

**California Clean Water and Drinking Water
State Revolving Fund Program Evaluation Report for SFYs Ending 2021 and 2022
December 18, 2023**

I. Executive Summary

EPA conducted its annual review of the California State Water Resources Control Board (SWRCB) Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs in accordance with EPA's SRF annual review guidance. Based upon the transaction tests, file and program reviews and interviews, EPA concludes that the State of California has administered the programs in compliance with the capitalization grant agreements. All financing executed by the SWRCB assisted wastewater and water systems to maintain or bring them into compliance with federal and state clean water and drinking water requirements.

The SRF programs in California demonstrated strong performance in SFY 2021, followed by an unprecedented, exceptional year in SFY 2022. In SFY 2022, SWRCB executed \$2.073 billion in CWSRF assistance, and \$910.5 million in DWSRF assistance. These levels comprised the highest amounts of lending of any state nationally.

II. Introduction

In accordance with the Safe Drinking Water Act and the Clean Water Act, EPA provides funds to states to capitalize their DWSRF and CWSRF programs, respectively. EPA is required to conduct an annual oversight review of each state's DWSRF and CWSRF program as required by 40 CFR §35.3165(c) and 40 CFR 35.3570(c), respectively. The purpose of the annual review process is to assess the cumulative program effectiveness, fiscal health, compliance with the statutes and regulations, operating agreement, and grant conditions governing the state's DWSRF and CWSRF programs.

SWRCB is responsible for administering the California DWSRF and CWSRF programs. SWRCB provides low interest loans to offset the financial burden of planning, designing, and constructing water and wastewater infrastructure. SWRCB also sets aside some of the DWSRF funds to supplement the Public Water System Supervision (PWSS) program and to provide technical assistance to water systems.

To provide EPA with information on the progress and many accomplishments of the California SRF programs for the review period ending June 30, 2021, and June 30, 2022, the SWRCB submitted to EPA final versions of the California DWSRF Annual Reports and the California CWSRF Annual Reports on February 1, 2023, and July 17, 2023, respectively. Given the delayed and closely timed submissions of the California SRF SFY 2020-2021 and SFY 2021-2022 Annual Reports to EPA, EPA has consolidated its observations, recommendations and requested follow-up action items for these two years into one Program Evaluation Report (PER).

On August 15 and 17, 2023, EPA conducted an off-site annual review of DWSRF and CWSRF program activities. During this time, staff from EPA Region 9 conducted teleconferences with SWRCB staff and management to discuss various aspects of the DWSRF and CWSRF programs. To ensure that the annual review addressed all major review elements for both programs, EPA staff completed the *SRF Annual Program and Financial Review Checklist*, **Attachment A**. On September 27, 2023, EPA held an on-site exit meeting in Sacramento with SWRCB staff and managers to discuss observations and recommendations taken from the annual review.

Following the annual review, EPA prepares a PER. The PER covers all program activities from program inception to the present, with major emphasis on the activities performed during the last state fiscal year.

Due to the sequencing and timing of SWRCB's delivery of the SFY 2020-2021 and SFY 2021-2022 Annual Reports, this PER evaluates activities performed during both state fiscal years 2021 and 2022. Accordingly, the project period assessed in this PER correlates with California's Annual Reports for the periods ending June 30, 2021, and June 30, 2022 (the review period). This PER highlights observations from the review and identifies recommendations and follow-up actions to be addressed as soon as feasible.

III. Background and Scope

The California DWSRF uses federal capitalization grants, state match funds, loan repayments, and interest earnings to make loans for construction of drinking water treatment facilities and support several Safe Drinking Water Act programs. As reported in the SRF Data System, also referred to as the National Information Management System (NIMS), SWRCB has received \$2.8 billion¹ from EPA in DWSRF capitalization grants since the inception of the program. Together with the state match and American Recovery and Reinvestment Act (ARRA) funds, the total state-federal investment is \$3.262 billion². Since the inception of the program, SWRCB has closed 561³ DWSRF assistance agreements totaling \$4.584 billion⁴ according to NIMS as of June 30, 2022.

The California CWSRF uses federal capitalization grants, state match funds, loan repayments, bond proceeds 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 projects. As reported in NIMS, SWRCB has received \$3.813 billion⁵ from EPA in CWSRF capitalization grants since the inception of the program, including ARRA and special appropriation grant funds. Together with the state match, the total state-federal investment is \$4.497 billion⁶. Since the inception of the program, SWRCB has closed 945⁷ CWSRF assistance agreements totaling \$14.223 billion⁸ according to NIMS as of June 30, 2022.

The scope of the annual review includes consideration of the legal, managerial, technical, financial, and operational capabilities of SWRCB to manage the Clean Water (CW) and Drinking Water (DW) SRF programs. EPA Region 9 used the *2022 SRF Annual Review Guidance, the SRF Program Review Checklist, the Project File Review Checklist, the Transaction Testing Checklist*, and all data collected in NIMS and the additional financial metrics required by the Government Accountability Office (GAO) to ensure that all major elements of the program were reviewed and discussed with SWRCB management and staff. In response to the Improper Payments Elimination and Recovery Act of 2012, the Office of Management and Budget through the EPA Office of the Chief Financial Officer directed that the SRFs be subjected to testing of a random selection of SRF transactions to develop a national estimate of improper payments from these programs. For this review, EPA selected four DWSRF and four CWSRF program cash transactions for testing for the state fiscal year ending June 30, 2021, as well as four DWSRF and four CWSRF program cash transactions to test for the state fiscal year ending June 30, 2022.

