting and Ongoing Compliance</b>						
1 File includes information to support project data entered into the CWSRF Benefits Reporting (CBR) database	Yes			Amount and terms match CBR	No	
2 Project file includes semi-annual DBE reports on subcontracting procurement (DBE form 5700-52A or equivalent) [required for projects in an amount equal to the Federal capitalization grant]	Yes			In loan agreement file. It has its own brown tab.	No	
3 Project file includes documentation from the assistance recipient indicating compliance with Davis-Bacon for each weekly payroll	Yes			twice a year the state sends out a certification for the recipient to send back. I saw the o	No	
<b>2.3 State Inspections</b>						
1 Project file includes copies of inspection reports prepared by the state or its representative	Yes			Date 12/19/13	No	
2 Inspections were performed at intervals in accordance with the state's procedures (e.g., monthly during construction, quarterly, etc.)	Yes			interim	No	
3 Inspection reports indicate project is in compliance with:					No	
a. Davis-Bacon requirements	No			the state board notified the recipient of the deficiencies and gave them 45 days to prod	No	
e. Green Project reserve eligibility (when applicable)			NA		No	
4 All issues and concerns identified in inspection reports were adequately resolved	No			Pending: The state is still waiting for Graton to correct this Davis Bacon Issues Identified in the onsite inspection. Graton is still within the time allotted by the state to correct the issue.	No	

## APPENDIX C

### Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

Required Financial Elements						
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N	PER Citation
<b>3.1 Financial Review</b>						
1 File includes documentation that the applicant underwent a financial capability review [may be N/A for projects receiving 100% principal forgiveness or grant]	Yes			Section 7 a-e of the master file and master file review checklist	No	
<b>3.2 Loan or Bond Purchase Agreement</b>						
1 The loan agreement or bond purchase document:						
a. Is signed by the state and assistance recipient (record date in comments)	yes			7/24/2012	No	
b. Includes a budget and/or description of eligible costs	yes			incorporates the est budg. In the FPA, final budget in amendment 1	No	
c. Includes the interest rate	yes			exhibit B	No	
d. Includes the fee rate (if applicable)			NA		No	
e. Includes an amortization schedule or includes the repayment period and the date when repayments must begin [N/A for projects receiving 100% grant or principal forgiveness]			NA	principal forgiveness	No	
f. Includes requirement for the assistance recipient to submit Single Audit Reports [N/A for non-governmental	Yes			E-2 in special terms, #7 records and financial reporting requires reci	No	
g. Requires the assistance recipient to maintain accounting practices in accordance with Generally Accepted Accounting Principals	Yes			3.9 on pg 14 of standard contract language	No	
2 The interest rate is in accordance with the state's policies and procedures	Yes				No	
3 The repayment period is in accordance with the state's policies and procedures:						
a. For loan agreements, repayment period does not exceed 20 years			NA		No	
b. For bond purchase documents, repayment periods exceeding 20 years are in accordance with a state extended term financing program approved by EPA			NA		No	
4 The loan or bond purchase document makes reference to Davis-Bacon requirements	Yes			exhibit G	No	
<b>3.3 Single Audit Act compliance</b>						
1 The assistance recipient is submitting Single Audit Reports [N/A for a fiscal year if assistance recipient has not expended more than \$500,000 in Federal funds from all sources in the fiscal year, or is a non-equivalency project]	Yes			At the end of this state fiscal year the state will notify the recipient	No	
a. The state ensured that the assistance recipient addressed findings and resolved any issues identified in a Single Audit Report			NA		No	

