

Drinking Water State Revolving Fund Program and
Complimentary Programs

INTENDED USE PLAN

**STATE FISCAL YEAR 2024-25
(FEDERAL FISCAL YEAR 2024 BASE PROGRAM CAPITALIZATION
GRANT AND GENERAL SUPPLEMENTAL CAPITALIZATION GRANT)**

**WITH SUPPLEMENTAL INTENDED
USE PLANS**

**(FEDERAL FISCAL YEAR 2024 EMERGING CONTAMINANTS
CAPITALIZATION GRANT. LEAD SERVICE LINE REPLACEMENT
CAPITALIZATION GRANT, AND ADDITIONAL SUPPLEMENTAL
APPROPRIATIONS FOR DISASTER RELIEF ACT, 2019)**

and

The Water Quality, Supply, and Infrastructure Improvement Act of 2014
(Proposition 1)

and

The California Drought, Water, Parks, Climate, Coastal Protection, and
Outdoor Access for All Act of 2018
(Proposition 68) Guidelines

And

California Budget Act of 2021 General Fund Appropriations

**Approved By: State Water Resources Control Board
Approval Date: August 20, 2024 | Resolution No. 2024-0029**

TABLE OF CONTENTS

ES. EXECUTIVE SUMMARY	1
A. Notable Changes.....	1
B. Funding Program Outlook	1
C. Application Demand	4
D. Recent Financing Activity	5
I. INTRODUCTION	6
A. Authority	8
B. Past Achievements.....	8
C. Connections to Other Plans, Goals, and Programs.....	9
D. Federal and State Water Board Guidance.....	11
E. Drinking Water Financing Needs.....	12
F. Supplementary Definitions.....	13
II. FUNDING SOURCES AND APPROPRIATIONS	15
A. DWSRF Base and General Supplemental.....	15
B. State Bond Funds.....	16
C. State General Funds	17
D. BIL Lead Service Line Replacement	18
E. BIL Emerging Contaminants.....	18
F. ASADRA.....	18
G. Drinking Water Small Community Emergency Grant.....	18
III. GENERAL FUNDING APPROACH	20
A. General Project Funding Approach	20
B. Small Water System Reserve.....	23
C. Green Project Reserve	24
IV. DWSRF LOAN PROGRAM	25
A. Eligibility	25
B. Financing Terms.....	25
C. Recent Financing Activity	25
D. Financial Outlook.....	25
E. Fundable List and Demand	26
F. Match Financing Option.....	28
G. Future Financing Trends	28
H. DWSRF Loan Provisions.....	29

V.	DWSRF PF AND SMALL COMMUNITY GRANT	30
A.	Small Community Grant Drinking Water (SCG DW).....	30
B.	Eligibility Criteria.....	30
C.	MHI Determination	32
D.	Fundable List.....	33
E.	Financial Outlook.....	34
F.	Consolidation.....	34
G.	Advance Payment	38
H.	Future Financing Trends	38
VI.	EMERGING CONTAMINANTS AND PFAS	39
VII.	LSL REPLACEMENT	40
VIII.	GROUNDWATER GRANT PROGRAM	41
IX.	ASADRA	42
X.	RESOURCES AND WORKLOAD	43
A.	Organization, Program Resources, and Skills	43
B.	Servicing and Program Administration	44
C.	Administrative Funding.....	44
XI.	Risks & Oversight	46
XII.	SET-ASIDE ACTIVITIES	49
A.	Administration Set-Aside	49
B.	Small Water System Technical Assistance Set-Aside.....	50
C.	State Program Management Set-Aside.....	50
D.	Local Assistance Set-Aside.....	50
XIII.	FINANCING AND PROGRAMMATIC REQUIREMENTS	52
A.	Technical, Managerial and Financial (TMF) Capacity	52
B.	Cap Grant Payments and Draws.....	54
C.	2023 State Match Source and Proportionality Draw.....	55
D.	Application of Program Requirements and Federal Cross-Cutters.....	56
E.	State Cross-Cutters	58
F.	Federal Cross-Cutters	58
G.	Emergency Drinking Water Projects.....	61
H.	Capitalization Grant Conditions and Other Federal Requirements.....	61
I.	Other State and State Water Board Requirements	62
J.	Other Assurances and Certifications	63
K.	Cross-Collateralization	64