The California DWSRF and CWSRF programs are required to maintain the following program and financial elements, which EPA assessed during its review. Elements noted with an asterisk are discussed

¹ NIMS, Line 3

² Sum of NIMS Lines 3 and 35

³ NIMS, Line 136

⁴ NIMS, Line 130

⁵ NIMS, Line 57

⁶ Sum of NIMS Lines 57 and 91

⁷ NIMS, Line 117

⁸ NIMS, Line 110

in Sections IV and V of this report and may include recommendations or action items for SWRCB. The other elements were found to be acceptable and do not require further response from the state:

Required Program Management Elements

- Annual/Biennial Reports and Intended Use Plans*
- Staff Capacity*
- State Match
- Compliance with Federal Requirements and Grant Conditions (i.e., Cross-Cutting Authorities, American Iron and Steel (AIS), Davis-Bacon, Additional Subsidization*, Green Project Reserve)
- Project File Reviews
 - Funding Eligibility
 - Compliance with DBE Requirements
 - Compliance with Environmental Review Requirements
- Reporting*
- Operating Agreement
- Binding Commitment Requirements
- Small Systems Reserve (DW)*
- Set-Asides (DW)*

Required Financial Management Elements

- Timely and Expeditious Use of Funds (fund utilization and state match) *
- Compliance with Audit Requirements
- Assistance Terms
- Use of Fees
- Assessment of Financial Capability and Loan Security
- Financial Indicators and Performance*
- Financial Oversight and Management
- Cash Draw Transactions and Improper Payments
- Other Financial Elements*

IV. California DWSRF and CWSRF Program and Financial Management: Observations and Follow-up

EPA's review assessed program, financial and project management practices as they relate to the State's ability to effectively administer DWSRF and CWSRF program activities. This section presents EPA's specific observations and requested follow-up items to be incorporated into future operations, Annual Reports, or management of the program. As necessary, EPA will continue to meet regularly with the State to discuss these and other issues related to the California DWSRF and CWSRF.

A. Program Management

1. CWSRF and DWSRF Annual Reports

The Annual Reports should be provided to EPA within 90 days from the close of the state fiscal year. The SWRCB's final CW and DW SRF Annual Reports for SFY 2021 were submitted to EPA on February 1, 2023, over one year from the expected date. The Annual Reports for SFY 2022 were submitted to EPA on July 17, 2023, over six months from the expected date.

EPA acknowledges and appreciates the state's efforts to provide EPA with project and cash draw transaction information for EPA's review in advance of finalizing the Annual Reports. EPA also recognizes that the source of delays were, in part, attributed to the unprecedented amount of assistance SWRCB provided to recipients in SFY 2021 and SFY 2022, in addition to implementing organizational changes within the Division of Financial Assistance (DFA), onboarding new staff, providing technical assistance to disadvantaged communities, engaging the public and EPA regarding new supplemental funding programs established through the Bipartisan Infrastructure Law, and evaluating policy improvements and long-term loan capacity considerations.

Requested Follow-Up Item: EPA appreciates the SWRCB's efforts to meet the SRF program reporting requirements, including delivering the Annual Reports for SFY 2021 and SFY 2022 within months of one another. It is EPA's expectation that these efforts will position the SWRCB well to meet the SRF reporting requirements in alignment with the established schedule during the next state fiscal year reporting cycle. In the event of delays in submitting the SFY 2023 California SRF Annual Reports to EPA, kindly notify EPA Region 9 in advance of the due date.

2. Compliance with Federal Requirements and Grant Conditions

CWSRF & DWSRF Project File Review - The 2021 and 2022 EPA Annual Review for California was conducted remotely, which required project files to be provided to EPA electronically. These files were readily made available to EPA and any follow-up questions or additional requests for documentation were provided by the State. Equivalency and non-equivalency projects were represented. EPA examined project, construction, and administrative loan files to ensure that projects are implementing the federal requirements, including environmental cross-cutters, Davis-Bacon, and AIS amongst others. EPA did not identify any issues during project file review. The project file review checklists for each of the projects listed below can be found in **Attachment B**.

- a) **CWSRF** - EPA's review of CWSRF project files found the projects to be eligible and compliant with the program requirements.

Recipient	Project	Assistance Amount	Agreement Date	Reported to FFATA to meet equivalency requirements?
Burbank Sanitary District	District-Wide Capital Improvement Project (C-06-8238-110)	\$5,064,000	May 26, 2021	Yes, for FFY20 CW capitalization grant.
Burney Water District	Wastewater Treatment Plant Improvement Project (C-06-8108-210)	\$6,148,000 with \$5,810,899 in additional subsidy	June 6, 2020	No.
Elsinore Valley Municipal Water District	Regional Water Reclamation Facility Expansion (8462-110)	\$129,860,229	November 10, 2021	Yes, for FFY21 CW capitalization grant.
City of Maricopa	Sewer Collection System Improvements (8206-210)	\$7,378,169	September 1, 2021	No.

- b) **DWSRF** - EPA's review of DWSRF project files found the projects to be eligible and in compliance with the program requirements.

Recipient	Project	Assistance Amount	Agreement Date	Reported to FFATA to meet equivalency requirements?
City of Fresno	NE Surface Water Treatment Facility 4.5MG Storage Tank and Improvements Project (1010007-032C)	\$14,000,000	February 10, 2021	Yes, for FFY19 DW capitalization grant.
Devore Water Company	Water System Improvement for Nitrate Exceedance (3610117-001P)	\$493,200	February 2, 2022	No.
San Francisco Public Utilities Commission	Mountain Tunnel Improvement Project (3810001-001C)	\$238,218,951	April 27, 2022	Yes, for FFY21 DW capitalization grant.
City of Coachella	Mesquite Mutual Water Company Consolidation (3310007-002C)	\$25,000,000	September 1, 2021	No.

Recommendation: None. EPA appreciates SWRCB's recent effort to standardize the file structure and organization of project files.

3. Compliance with Environmental Review Requirements

SWRCB took formidable steps to revise its State Environmental Review Process for the DWSRF, which was approved by the EPA Region 9 Regional Administrator on June 29, 2023. Amongst other changes, the revisions distinguish review requirements between Tier 1 projects that are identified as those receiving federal funds equivalent to the amount of the capitalization grant, and Tier 2 projects that are assisted with funds beyond the amount of the capitalization grant. Similarly, SWRCB staff have initiated preliminary discussions with EPA to revise the SERP for the CWSRF program.

Specific to its process to comply with Section 106 of the National Historic Preservation Act, SWRCB has additionally begun developing Programmatic Agreements for both the DWSRF and CWSRF, working in concert with the California State Historic Preservation Officer and the Advisory Council on Historic Preservation.

EPA commends SWRCB for pursuing initiatives that will streamline the environmental review process and enhance the state's ability to comply with federal, environmental cross-cutting authorities. We look forward to engaging closely with SWRCB on both of these efforts.

Recommendation: None.

4. CWSRF & DWSRF Staff Capacity

During the review period, SCWRB made significant organizational changes to address staffing needs by consolidating and restructuring the Loans and Grants Admin Sections within DFA. Although the total number of positions stayed level at ~83 between SFY 2020-2021 and SFY 2021-2022, the number of staff supporting engineering and field inspection activities increased by over 2.5 position years (from 18.3 to 20.9), legal increased by over 1 position year (from 4.8 to 6.1), and management position years increased from 9.9 to 11.7. EPA's understanding is that staffing levels continued to increase in SFY 2022-2023. EPA applauds the SWRCB for proactively managing staff resources to support the SRF programs. These changes will better position the state to navigate the growing complexities of the programs introduced by the Bipartisan Infrastructure Law, in addition to the already tremendous demand on the base programs.