# APPENDIX C

## Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

State: California

Project or Borrower: San Clemente

Required Program Elements						
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N	PER Citation
<b>1.1 Funding Eligibility</b>						
1 File contains an application submitted by the recipient	Yes			Fed ID #95-6000775.	No	
2 The assistance recipient and project is eligible for CWSRF assistance	Yes			expansion of recycled water treatment, storage and distribution	No	
3 All technical documents required by the state for the type of project have been submitted (preliminary engineering reports, plans & specs, etc.) and reviewed	Yes			Masterfile checklist filled out	No	
<b>1.2 Green Project Reserve (GPR)</b>						
1 Project file indicates that any portion of the project designated to receive GPR funding is either:						
a. Categorically qualified for the GPR	Yes			\$5,748,000 re-use	No	
b. Supported as GPR eligible by a State-approved business case	Yes			re-use projects are categorical	No	
2 Business case has been posted on State website by the end of the quarter in which the project was funded			NA		No	
<b>1.3 Socio-Economic and Other Cross-Cutters</b>						
1 Project file contains documentation that the assistance recipient agrees to comply with the following <i>[required for projects in an amount equal to the capitalization grant]</i> :						
a. Equal Employment Opportunity requirements (Executive Order 11246)	Yes			E2 of loan contract	No	
b. Suspension and Debarment prohibitions (Executive Order 12549)	Yes			E2 of loan contract	No	
c. Disadvantaged Business Enterprise requirements	Yes			E2 of loan contract	No	
<b>1.4 State Environmental Review</b>						
1 Project File includes the following, as appropriate <i>[Note: may be included in the Preliminary Engineering Report or Facilities Plan]</i> :					No	
a. Discussion of required mitigation measures			NA	No required mitigation measures and none were recommended	No	
b. Analysis of other sites and/or other projects considered			NA	Distribution system	No	
2 The project is subject to the State Environmental Review Process (SERP) <i>[N/A for nonpoint source projects]</i> :					No	
a. For projects subject to the SERP, file includes an Environmental Information Document (EID) from the assistance recipient <i>[N/A for projects receiving a Categorical Exclusion]</i> :	Yes				No	
3 File contains the state's decision memo (with environmental assessment, as applicable) documenting <b>one</b> of the following:					No	
a. Decision to classify the project as a Categorical Exclusion (CE or CatEx)			NA		No	
b. Decision to grant a Finding of No Significant Impact (FNSI or FONSI)	Yes			Neg Dec	No	
c. Decision to require an Environmental Impact Statement (EIS)			NA		No	
4 File includes Environmental Impact Statement and accompanying Record of Decision <i>[N/A for projects receiving a Categorical Exclusion or Finding of No Significant Impact]</i>			NA		No	
5 File includes evidence of public notification, as required:					No	
a. State environmental decision memo received public notification or an announcement was distributed to a list of interested parties and agencies, as specified in the SERP	Yes				No	
b. The comment period was in accordance with state procedures	Yes				No	
c. The state addressed all comments.	Yes			Two comments received and addressed.	No	



## APPENDIX C

### Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

Required Program Elements						
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N	PER Citation
<b>1.5 Environmental Cross-Cutters</b> <i>[required for projects in an amount equal to the capitalization grant, including projects not subject to the SERP and projects receiving a categorical exclusion]:</i>						
1 For each of the laws listed below, does the project file contain either documentation of a State determination of "no potential effect", OR concurrence from the agency responsible for administering the law?						
a. Endangered Species Act and Magnuson-Stevens Fishery Conservation and Management Act (essential fish habitat)	Yes			Master File tab 5A page 8 and 9: No impact	No	
b. National Historic Preservation Act	Yes				No	
c. Wild and Scenic Rivers Act	Yes			Master File tab 5A page 8: No impact	No	
d. Coastal Zone Management and Coastal Barriers Resources Act	Yes			Master File tab 5A page 8: No impact	No	
e. Farmland Protection Policy Act	Yes			Master File tab 5A page 8: No impact	No	
f. Wetland Protection (Executive Order 11990)	Yes			Master File tab 5A page 8: No impact	No	
g. Flood Plain Management (Executive Order 11988)	Yes			Master File tab 5A page 8: No impact	No	
h. Clean Air Act	Yes			Master File tab 5A page 7 and 8: No impact	No	
i. Sole-source Aquifers (Safe Drinking Water Act)			NA		No	