XIV. OUTCOMES, GOALS, ACTIVITIES, AND MEASURES	65
A. Prioritizing DWSRF Funds for Public Health Benefits	65
B. Managing the DWSRF Responsibly to Ensure Its Perpetuity	65
C. Ensuring Timely and Expeditious Use of DWSRF Funds	66
D. DWSRF Performance Metrics	67
E. Response to Climate Change.....	68
XV. SCHEDULE.....	69
XVI. ACRONYMS	70
XVII. APPENDICES	71
APPENDIX A: SFY 2024-2025 DWSRF Fundable List.....	72
APPENDIX B: SFY 2024-25 DWSRF Comprehensive List ¹	77
APPENDIX C: SFY 2024-25 DWSRF IUP Fiscal Impact Summary:	94
APPENDIX D: Planning Project Grant and PF for an Eligible PWS	95
APPENDIX E: Construction Project Grant and PF Limitations for an Eligible PWS ...	96
APPENDIX F: Tier II Environmental Review or CEQA Review	98
APPENDIX G: FFY 2024 Estimated Federal Capitalization Grant Cash Draw Schedule.....	100
APPENDIX H: Additional Supplemental Appropriations for Disaster Relief Act, 2019 (ASADRA) Supplemental Intended Use Plan.....	101
APPENDIX I: Lead Service Line Replacement Supplemental Intended Use Plan ..	101
APPENDIX J: Emerging Contaminants Supplemental Intended Use Plan	101
APPENDIX K: Congressionally Directed Spending for DWSRF ¹	102

ES. EXECUTIVE SUMMARY

The Drinking Water State Revolving Fund (DWSRF) program finances infrastructure improvements to mitigate drinking water risks and support the human right to water. This Intended Use Plan (IUP) describes the State Water Resources Control Board's (State Water Board) plan for implementing the DWSRF and its complementary financing programs for State Fiscal Year (SFY) 2024-25. This IUP also serves as guidelines for the State Water Board's administration of certain General Fund, Proposition 1, and Proposition 68 drinking water funds.

This Executive Summary is intended to provide a condensed overview of highlights and notable changes for SFY 2024-25.

A. Notable Changes

The SFY 2024-25 DWSRF IUP is similar to last year's DWSRF IUP. Impacts from the Bipartisan Infrastructure Law (BIL) remain similar and State Water Board staff continue to coordinate with the United States Environmental Protection Agency (U.S. EPA) on related program and project requirements.

Notable changes include:

- Build America Buy America and Single Audit Act requirements will apply only to equivalency projects
- Limit loans to \$50 million per project
- Revised principal forgiveness and grant funding eligible categories
- Increased maximum grant/principal forgiveness caps (Appendix E)
- Reduced the grant/principal forgiveness limits for Medium Disadvantaged Communities
- Revised consolidation incentives
- Increased maximum principal forgiveness/grant for emerging contaminant projects
- New IUP organization to improve readability

B. Funding Program Outlook

1. DWSRF

California's FFY 2024 DWSRF capitalization grant allotments are summarized below.

FFY 2024 Capitalization Grant	Loan	PF	Set-Asides	Total Cap Grant
Base Program	\$12,570,750	\$24,638,670	\$13,073,580	\$50,283,000
BIL General Supplemental	\$61,993,500	\$121,507,500	\$64,473,240	\$247,974,000
BIL Emerging Contaminants	\$0	\$60,996,720	\$21,431,280	\$82,428,000
BIL Lead Service Line Replacement	\$7,162,500	\$14,038,500	\$7,449,000	\$28,650,000

a. DWSRF Loan

The long-term sustainable repayable loan capacity for the DWSRF Base Program is established as \$300 million for SFY 2024-25. DFA staff evaluated 47 new project applications requesting over \$2 billion in funding for placement on the Fundable List. This Fundable List includes 17 new projects totaling \$379 million in repayable loan commitments, slightly higher than the funding target range (90% to 125% of the sustainable loan capacity).

New DWSRF repayable loan projects (not rollover projects) are limited to maximum loan of \$50 million.