Recommendation: EPA encourages SWRCB to continue prioritizing hiring to accommodate the high administrative and technical workloads associated with the SRFs.

5. State Match

State match requirements for the State's Clean Water and Drinking Water capitalization grants issued in Federal Fiscal Years (FFY) 2020 and 2021 have been met. SWRCB had excess state match disbursed to cover DW match requirements for both years before the grants were awarded and the first federal draws were made. For CW, excess match in addition to the sale of an IBank State Match Loan in April 2021 provided match for the FFY 2020 and FFY 2021 grants. Note 6 in each program's respective Annual Report's Financial Statements provided the necessary documentation to demonstrate that 100% of state match was disbursed prior to federal draws.

In November 2022, a permanent regulatory exception to the Clean Water and Drinking Water cash draw rules eliminated the requirement for states to draw SRF disbursement requests at a proportional federal to state ratio. In future years, EPA's Annual Review will not require the state to provide match disbursement documentation relative to the timing of federal draws.

Recommendation: None; however, see discussion on state match in the CWSRF & DWSRF Timely and Expeditious Use of Funds topic area under Section B. Financial Management.

6. Reporting

SRF Data System Reporting

Assistance agreement-level data reporting (previously housed in PBR and CBR) for the review period into the SRF Data System is complete. All 84 funded assistance agreements under CW for the two years (30 CW funded assistance agreements from SFY 2021 and 54 funded projects from SFY 2022) were entered. For DW, all 52 assistance agreements are in the system (22 assistance agreements from SFY 2021 and 30 funded agreements from SFY 2022).

In the NIMS data summarizing assistance provided on an annual basis, EPA noted discrepancies in numbers describing the state's financial activity when comparing SWRCB's Annual Reports for the review period and the SRF Data System. For example:

- a. CWSRF as of June 30, 2022:
 - i. \$45,454,800 in committed subsidy amount by FFY grant assignment for FFY 2019 Grant⁹ versus \$41,844,746 in Assigned Subsidy Dollars for the FFY 2019 Grant (SRF Data System Grants Requirements Progress),

⁹ SWRCB CWSRF Annual Report for State Fiscal Year 2021-22, Table 8: Additional Subsidization Funding.

- ii. \$10.754 billion in disbursements and expenditures¹⁰ versus \$10.607 billion in cumulative CWSRF project assistance disbursed (NIMS Line 233).
- b. DWSRF as of June 30, 2022:
 - i. \$0 in committed subsidy amount by FFY grant assignment for FFY 2021 Grant¹¹ versus \$33,292,497 in Assigned Subsidy Dollars for the FFY 2021 Grant (SRF Data System Grants Requirements Progress),
 - ii. 556 binding commitments valued at \$4.505 billion¹² versus 561 assistance agreements totaling \$4.584 billion in cumulative assistance (NIMS Lines 136 and 130).

EPA is committed to working with SWRCB staff to identify the sources of data discrepancies and correct any errors as necessary in the SRF Data System.

FFATA

FFATA requirements are considered met when assistance agreements exceeding \$30,000 and non-exempted activities funded through the DWSRF set-asides are reported to www.frs.gov in an amount equivalent to the full capitalization grant.¹³ SWRCB has fulfilled these requirements for the review period. The following amounts were reported in FFATA for FFY 2020 and FFY 2021:

Program and Grant Year	Capitalization Grant Amount	Subawardees Reported	Total Amount of Subawards
CW FFY 2020	\$113,653,000	Burbank Sanitary District, City and County of San Francisco	\$113,653,000
CW FFY 2021	\$113,637,000	Elsinore Valley Municipal Water District	\$113,637,000
DW FFY 2020	\$97,134,000	City of Santa Cruz, City of Antioch	\$100,900,000
DW FFY 2021	\$97,047,000	City of Groveland (sub-awardee address located in Florida)	\$238,218,951

In November 2023, EPA released the “State Revolving Fund Equivalency Handbook”. This new resource provides a comprehensive overview of equivalency, including considerations for project selections and reporting in the Schedule of Expenditures of Federal Awards, as well as policy clarifications such as how states may identify additional projects in a later year to compensate for a shortfall in prior years’ equivalency projects. We hope this reference, together with the recent November 7, 2023, memorandum, “Clarification of Federal Funding Accountability and Transparency Act Reporting Requirements in the State Revolving Fund Programs”, prove useful to SWRCB as the State continues to manage equivalency to meet the associated reporting requirements.

Recommendation: EPA recommends that SWRCB staff review and reconcile discrepancies on a yearly basis to ensure that numbers represented in the Annual Reports are accurately reflected in the SRF Data System.

¹⁰ SWRCB CWSRF Annual Report for State Fiscal Year 2021-22, Table 1: Cumulative CWSRF Activity Since Inception.

¹¹ SWRCB DWSRF Annual Report for State Fiscal Year 2021-22, Table 9: Additional Subsidization Funding.

¹² SWRCB DWSRF Annual Report for State Fiscal Year 2021-22, Table 1: Cumulative Program Activity.

¹³ As noted in the November 7, 2023, memorandum, “Clarification of Federal Funding Accountability and Transparency Act Reporting Requirements in the State Revolving Fund Programs”, many typical set-aside activities are exempt from FFATA subaward reporting. As such, the total dollar amount of DWSRF FFATA subaward reporting will likely be less than the total dollar amount of the DWSRF capitalization grant.

Requested Follow-Up Item: For FFATA reporting in fhrs.gov, EPA requests a minor correction to the project recipient for the Mountain Tunnel Project reported for the FFY 2021 DW Grant (FS98934921). The recipient listed in fhrs.gov is Groveland, whereas SWRCB's SFY 2021-2022 Annual Report and accompanying project files list the recipient as SFPUC.

7. Additional Subsidization

Additional subsidization should be committed in executed loan agreements within the first year and disbursements should be issued within two years of the grant award. The additional subsidization requirement is considered met when the minimum subsidy funds have been disbursed.¹⁴ SWCRB provided detailed disbursement information on additional subsidy on projects that were counted towards prior years' capitalization grants in the SFY 2020-2021 and SFY 2021-2022 Annual Reports. Information from the Annual Reports for the relevant grants are reflected in the tables below.