## APPENDIX C

### Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

Required Technical Elements						
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N	PER Citation
<b>2.1 Bid, Procurement, and Construction Contracts</b>						
1 File contains request for proposals or bid announcement	Yes			3 sets: (18201A) (18201 C and D) (18201 B, E and F)	No	
2 File contains evidence that request for proposals or bid announcement was advertised according to state rules	Yes			All advertised and documented in file	No	
3 File contains a copy of specifications or construction contracts OR documentation that these items were reviewed by the State	Yes			Specs for all 3 are included	No	
4 File contains documentation that specifications or construction contracts contain the following required socio-economic cross-cutter language and forms <i>[required for projects in an amount equal to the Federal capitalization grant]</i> :						
a. Disadvantaged Business Enterprise (DBE) good faith efforts	Yes			BEF, CD, A: in AOA binders	No	
b. DBE forms 6100-2, 6100-3 and 6100-4	Yes			BEF, CD, A: in AOA binders	No	
c. Equal Employment Opportunity requirements (Executive Order 11246)	Yes			BEF, CD, A: in AOA binders	No	
d. Suspension and Debarment prohibitions (Executive Order 12549)	Yes			BEF, CD, A: in AOA binders	No	
5 File includes documentation that specifications or construction contracts contain the applicable EPA Davis-Bacon grant term and condition <i>[For CWSRF projects, Davis-Bacon requirements only apply to treatment works projects and publicly-owned decentralized treatment projects regulated by a NPDES permit.]</i>					No	
a. File includes documentation that specifications or construction contracts contain the applicable Davis-Bacon wage determination(s)	Yes			A, B, E, F, C and D	No	
b. For assistance recipients that are non-governmental entities: File includes documentation that state obtained and reviewed wage determinations prior to bid advertisements to ensure compliance with Davis-Bacon requirements	Yes			A, B, E, F, C and D	No	
<b>2.2 Reporting and Ongoing Compliance</b>						
1 File includes information to support project data entered into the CWSRF Benefits Reporting (CBR) database	Yes				No	
2 Project file includes semi-annual DBE reports on subcontracting procurement (DBE form 5700-52A or equivalent) <i>[required for projects in an amount equal to the Federal capitalization grant]</i>			NA	Project has not begun yet	No	
3 Project file includes documentation from the assistance recipient indicating compliance with Davis-Bacon for each weekly payroll			NA	Project has not begun yet	No	
<b>2.3 State Inspections</b>						
1 Project file includes copies of inspection reports prepared by the state or its representative			NA	Project has not begun yet	No	
2 Inspections were performed at intervals in accordance with the state's procedures (e.g., monthly during construction, quarterly, etc.)			NA	Project has not begun yet	No	
3 Inspection reports indicate project is in compliance with:			NA	Project has not begun yet	No	
a. Davis-Bacon requirements			NA	Project has not begun yet	No	
e. Green Project reserve eligibility (when applicable)			NA	Project has not begun yet	No	
4 All issues and concerns identified in inspection reports were adequately resolved			NA	Project has not begun yet	No	