The Project list for DWSRF General Supplemental is the same Fundable List (Appendix B) used for the DWSRF Base Program. The Fundable List contains projects requesting funding which exceeds the combined total of Base Program capitalization grant plus General Supplemental capitalization grant.

b. DWSRF Emerging Contaminants

SFY 2024-25 funding for projects addressing emerging contaminants includes DWSRF EC principal forgiveness and Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) grants. In addition to the DWSRF EC capitalization grant listed above, California is also applying for \$82,900,000 through EC-SDC for FFY 2024. Both funding sources are being administered through the DWSRF Emerging Contaminants Supplemental IUP in Appendix J.

The maximum principal forgiveness/grant amount for projects addressing emerging contaminants is increased to \$10 million per water system. The maximum funding limit may be higher if a project is eligible to follow limits established in the base DWSRF IUP.

c. DWSRF Lead Service Line Replacement

There is approximately \$279 million available from the FFY 2022 and 2023 LSLR capitalization grant allocations and \$73 million in funding applications. Since demand for funding exceeds fund availability, the State Water Board will not apply for the 2024 DWSRF LSLR capitalization grant this year. States have two years to apply for each capitalization grant and the period to use the funds do not begin until capitalization grants are received by the state. Program staff will continue to solicit interest in the LSLR program and plan to apply for the full allotment next fiscal year (SFY 2025-26 LSLR Supplemental IUP).

2. State Grants and DWSRF PF for Small and Expanded Small Disadvantaged Communities and Small Non-DACs

Small DACs, Expanded Small DACs, and Small Non-DACs with Category A-C projects and/or consolidation projects may be eligible for funds from state general obligation bonds or state general fund appropriations that are not used as state match for DWSRF capitalization grants (such funding will be referred to as "State Grants"), and for DWSRF PF, as described in Appendices D and E, depending on the requirements of the funding source. Current grant funding for drinking water projects is provided by Prop 1, Prop 68,

and the infrastructure grant appropriations under Item 3940-106-0001, Provision 1, of Section 2.00 of the state Budget Act of 2021 (2021 Budget Act Infrastructure Appropriation). The funding sources are sometimes interchangeable but are subject to different eligibility criteria and requirements. The State Water Board will allocate the most appropriate State Grant/PF funds for eligible projects with a complete application.

Estimated Available Grant/PF funds for SFY 2024-25

Funding Type	Total (Million)
PF (FFY 2024 Base Program and General Supplemental)	\$146
PF (previous cap grants)	\$51
Prop 1 grant	\$13
Prop 68 grant	\$46
2021 Budget Act Infrastructure Appropriation	\$0
Total	\$256

3. Safe and Affordable Drinking Water (SADW) Fund

The SADW Fund, which was established through Senate Bill 200 in July 2019, may also be used as a source of State Grant funding for eligible projects. Expenditures from the SADW Fund will be made consistent with the State Water Board’s larger SAFER program and associated annual FEP. The annual Fund Expenditure Plan (FEP) is intended to complement this IUP as SADW funds are used in combination with DWSRF and SCG DW to address similar goals. Eligibility considerations and requirements for capital projects funded via the SADW Fund will generally be consistent with the annual DWSRF IUP.

4. ASADRA funds

The State Water Board has approximately \$62 million available from the Additional Supplemental Appropriations for Disaster Relief Act of 2019 (ASADRA). The funds are available for use by the State Water Board to help any DWSRF-eligible entity that was damaged, demonstrates an impact, or had a loss or disruption of a mission-essential function, including loss of function where there was potential impact to public health, from calendar year 2018 wildfires.

DFA has received 3 project applications requesting the entire balance of funds. Funding agreements need to be executed this fiscal year in order to meet EPA deadlines. Additional information regarding the availability of and requirements associated with ASADRA funds can be found in the ASADRA Supplemental Intended Use Plan in Appendix H.

5. Groundwater Grant Program (GWGP)

GWGP funds may be available for projects benefiting PWS serving SDACs for drinking water treatment projects. Up to \$20.8 million in GWGP funds remain available for eligible projects that serve SDACs. DFA does not anticipate any GWGP funding to be

available for DAC projects. See the guidelines from the [State Water Board's GWGP webpage](#) for more information.