- a. DWSRF: As of June 30, 2022, the minimum additional subsidy required has been disbursed for the FFY 2019 grant. It has been committed but not fully disbursed for the FFY 2020 grant. Minimum additional subsidy has not been committed nor disbursed for the FFY 2021 grant.

Grant	Minimum	Maximum	Committed as of June 30, 2022	Disbursed as of June 30, 2022
2019 DW	\$ 19,414,400	\$ 47,565,280	\$ 14,906,926	\$ 37,300,284
2020 DW	\$ 19,426,800	\$ 47,595,660	\$ 22,634,803	\$ 17,746,066
2021 DW	\$ 19,409,400	\$ 47,553,030	\$ 0	\$ 0

- b. CWSRF: As of June 30, 2022, the minimum additional subsidy required has been committed but has not been fully disbursed for the FFY 2019, FFY 2020, and FFY 2021 grants. It is EPA's understanding that the recent state legislative change to allow Clean Water principal forgiveness to be disbursed from repayments and other non-federal sources will allow SWCRB to more easily disburse additional subsidy moving forward.

Grant	Minimum	Maximum	Committed as of June 30, 2022	Disbursed as of June 30, 2022
2019 CW	\$ 11,363,700	\$ 45,454,800	\$ 45,454,800	\$ 817,299
2020 CW	\$ 11,365,300	\$ 45,461,200	\$ 45,461,200	\$ 0
2021 CW	\$ 11,363,700	\$ 45,454,800	\$ 31,177,508	\$ 0

Requested Follow-Up Item: EPA requests that SWRCB disburse the minimum additional subsidy required in a timely manner for the five grants from FFY 2019 (CW), FFY 2020 (CW and DW) and FFY 2021 (CW and DW). EPA recommends that SWRCB target completing

¹⁴ Consistent with the closeout requirements of 2 CFR 200 and 1500 and EPA Order 5700.6A2, Policy on Compliance, Review and Monitoring, the capitalization grant may be closed out before the state meets the required minimum additional subsidization requirement (i.e., before those funds have been disbursed to projects). This is noted in the November 4, 2021, memorandum, "Policy Change Regarding Additional Subsidization and Closeout of SRF Capitalization Grants".

disbursements by March 2024 for the FFY 2019 and FFY 2020 grants, and January 2026 for the FFY 2021 grants.

8. Green Project Reserve (CW):

The GPR provision for the 2020 and 2021 Appropriations Bills states that to the extent that there are sufficient eligible project applications, at least 10 percent of the capitalization grant shall be used for projects or components of projects that address energy efficiency, water efficiency, green infrastructure, or are environmentally innovative projects. The GPR requirement for a given year's appropriation is met when the minimum GPR funds required are committed in executed assistance agreements.

As of June 30, 2022, CA has well exceeded the GPR requirements for the FFY 2020 and FFY 2021 capitalization grants. GPR requirements for both grant years were approximately \$11.3 million. As documented in the Annual Reports, \$105.4 million of GPR funding was assigned to executed agreements during SFY 2020-2021. For SFY 2021-2022, there was \$541.6 million in GPR projects assigned to executed funding agreements.

Recommendation: None. EPA congratulates the State for far exceeding the GPR requirement.

9. Small Systems Requirement (DW):

Federal rules require that at least 15 percent of available DWSRF funding be provided to public water systems that serve less than 10,000 people, to the extent that projects for these systems are eligible and ready to proceed to a funding agreement. The calculation is based on all monies the state plans to make available for assistance agreements as described in the State's IUP sources and uses table. In years where a state exceeds this requirement, the DWSRF regulations at 40 CFR 35.3525(a)(5) authorize states to "bank" this requirement.

SWRCB's Annual Reports note that the state provided \$36,308,836 in planning and construction assistance to small water systems in SFY 2020-2021, and \$36,312,060 in SFY 2021-2022.¹⁵ These amounts comprise: ~9% of total assistance planned in SFY 2020-21 based on estimated sources totaling \$407,775,913, and ~11% in SFY 2021-2022 based on estimated sources totaling \$337,832,206. The total estimated sources listed here are the sum of all sources provided in the respective year's IUP's Appendix C Fiscal Impact Summary table. These percentages differ greatly, however, when calculated using the State's data in the SRF Data System (NIMS lines 137, 138, 139), particularly for SFY 2021-2022. Whereas the SFY 2021-2022 Annual Report notes \$36 million in small water systems assistance, total assistance to small systems according to NIMS exceeded \$460 million in 2022. Using the NIMS data would change SWRCB's statistic for this requirement from 11% in SFY 2021-2022 to 136.2% going to small systems. EPA suspects that the order-of-magnitude discrepancy between the SFY 2021-2022 Annual Report and NIMS suggests that the NIMS data is incorrect, in large part due to two high dollar amount projects being included: SFPUC Mountain Tunnel Project for \$238 million; and Stanislaus Water Supply Project for the Cities of Turlock and Ceres for \$184 million. The populations served listed in the SRF Data System project are 50 for the SFPUC project, and 600 for the Stanislaus project.

Assuming the two aforementioned projects should not be counted towards meeting the small systems requirement, SWRCB has provided approximately 12% of assistance on a cumulative basis to small water systems since the inception of the DWSRF program, as of June 30, 2022. EPA appreciates SWRCB's

¹⁵ SWRCB DWSRF Annual Reports for State Fiscal Year 2020-21 and 2021-22, Table 2: Water System Type.

work to make funding available to small water systems and understands that there are many reasons why a state may not be able to meet the 15% in executing agreements.

Recommendation: We encourage SWRCB to continue conducting public outreach and assistance to small systems to increase the level of funding provided to those projects when practicable.

Requested Follow-Up Item: We suggest that SWRCB verify the system populations for the recipients of the SFPUC Mountain Tunnel Project and the Stanislaus Water Supply Project for the Cities of Turlock and Ceres. The SRF Data System pulls population served numbers directly from the Safe Drinking Water Information System (SDWIS). If corrections are necessary, they should be made in SDWIS. This will ensure that the small systems requirement will be accurately captured in future years.