## APPENDIX C

### Project File Review Checklist for the Clean Water State Revolving Funds (SRFs)

Required Financial Elements						
Review Item and Question to Answer	Yes	No	N/A	Comments	Follow up Y/N	PER Citation
<b>3.1 Financial Review</b>						
1 File includes documentation that the applicant underwent a financial capability review [may be N/A for projects receiving 100% principal forgiveness or grant]	Yes			Section 7 a-e of the master file and master file review checklist	No	
<b>3.2 Loan or Bond Purchase Agreement</b>						
1 The loan agreement or bond purchase document:						
a. Is signed by the state and assistance recipient (record date in comments)	Yes			11/16/2012	No	
b. Includes a budget and/or description of eligible costs	Yes			incorporates the est budg. In the FPA, final budget in amendment 1	No	
c. Includes the interest rate	Yes			exhibit B and C	No	
d. Includes the fee rate (if applicable)			NA		No	
e. Includes an amortization schedule or includes the repayment period and the date when repayments must begin [N/A for projects receiving 100% grant or principal forgiveness]	Yes			exhibit C	No	
f. Includes requirement for the assistance recipient to submit Single Audit Reports [N/A for non-governmental	Yes			E-2 in special terms, #7 records and financial reporting requires reci	No	
g. Requires the assistance recipient to maintain accounting practices in accordance with Generally Accepted Accounting Principals	Yes			3.9 on pg 14 of standard contract language	No	
2 The interest rate is in accordance with the state's policies and procedures	Yes				No	
3 The repayment period is in accordance with the state's policies and procedures:						
a. For loan agreements, repayment period does not exceed 20 years	Yes				No	
b. For bond purchase documents, repayment periods exceeding 20 years are in accordance with a state extended term financing program approved by EPA			NA		No	
4 The loan or bond purchase document makes reference to Davis-Bacon requirements	Yes			exhibit G	No	
<b>3.3 Single Audit Act compliance</b>						
1 The assistance recipient is submitting Single Audit Reports [N/A for a fiscal year if assistance recipient has not expended more than \$500,000 in Federal funds from all sources in the fiscal year, or is a non-equivalency project]			NA	hasn't begun	No	
a. The state ensured that the assistance recipient addressed findings and resolved any issues identified in a Single Audit Report			NA	hasn't begun	No	

**Attachment 6**

SWRCB letter dated July 31, 2014: Comments on draft 2013 Annual Program  
Evaluation Report (PER); California Clean Water State Revolving Fund  
(CWSRF) Program

## State Water Resources Control Board

**JUL 31 2014**

Douglas E. Eberhardt  
Chief, Sustainable Infrastructure Office  
US EPA Region 9, WTR-4  
75 Hawthorne Street  
San Francisco, CA 94105-3901

Dear Mr. Eberhardt:

### COMMENTS ON DRAFT 2013 ANNUAL PROGRAM EVALUATION REPORT (PER); CALIFORNIA CLEAN WATER STATE REVOLVING FUND (CWSRF) PROGRAM

Thank you for the opportunity to comment on the draft 2013 Annual PER. We appreciate the constructive comments provided in the PER and the United States Environmental Protection Agency's (EPA) continued assistance with improving California's CWSRF Program.

Section III, Observations, Suggested Follow-up, and State Comments has four observations with follow-up items. Our comments are as follows. For convenience, we used the original letter designations from your report on our responses.

#### **A.2. Extended Term Financing**

**Suggested follow-up:** EPA appreciates the reporting in the financial section D5 of the annual report. The state included the year's ETF activity and a discussion of the long-term implications of the year's ETF activity. EPA recommends the SWRCB continue this practice in subsequent annual reports.

**State Comments:** The State Water Board staff will continue to evaluate the financial effect of ETF on the CWSRF in its annual reports.

#### **B.1. Fund Utilization**

**Suggested follow-up:** Timely and expeditious use of the funds is critical to maximizing the use and effectiveness of CWSRF assets and in meeting the environmental and water quality needs of the State. EPA commends both the high pace and the steps the SWRCB has taken to improve the rates of disbursement in SFY13 and recommends continued attention to both.

**State Comments:** State Water Board staff acknowledges EPA's comments about timely and expeditious use of CWSRF funds. As you note, the State Water Board has been taking a number of steps over the past several years to streamline the CWSRF financing process and increase program demand. We are starting to see the positive effect of these changes on program demand and our average financing levels. Higher financing levels in turn will help reduce the program's cash level and ensure that both capitalization grant and recycled dollars are being used quickly for water quality purposes.

## **B.2. Unliquidated Obligations (ULOs) - Use of Federal and Non-Federal Funds**

**Suggested follow-up:** To help ensure that all CWSRF funds are committed and expended efficiently and in a timely and expeditious manner, EPA suggests that the CA CWSRF program evaluate and implement incentives to encourage construction starts and improve the rate of disbursements to align with the national averages. Other states have used the following incentives or strategies to get projects to construction and draw funds more quickly:

- Base interest charges on undrawn funds to motivate projects to request disbursements frequently.
- Minimize credit review for large municipalities/repeat customers by assigning them a line of credit based on affordability.
- Provide planning and design loans or additional subsidy assistance.