C. Application Demand

Demand on the DWSRF Base Program and complementary funding remains high. DFA has received 330 applications requesting approximately \$3.5 billion as of March 2024 for drinking water planning and construction projects.

DFA has received 55 applications requesting \$2.5 billion in repayable loan.

A majority of the applications received are for Small DACs, Expanded Small DACs/SDACs, and Small Non-DACs with Category A-C projects and/or consolidation projects.

Small and Expanded Small DACs, Small Non-DACs, and Consolidation Project Applications

Priority Ranking	Description	No. of Applications	Estimated Requested Funding
A	Immediate Health Risk	30	\$98,037,347
B	Untreated At-Risk Sources	9	\$19,664,803
C	Compliance or Shortage	103	\$498,029,349
D	Inadequate Reliability	36	\$84,831,108
E	Secondary Risks	18	\$93,261,573
F	Other Projects	81	\$226,173,784
Total		277	\$1,019,997,964

Of the 136 Category D-F applications submitted, 24 are for consolidation totaling \$123,346,918.

Of the 277 applications, 89 are considered complete (50 construction and 39 planning applications) and are requesting approximately \$400 million in funding.

Given the ongoing high demand on the DWSRF, the State Water Board will not be able to fund all projects currently requesting funding in SFY 2024-25. Applicants whose projects are not on the Fundable List are encouraged to evaluate all viable, alternative financing options for their projects considering any deadlines they must meet.

D. Recent Financing Activity

The table below shows recent financing from DWSRF and Complementary Financing Sources (includes DWSRF loan, DWSRF PF, and small community grant (Prop 1, Prop 68, General Fund) funding agreements).

Number of Executed Agreements and Total Financing per SFY

SFY	Number of Agreements	\$ of Agreements (in millions)
2019-20	50	\$195
2020-21	42	\$326
2021-22	57	\$986
2022-23	69	\$329
2023-24*	67	\$339

* The numbers for 2023-24 reflect agreements executed as of March 12, 2024.

I. INTRODUCTION

Clean, affordable, accessible, and safe water adequate for human consumption, cooking, and sanitary purposes is a human right¹, and is essential to health and well-being. The State Water Board's DDW and DFA work cooperatively to protect California's drinking water and help ensure that all Californians have access to clean, safe, accessible, and affordable drinking water through several regulatory and financial assistance programs.

The DWSRF program² finances infrastructure improvements to mitigate drinking water risks and support the human right to water. In accordance with federal rules, the DWSRF program generally prioritizes financing for projects that (1) address the most serious human health risks, (2) are necessary to comply with federal SDWA requirements and (3) assist public water systems (PWSs) most in need on a per household basis. The DWSRF program is also managed to ensure expeditious use of DWSRF funds and long-term financial strength for future generations.

This IUP contains elements required under federal law. The State Water Board will submit this IUP, and necessary Supplemental IUPs, as part of its application for the following FFY 2024 Capitalization Grants from U.S. EPA:

- DWSRF Base Program Funding
- DWSRF General Supplemental Funding
- DWSRF Emerging Contaminants Funding

The State of California also periodically appropriates funding to the State Water Board for programs or projects that help provide clean and safe drinking water, typically from the proceeds of general obligation bonds or general tax revenues, that can be used in combination with the DWSRF program. The State Water Board has issued revenue bonds to augment the DWSRF program.

The SFY 2024-25 IUP also serves as guidelines for the State Water Board's administration of Proposition 1 (Prop 1) and Proposition 68 (Prop 68) Drinking Water funds and as the Implementation Plan for the 2021 Budget Act Infrastructure Appropriation - in general referred to as the "Small Community Grant Drinking Water (SCG DW) funds."

This IUP outlines the funding and resources available for SFY 2024-25, the prioritization approach used to rank projects for DWSRF and SCG DW funding and describes the State Water Board's plans for using the FFY 2024 and prior Capitalization Grants (Base Program, General Supplemental, and Emerging Contaminants, LSLR, and ASADRA) from U.S. EPA, including a summary of applicable DWSRF federal requirements. The IUPs identify projects that the State Water Board anticipates financing in SFY 2024-25

¹ Wat. Code, § 106.3.