10. Set-Aside Reserve Authority (DW)

DWSRF regulations at 40 CFR §35.3540(d)(2) specify that the Intended Use Plan should include a statement on set-aside authority reserved, referring to any unused set-aside funding from a given year that the state may choose to exercise in future years (with the exception of the local assistance set-aside). SWRCB's Supplemental IUP for SFY 2023-2024 included a table detailing unused set-aside reserve authority from the FFY 2022 BIL Lead Service Line Replacement capitalization grant, however, prior years' IUPs have not included similar statements for the base program.

Requested Follow-Up Item: EPA requests that SWCRB describe and report set-aside reserve authority in future Intended Use Plans and Annual Reports, for the base DWSRF and all BIL programs moving forward. EPA asks SWRCB to include a table showing the running balance in banked dollar amounts, including any zero balances, in future Intended Use Plans and Annual Reports.

11. DW Set-aside unliquidated obligations (ULOs)

Set-aside ULOs at the end of each state fiscal year for the review period (July 1, 2021, and July 1, 2022) were both in the ~13-14% range, almost twice the ~7% national average for those time periods. NIMS data on the set-aside spending rate has also slowed slightly, from 92.2% in 2020 to 91.7% in 2021 (both above the national average), to 86.8% in 2022 dipping below the national average of ~91%. EPA recognizes SWRCB's efforts to reduce set-aside ULOs and notes that the State has already made progress in making reductions, down to 11.6% as of November 1, 2023. SWRCB has shared its plans with EPA to reduce ULOs further by transferring funds from the set-asides to the loan fund for the FFY 2019 and FFY 2020 base DWSRF capitalization grants. Once these remaining funds are disbursed to projects, SWRCB will be able to close out these two grants and more closely align with EPA's policy of keeping no more than two open grants at a time per program.

Requested Follow-Up Item: EPA asks SWRCB to keep diligent about making progress in reducing ULOs. EPA supports SWRCB's plans to move remaining set-asides to the respective grants' loan funds for the FFY 2019 and FFY 2020 base DWSRF grants and suggests that transfer requests be submitted to EPA no later than March 2024.

B. Financial Management

1. CWSRF & DWSRF Timely and Expeditious Use of Funds

A state must agree to commit and expend all funds as efficiently as possible and in an expeditious and timely manner. Timely and expeditious use of the funds is critical to maximize the effectiveness of SRF assets and in meeting the public health needs of the state per 40 CFR § 35.3550(l).

Both of California's SRF programs have done an exceptional job in forecasting and monitoring the SRFs' cash balances and predicting and planning for the funds' ability to commit to new projects. In doing so the SWRCB can reliably commit over 100% of its available DW and CW funds to projects through binding commitments and executed funding agreements.

To ensure the timely and expeditious use of the funds from the federal capitalization grant, EPA SRF program policy encourages states to limit the number of open CW and DW SRF grants to two for each SRF. In California's case, there were a total of five SRF grants open at the close of the review period. The number of open federal capitalization grants is in part a factor of how the SWRCB encumbers funds. On the positive side, California state statute no longer prohibits state SRF funds and repayments to be used or encumbered to recipients as principal forgiveness. However, the timing and disbursement schedule of these principal forgiveness assistance agreements is a driving factor in determining when the draws and disbursements of federal funds occur, and is therefore contributing to delays in the timely and expeditious draw down of federal funds. Additionally, the SWRCB explained that it is imperative for their SRFs to first draw state funds dedicated for state match to avoid these funds from being swept by the State for other purposes. This too is a contributing factor to delays in the timely expenditure of federal funds.

Requested Follow-Up Item: EPA understands the dilemma faced by the California SRF programs but is concerned that the State's broad reach and ability to sweep state match funds creates a tenuous situation and adversely impacts its ability to expend federal funds in an expeditious and timely manner. Likewise, recipients facing administrative challenges in providing adequate documentation to support requests for reimbursement influences the rate and timing of disbursement requests. EPA encourages the SWRCB to explore ways to resolve this problem, which impedes the drawdowns of the federal capitalization grant. With new sources of federal grant funding through the Bipartisan Infrastructure Law, it is important that multiple open grants or the appearance of idle grant funds under the base programs be reduced to avoid scrutiny.

In the short-term, the SWRCB should strive to reduce the number of open federal capitalization grants in each base SRF program to two. Steps should be taken to draw down all the federal funds from the FFYs 2020 and 2021 CW and from the FFYs 2019, 2020, 2021 DW SRF capitalization grants by March 2024 (CWSRF CS-06000120 and CS-06000121; and DWSRF FS-98934919, FS-9893420 and FS-98934921). For the DW grants, EPA encourages the SWRCB to facilitate coordination between the Division of Drinking Water, the Division of Administrative Services, and the Division of Financial Assistance to explore approaches that will result in the expeditious use of the set-asides funds (e.g., completing transfer requests to move such funds for older grants such that they can be used for project disbursements, as discussed previously).

2. Financial Indicators and Performance

Several SRF financial performance indicators are generated through NIMS and are used annually by EPA to measure the progress of the SRF programs. These financial indicators, in addition to audited financial statements and the recommended GAO indicators, serve as tools to help understand and assess state programs.

EPA has reviewed these financial indicators for 2021 and 2022 against SWRCB's performance in prior years and against national averages. In general, these indicators are used as a suite, and not individually. EPA considers all the indicators together to gain a comprehensive picture of the State's program. The

PER addresses the following mandatory financial indicators and any other indicators where follow-up is necessary.

a) CWSRF

NIMS Financial Indicators

- **Fund Utilization Rate:** This indicator shows how quickly funds are committed to finance CWSRF projects. This is one of the most significant metrics EPA utilizes to evaluate the effectiveness with which the CWSRF is being managed. The table below shows California's performance against the national average. Please note that historical values will have changed slightly from prior PER's as a result of data clean-up efforts in NIMS.

California's fund utilization rate slightly declined in SFY 2021 when compared to SFY 2020, then increased to unprecedented levels in SFY 2022. In both years, the state's fund utilization rate far exceeded the national average, as shown in Table 1. While the slight decline in SFY 2021 can be attributed to continued delays in loan and assistance activity caused by the Covid-19 pandemic, the dramatic increase in SFY 2022 reflects outsized efforts by SWRCB to ensure a robust pipeline of projects to meet the remarkable demand on the program.

Table 1.

CWSRF Fund Utilization (SFY) (NIMS Line 285 cumulative)	2018	2019	2020	2021	2022
National (%)	97	97	97	98	99
California (%)	115	114	112	110	123

Recommendation: None. EPA congratulates the State's CWSRF program for having the second highest pace of any state in the country in 2022.