**State Comments:** The State Water Board regularly evaluates potential changes to its CWSRF's procedures and policy choices, and appreciates any suggestions for improvement.

Our experience is that even though financing CWSRF recipients are not required to request disbursements on a strict time schedule, most funds are disbursed roughly consistent with the pace of construction. While charging interest on undrawn funds may increase disbursements in the short-term, in the long-term we believe it would make the program less attractive because it would increase the applicants' administrative costs. This would tend to reduce program demand. Therefore, State Water Board staff would recommend against an interest charge on undrawn balances. We recommend continuing the CWSRF's current practice of identifying and bringing down large undrawn balances by working directly with individual recipients, and focusing limited staff resources on developing and financing a steady pipeline of projects.

A key part of that pipeline effort is working with large municipalities and repeat customers to minimize the application effort. Our "frequent financier" approach includes maintaining files on repeat borrowers and establishing yearly borrowing limits over a three to five year time horizon. Each year the frequent financier's file and borrowing limit are updated so that the borrower can develop a long-term approach to financing its infrastructure through the CWSRF.

The CWSRF has provided planning financing since March 2009 to numerous applicants. In addition, the State Water Board authorized design financing as part of the May 7, 2013, CWSRF Policy amendment. Planning and design financing are offered interest and payment free during the drawdown period (typically three years or less) if they are rolled into a construction financing and can include additional subsidies to help projects proceed to construction more quickly.

The CWSRF program's focus in recent years has been on creating more demand to ensure that all funds are obligated and liquidated as quickly as possible. As noted in past discussions and annual reports, the CWSRF program continues to increase its average financing level, but clearly the CWSRF cash balance indicates significantly more financing capacity. The policy and procedural changes made during SFY 2012/2013 appear to have had a positive effect on the program demand and funding timeframes.

We also note that staff is actively working with the Sacramento County Regional Sanitation Agency to finance its \$1.2 billion facility upgrade. We have also had some preliminary discussions with the City of San Francisco on financing updates to their system (>\$6 billion over 20 years), and have had some discussions with the Los Angeles County Sanitation District about financing its outfall upgrade project (>\$600 million). Because these are long-term projects, they provide a solid head start on using future capitalization grants and recycled funds. Making commitments to these long-term projects, in conjunction with developing a regular pipeline of projects with medium and smaller agencies, will help ensure that available funds are used timely and expeditiously in the future.


#### C. Use of Fees

**Suggested follow-up:** EPA requests that the state identify and show the fee rates charged, and the program versus non-program revenue generated from the service charges with each Annual Report. As a reference, on October 20, 2005, EPA issued guidance on fees charged by states to recipients of Clean Water State Revolving Fund (CWSRF) program assistance, **40 CFR Part 35 [FRL-7983-7] Guidance on Fees Charged by States to Recipients of Clean Water State Revolving Fund Program Assistance**. This guidance provides a framework for the use of fees collected under the CWSRF. The SWRCB should follow this guidance when charging fees to recipients of CWSRF assistance.

**State Comments:** The State Water Board currently has two accounts that are funded by fees assessed on CWSRF financing agreements: (1) the Administration Fund; and (2) the Small Community Grant Fund. Both are funded and maintained consistent with the Guidance on Fees. The State Water Board will be including in its State Fiscal Year 2013/2014 Annual Report, due October 30, 2014, full disclosure of the fee rates and program vs. non-program revenue generated from the service charges.

If you have any questions about our responses, please contact Mr. Christopher Stevens at (916) 341-5698, or [cstevens@waterboards.ca.gov](mailto:cstevens@waterboards.ca.gov).

Sincerely,



Darrin Polhemus, Deputy Director  
Division of Financial Assistance

cc: Josh Amaris  
US EPA Region 9  
Water Infrastructure Office