² See 42 U.S.C. § 300j-12 et seq., 40 C.F.R part 35, subpart L, and Health & Saf. Code, § 116760 et seq.

(Appendix A – the Base Program and General Supplemental Fundable List, Appendix J – Emerging Contaminants Fundable List, Appendix I – Lead Service Line Replacement Fundable List, and Appendix H – the ASADRA Fundable List), and forecasts the potential effect they would have on DWSRF cash flows and availability of SCG DW funds over the next several years. Projects that may be eligible for grant/PF under Appendices D and E, or eligible for consolidation incentive, will be added to the Fundable List after the Deputy Director deems the application initially complete. This includes projects that may be eligible for partial grant/PF and partial loan. Projects co-funded with funds administered through any supplemental IUP may be added to the Fundable List at the discretion of the Deputy Director after the Deputy Director deems the application initially complete. This IUP also describes the financing terms for SFY 2024-25, including special financing terms for Small DACs and Small SDACs. The Supplemental IUPs describe the financing terms applicable to their respective projects. Finally, this IUP details key aspects of the DWSRF program including short and long-term goals, associated performance metrics, and the methods used to achieve the DWSRF program’s goals and metrics.

Federal and State laws allow a portion of federal capitalization funds to be used for specified set-aside activities in addition to providing financial assistance to PWSs for infrastructure improvements. In summary, the State Water Board intends to use seventy-four percent (74%) of the 2024 Base Program Capitalization Grant and seventy-four percent (74%) of the 2024 General Supplemental Capitalization Grant for financing the planning, design, and construction of drinking water infrastructure projects. The remaining twenty-six percent (26%) of the 2024 Base Program and twenty-six percent (26%) of the General Supplemental Capitalization Grant will be reserved for set-aside activities. The State Water Board intends to use twenty-six percent (26%) from the Emerging Contaminants (EC) Supplemental Capitalization Grant for set-aside activities. Further details about the planned use of the set-asides can be found in Section XII of this IUP.

The terms and requirements of these IUPs take effect upon adoption and shall remain in effect until the State Water Board amends or updates the IUP or adopts the IUP(s) for the next SFY. The State Water Board may amend this IUP and the Supplemental IUPs only after the public and interested parties are given an opportunity to comment on the proposed amendments, except for non-substantive corrections, which may be made by the Deputy Director of DFA. Amendments to existing funding agreements may be based on the IUP that the project was funded under, or this IUP, at the discretion of the Deputy Director, subject to funding source requirements.

The Executive Director, or designee, may update stakeholders during SFY 2024-25 on DFA’s progress implementing this IUP and the Supplemental IUPs and the current capacity of the DWSRF and its complementary programs to provide financing to applicants.

Throughout this document, the Deputy Director of DFA has been authorized to perform actions. The Deputy Director of DFA also has authority to re-delegate any of those actions to a designee.

A. Authority

In 1996, the United States Congress and the President amended the SDWA to establish the DWSRF program nationally, based in part on the success of the CWSRF program. All 50 states and Puerto Rico are currently operating DWSRF programs. The total DWSRF program financing nationwide currently exceeds \$42 billion.

The federal DWSRF program provides each state the opportunity to establish a drinking water public health and infrastructure bank capitalized by federal and state funds. This capital along with its earnings is used to provide financial assistance to eligible applicants for a wide variety of drinking water planning and construction projects. The federal DWSRF program also authorizes states to provide TA to help PWSs solve their drinking water problems. States may offer a variety of financing options and customize terms to meet their drinking water public health needs. Financing options include loans, refinancing debt, purchasing or guaranteeing local debt, and purchasing bond insurance. Interest rates must be below the market rate. Repayment periods are generally the lesser of 30 years or the expected useful life of the financed asset and can be as long as 40 years for some communities. Federal statutes, regulations and appropriations, as well as California law, have also authorized “additional subsidy” in the form of grants, negative interest rates, and PF on a limited basis. Because PF has historically been the least difficult form of additional subsidy for California’s applicants to accept, state law has historically authorized PF in certain circumstances. Senate Bill 1188 (Regular Session, 2021-22), which became effective on January 1, 2023, expanded the State Water Board’s authority to provide additional subsidy to match the authority provided under federal law. The State Water Board is currently authorized to manage the DWSRF program pursuant to Chapter 4.5 of Part 12 of Division 104 of the Health and Safety Code, and does so in accordance with an [Operating Agreement](#) with the U.S. EPA, Region 9. The DFA, in cooperation with DDW, the Division of Administrative Services (DAS), and the Office of Chief Counsel (OCC), implements the DWSRF program in accordance with the Policy for Implementing the Drinking Water State Revolving Fund (DWSRF Policy) adopted by the State Water Board. References to the DWSRF Policy in this IUP and the supplemental IUPs refer to the DWSRF Policy dated December 3, 2019. If the DWSRF Policy is amended in the future, the amended provisions will apply to the extent specified in that document.