- **Cumulative Disbursement as a Percent of Executed Loans:** While the fund utilization indicator reflects how quickly the California CWSRF commits funds to projects by signing assistance agreements, the disbursement rate reflects how quickly the California CWSRF disburses the committed funds (i.e., federal cap grants, state match, and repayments) to active projects.

Full fund utilization coupled with timely disbursement indicates a well-functioning SRF program. These taken together maximize environmental benefits and protect public health.

The California CWSRF disbursements to executed loans has historically been below the national average, as shown in Table 2. From 2019 through 2021, this metric improved incrementally each year, then decreased sharply in 2022. While this indicator may suggest low performance over the five-year period shown with a sudden slowdown in disbursements in 2022, the State's ratio of undisbursed funds to average disbursement indicates that SWRCB is efficiently disbursing available funds. We believe this metric is skewed by the State's high level of cumulative assistance provided in concert with the amount of time

experienced (typically 6 months) between when an assistance agreement is signed and when projects begin construction and start submitting reimbursement claims. SWRCB tracks the level of disbursement for each project and conducts outreach to ensure that recipients do not wait until the end of a project to submit excessively large claims.

Table 2.

CWSRF Cumulative Disbursements as a Percent of Executed Loans (SFY) (NIMS Line 311)	2018	2019	2020	2021	2022
National (%)	88	89	90	89	88
California (%)	74	79	80	82	75

EPA recognizes SWRCB's internal efforts to make the disbursement process more timely, including the establishment of a Key Performance Indicator that reduces the time it takes for claims to be paid after recipients provide complete documentation. EPA is also encouraged by SWRCB's continued work to engage the Environmental Finance Center (EFC) in conjunction with the California State University, Sacramento to identify and implement streamlining opportunities that would promote efficiencies in various aspects of administering the program.

Recommendation: EPA suggests that SWRCB continue to monitor this metric. EPA expects this figure to increase as recipients that signed assistance agreements in 2021 and 2022 begin submitting disbursement requests.

GAO Financial Indicators

- **Undisbursed Funds to Average Disbursement (Years to Disburse):** This indicator looks at available funds that a state has at the U.S. Treasury and in state accounts and divides this by the prior three-year average annual disbursement figure. It is a leading indicator to gauge how effectively SRF funds are revolving through the program. A high number indicates a state has significant cash on hand and may not be revolving fund quickly. A low number indicates a state is efficiently disbursing available funds.

The California CWSRF cumulative undisbursed funds to average disbursements has historically been below the national average, as shown in Table 3. Compared nationally, California's CWSRF has kept less cash on hand than other states.

Table 3.

CWSRF Cumulative Undisbursed Funds to Average Disbursements (Years to Disburse) (NIMS Line 311.1)	2018	2019	2020	2021	2022
National (%)	3.0	3.1	2.9	3.0	2.9

California (%)	2.3	1.6	1.6	1.9	1.6
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California's CWSRF program had a ratio of undisbursed funds to disbursements of 1.9 in 2021 and 1.6 in 2022. This means that the California CWSRF held almost two years' worth of undisbursed funds in 2021, and a little more than 1.5 years' worth of undisbursed funds in 2022. In 2022, the 1.6 ratio returned to levels seen in 2019 and 2020. While there is no absolute figure for this metric, maintaining only the cash on hand needed for projects in the near term is indicative of managing the fund in a timely and expeditious way.

Recommendation: EPA commends SWRCB for maintaining a low ratio of undisbursed funds to average disbursements during the review period. Moving forward, SWRCB should continue to monitor the trend of this metric to ensure the timely submittal and processing of disbursement requests. The SWRCB should only maintain the cash on hand necessary for near term project disbursements so that this ratio remains low.

- **Total Net:** This indicator seeks to gauge if an SRF program is growing. A positive figure indicates that a program is growing.

California's CWSRF program had a total net of over \$556.8 million in 2020. In 2021, this figure decreased by over \$200 million to \$352.2 million. In 2022, the total net increased by over \$60 million to \$412.6 million. The large reduction in 2021 may be attributed to large prepayments that occurred. As SWRCB continues to leverage to increase funding in the CWSRF, EPA will continue to monitor this indicator to ensure that the fund corpus is not threatened by leveraging activities.

Recommendation: The SWRCB should continue to monitor this indicator to ensure that the fund corpus is not at risk by leveraging activities.

- **Net Interest Margin:** This indicator measures the net earning the SRF is generating from its Total Assets through loans and investments after accounting for the interest expenses associated with match and leveraged bonds. Simply stated it is a measurement comparing the net interest income generated from the SRF loans, with the outgoing interest it pays to bondholders. This indicator seeks to gauge if an SRF program is growing through interest earnings. A positive figure indicates that a program is growing.

The California's CWSRF program had a net interest margin of -0.2% in 2021 and -0.1% in 2022. A negative net interest margin indicates that the fund may have been unable to make an optimal decision, as interest expenses were higher than the amount of returns produced by loan interest income or investments. Thus, in calculating the Net Interest Margin, financial stability is a constant concern. This figure has been on a downward trend from 1999, when the figure for the CWSRF was 2.5%, which indicates that in recent years the growth of the fund from interest earnings has been diminishing. If interest earnings remain low and the state continues to leverage, the total net figure could drop into the negative even further, which would be of concern to the long-term health of the fund.

EPA recognizes this negative net interest margin may be a short-term anomaly because of several possible factors:

1. The bottle neck on issuing new financing (i.e., interest-generating loans) during the review period due to FI\$Cal;
2. The early pre-payment of existing loans, noted by SWRCB to total approximately \$1 billion over a three-year period covering the review period, thereby reducing interest and investment earnings; and
3. The effect of not recognizing in the calculation of this metric the interest rate of 1.8 percent accrued from the local match.

Requested Follow-Up Item: Although the negative Net Interest Margin percentage is very small, it is notable. EPA would like the SWRCB's assessment of the reasons for the lower earnings and related percentage. The SWRCB and EPA should continue to monitor these indicators and discuss the Net Interest Margin specifically during the next annual review.

b) DWSRF

NIMS Financial Indicators

- **Fund Utilization Rate:** This indicator shows how quickly funds are committed to finance DWSRF projects. This is one of the most significant metrics EPA utilizes to evaluate the effectiveness with which the DWSRF is being managed. The table below shows California's performance against the national average. Please note that historical values may have changed slightly from prior PER's as a result of data clean-up efforts in NIMS.

California's DWSRF program had a pace in of 108% in 2021 and 128% in 2022, as shown in Table 4. California's fund utilization rate is exceptionally high, well above the national average and above 100%. This indicates that the SWRCB is anticipating funds received and planning for their use prior to having them deposited. The SWRCB has demonstrated a commendable capacity to properly manage the flow of funds over this time.

Table 4.

DWSRF Fund Utilization (SFY) (NIMS line 419) – Based on Cumulative Activity	2018	2019	2020	2021	2022
National (%)	96	95	96	96	98
California (%)	115	113	110	108	128

Recommendation: None. EPA congratulates the State's DWSRF program for having the highest pace of any state in the country in 2022.

- **Disbursements as a Percentage of Assistance Provided – Based on Cumulative Activity:** While the fund utilization indicator reflects how quickly the California DWSRF commits funds to projects by signing assistance agreements, the disbursement rate reflects how quickly the California DWSRF disburses the committed funds (i.e., federal capitalization grants, state match, and repayments) to systems.

The California DWSRF disbursements to executed loans has historically been below the national average, as shown in Table 5. From 2019 through 2021, this metric improved

incrementally each year, then decreased sharply in 2022. As discussed for the same metric under the CWSRF program, we believe this metric’s calculation is being skewed by the State’s high level of cumulative assistance provided. SWCRB’s ratio of undisbursed funds to average disbursement indicates that SWRCB is efficiently disbursing available funds.

Table 5.

DWSRF Cumulative Disbursements as a Percent of Assistance Provided (SFY) (NIMS line 420)	2018	2019	2020	2021	2022
National (%)	87	88	88	87	85
California (%)	77	78	83	84	72

Recommendation: EPA suggests that SWRCB continue to monitor this metric accordingly. As with the CWSRF program, EPA expects this figure to increase as recipients that signed assistance agreements in 2021 and 2022 begin submitting disbursement requests.

GAO Financial Indicators

- **Undisbursed Funds to Average Disbursement (Years to Disburse):** This indicator looks at available funds that a state has at the U.S. Treasury and in state accounts and divides this by the prior three-year average annual disbursement figure. It is a leading indicator to gauge how effectively SRF funds are revolving through the program. A high number indicates a state has significant cash on hand and may not be revolving fund quickly. A low number indicates a state is efficiently disbursing available funds.

The California DWSRF cumulative undisbursed funds to average disbursements ratio has historically been roughly half or more below the national average, as shown in Table 6.

Table 6.

DWSRF Cumulative Undisbursed Funds to Average Disbursements (Years to Disburse) (NIMS Line 420.1)	2018	2019	2020	2021	2022
National (%)	2.7	2.8	2.7	2.9	2.9
California (%)	1.2	1.4	1.1	1.3	1.1

The California DWSRF had a disbursement ratio of 1.3 in 2021 and 1.1 in 2022. The national average was 2.9 for both years. California’s disbursement ratio improved between 2021 and 2022, exhibiting high performance relative to the national average in both years. The 1.1 disbursement ratio represents just over a year’s cash needs held and is one of the lowest figures in the nation, indicating that California is successfully managing its cash supply based upon a three-year average.

Although California's DWSRF is successfully managing its cash supply per the GAO metric, the program should continue to track its performance against the NIMS disbursement rate metric. If the disbursement rate indicator does not improve as recipients that signed assistance agreements in 2021 and 2022 begin submitting claims, this may suggest that an inadequate number of DWSRF loans are submitting claims for reimbursement in a timely manner.

Recommendation: EPA recommends monitoring this metric and maintaining a strong pipeline of projects that keeps the fund utilization high followed with timely disbursements.

- **Total Net:** This indicator seeks to gauge if an SRF program is growing through the activity of making loans. A positive figure shows that a program is maturing.

In 2020, the California DWSRF had a total net of \$122.4 million. In 2021, this amount increased by approximately \$53 million to \$175.4 million. In 2022, the California DWSRF had a total net of \$109.6 million. This is a decrease from the previous year by approximately \$65 million. While the DWSRF program grew between 2020 and 2021, it shrank between 2021 and 2022. This decrease may be attributed to large prepayments that occurred during the review period. Despite the decrease reported for SFY 2022, California's DWSRF program continues to grow as the value has remained positive.

Recommendation: Given the downward fluctuation in the DWSRF program's total net between 2021 and 2022, EPA recommends that the state monitor this indicator to ensure growth of the program.

- **Net Interest Margin:** This indicator seeks to gauge if an SRF program is growing through interest earnings. A positive figure indicates that a program is maturing.

In 2020, the California DWSRF had a net interest margin of 1.2%. In 2021, the program's net interest margin was 1.1%, reflecting a slight decrease of 0.1%. In 2022, the program's net interest held steady at the prior year's figure of 1.1%, maintaining the status quo.

Recommendation: EPA recommends continuing to monitor this metric.

3. CWSRF & DWSRF Cash Transactions & Improper Payments –

Cash draws from the U.S. Treasury for SRF expenses must be based on eligible incurred project or set-aside costs. Any inconsistency between the eligible incurred costs, the allowable draw proportion, and amount drawn is considered an improper payment. As part of EPA's oversight of the CWSRF and DWSRF programs, EPA reviews state cash draws to protect against waste, fraud, and abuse, and to minimize and document improper payments. To comply with the Improper Payments Elimination and Recovery Act 2012 and implementing requirements established by the Office of Management and Budget to evaluate improper payments, EPA is required to test several state CWSRF and DWSRF funded transactions annually.

EPA reviewed four transactions for each program for SFY 2020-2021 and four transactions for each program for SFY 2021-2022 (16 transactions for the review period). EPA reviewed back-up documents associated with each payment request in detail to complete the transaction testing worksheets developed

by EPA HQ. SWRCB staff were cooperative in providing well-organized documentation for the draws requested and answered all questions. The review of these program financial transactions found no instances of cash draw rule violations and no improper payments. The details of each CWSRF and DWSRF cash draw tested can be found in **Attachment C**.

EPA also reviewed the transactions for the suitability of incurred project costs. EPA found that the SWRCB did a thorough job of scrutinizing the eligibility of CWSRF and DWSRF project construction, engineering/design, and administrative costs submitted for reimbursement. No major concerns were found during this period of review.

Recommendation: None. In response to questions that SWRCB staff raised over the course of transaction testing, EPA would like to clarify that beginning with EPA's Annual Review for SFY 2022-2023, EPA will only require prime contractor invoices for Annual Review cash draw review and transaction testing purposes. Sub-contractor invoices may be requested if issues are noted in the documentation provided at the prime contractor level.

4. CWSRF and DWSRF Compliance with Audit Requirements

The auditor noted that the financial statements for both SRFs were in conformance with GAAP and no material weaknesses were identified.

Recommendation: None. EPA congratulates the State's SRFs for achieving a clean audit.

5. Financial Risks

EPA's review included a productive and insightful discussion with the SWRCB regarding the potential financial risks facing the programs, and what steps may be taken to avoid and/or mitigate them. One concern is the level of future federal funding for the SRFs. Recent congressionally directed spending (i.e., earmarks) has resulted in the reduction of the annual SRF base appropriations. SWRCB is concerned that this will significantly reduce the funds available to meet demand and stakeholder expectations.¹⁶ SWRCB tracks congressional appropriations and earmarking activity for planning purposes and dedicates time to educate the public to manage expectations. However, the decisions made by Congress are not within the program's control in spite of the widespread financial implications for the SRFs.

Another concern raised by EPA is the financial range of interest rate depending on market conditions. Currently, California state law ties its rate of interest charged to SRF assistant recipients to ½ of the State General Obligation Bond (GOB) rate. This rate can be lower than ½ of the GOB rate but not higher. EPA's concern is the fund's loss of purchasing power over time and ability to meet well over \$5 billion in yearly application demand between the CW and DW SRFs, considering that the combined sustainable loan capacity is currently \$900 million across the two programs. It is expected that demand will continue to be high given the program's competitive interest rate.

The weighted average loan interest rate for the California CWSRF in 2022 was 1.22% and very close to the national average of 1.249%. In comparison, the CW average interest rate in several key states is: 1.55% (NY), 2.18% (AZ), 1.203% (PA) and 0.88% (OH). In the case of the California DWSRF, the average loan interest rate in 2022 was 1.06% compared to the national average of 1.36%. Sample

¹⁶ As a reflection of the tremendous demand on the SRF programs, close to \$3 billion in funding was executed between the CWSRF and DWSRF programs in SFY 2022.

DW rates for the following states are: 2.1% (NY), 1.09% (TX), 2.2% (AZ), and 1.48% (PA). Several states have the flexibility to set interest rates using a sliding scale metric to maximize a sustainable return.

Recommendation: EPA recognizes SWRCB's mission to help meet the infrastructure needs of communities facing diverse challenges, including those that are small and underserved where the SRFs may be the only viable financing option available. Concurrently, there needs to be a focus on a fiscal balance to continue to be a robust program into the future. EPA strongly encourages the program to educate the public and the state Legislature about the limitations of the interest rate law and its effect on the fund's current and future ability to meet funding expectations.

V. Summary of Key Recommendations and Follow-Up Items

In light of EPA's review of SWRCB's SRF program performance and activities conducted during SFYs 2021 and 2022, we are providing the following recommendations and requested follow-up items. Recommendations and associated follow-up items provided in this PER are generally intended to address isolated and minor deficiencies, small one-time errors, or suggest best practices and efficiencies that would strengthen the programs. Findings, by contrast, are meant to address major, significant issues that place the state at risk for non-compliance or misuse of funds. EPA made no findings for the review period. EPA has identified the following recommendations and requested follow-up items for SWRCB to address on as soon as feasible.

Requested Follow-Up Items:

1. **Annual Reports:** We ask SWRCB to notify EPA if it anticipates delays in submitting the SFY 2023 California SRF Annual Reports.
2. **Set-Aside Reserve Authority:** EPA requests that SWRCB report on set-aside reserve authority in future Intended Use Plans and Annual Reports.
3. **Reporting:** EPA requests a minor correction for the recipient listed in fsrs.gov for FFY 2021 DW and asks SWRCB to review the populations listed for the SFPUC Mountain Tunnel Project and the Stanislaus Water Supply Project for the Cities of Turlock and Ceres.
4. **Additional Subsidization:** To fulfill minimum additional subsidy requirements, SWRCB should target completing disbursements by March 2024 for FFY2019 and FFY2020 grants, and January 2026 for FFY 2021 grants.
5. **Timely and Expeditious Use of Funds:** To align with EPA policy of maintaining no more than two capitalization grants at a given time, we ask SWRCB to draw down all federal funds from the FFYs 2020 and 2021 CW and from the FFYs 2019, 2020, 2021 DW SRF capitalization grants by March 2024. To expedite grant drawdown, EPA supports plans to move remaining set-asides to the loan funds for the FFY 2019 and FFY 2020 base DWSRF grants and requests that transfer requests be submitted to EPA no later than March 2024. To the extent possible, EPA additionally recommends SWRCB explore ways to safeguard state funds that have been secured as SRF state match in order to avoid jeopardizing the status of the capitalization grant.
6. **Net Interest Margin:** The CWSRF negative Net Interest Margin is of concern to EPA. We would like SWRCB's perspective on the reasons for the low percentage.

Recommendations:

7. **Staff Capacity:** With additional funding and requirements introduced through the Bipartisan Infrastructure Law, EPA recommends SWRCB to continue prioritizing hiring to meet the increasing complexity and demands of the SRF programs.
8. **Reporting:** EPA asks that SWRCB reconcile reporting discrepancies annually to ensure numbers in the Annual Reports are accurately reflected in the SRF Data System.
9. **Financial risks:** EPA strongly encourages the program to educate the public on the limitations of the interest rate law and its effects on the fund's ability to meet current and future funding expectations.

VI. Annual Review Participants

SWRCB: Heather Bell, Bridget Chase, Kim Dinh, Mike Downey, Joe Escobar, Jean Fung, Christine Gordon, Jody Hack, Anne Hartridge, Lisa Hong, Ahmad Kashkoli, Hilda Ledezma-Vasquez, Lisa Machado, David Maurer, Lance Reese, Christopher Stevens, Dat Tran, Uyen Trinh-Le, Meghan Tosney, Denise Walker, Stephanie White, Matt Wilson, Josh Ziese

EPA: Hector Aguirre, Lily Lee, Juanita Licata, Mimi Soo-Hoo

VI. Attachments

- Attachment A: Annual Review Checklist
- Attachment B: CWSRF & DWSRF Project File Checklists
- Attachment C: CWSRF & DWSRF Transaction Checklists