The Infrastructure Investment and Jobs Act, also referred to as the Bipartisan Infrastructure Law (BIL) appropriated \$30.7 billion over five years to DWSRF programs nationally. The BIL amended requirements of Safe Drinking Water Act (SDWA) applicable to all DWSRF programs and introduced additional requirements and provisions applicable to the BIL appropriations.

B. Past Achievements

California’s DWSRF has grown since financing its first project in 2000. California has executed more than \$4.5 billion in financial assistance agreements and annual repayments to the DWSRF are approximately \$118.5 million.

California's DWSRF program has funded a broad range of projects since its inception. Approximately eighty-five percent (85%) of California's funds have been for the benefit of large water systems, while approximately fifteen percent (15%) of DWSRF funds have been awarded to small water systems (SWSs). However, approximately sixty-nine percent (69%) of funded projects have been for the benefit of SWSs, while thirty-one percent (31%) of funded projects have been for the benefit of large water systems. California's DWSRF has also provided approximately \$621.6 million of PF to disadvantaged communities since 2000.

C. Connections to Other Plans, Goals, and Programs

1. Human Right to Water

In establishing the terms of this IUP, the State Water Board considered statewide policy set forth in section 106.3 of the Water Code. Specifically, subdivision (a) declares it is the established policy of the State that "every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes." Subdivision (b) requires the State Water Board to consider this state policy when "revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and criteria are pertinent to the uses of water." State Water Board [Resolution No. 2016-0010](#) adopted the human right to water as a core value and directed its implementation in Water Board programs and activities. This IUP, in addition to the SAFER Drinking Water program, directly supports this policy.

2. SADW and FEP

In July 2019, [Senate Bill 200](#) established the Safe and Affordable Drinking Water Fund (SADW Fund). The SADW Fund is one tool in the State Water Board's larger [Safe and Affordable Funding for Equity and Resilience \(SAFER\) Drinking Water program](#). The State Water Board administers the SAFER Drinking Water program primarily through DDW, DFA, and the Office of Public Participation (OPP). The SAFER Drinking Water program's goals are to provide safe drinking water in every California community, for every Californian. The Policy for Developing the Fund Expenditure Plan for the Safe and Affordable Drinking Water Fund (SADW Policy) was adopted by the State Water Board on May 5, 2020. The SADW Policy establishes the State Water Board's direction on how the FEP will be developed and implemented. The SADW Fund will be used in combination with the DWSRF program to complement the State Water Board's existing suite of financial assistance programs.

The SADW Fund may be used for various types of assistance for PWS, state small water systems, and domestic wells with demonstrated failure or risk of failure, including but not limited to projects that: (1) provide interim access to safe water sources; (2) contract or provide a grant to an administrator to address or prevent failure to provide safe and affordable drinking water; (3) improve water delivery infrastructure; (4) provide TA; (5) consolidate systems; and (6) fund operation and maintenance for disadvantaged and low-income communities.

3. Safe Drinking Water Act

U.S. EPA, in cooperation with the State, has designated the State Water Board as the “primacy agency” to implement and enforce the federal SDWA. As the state primacy agency, the State Water Board, through DDW, regulates more than 7,500 PWSs located throughout the State. To assist in this effort, through DDW, the State Water Board has also delegated its primacy authority to 27 local health departments, known as local primacy agencies (LPA), to regulate PWSs serving less than 200 service connections. The State Water Board also promotes safe and reliable drinking water through drought preparedness and water conservation measures; promoting water recycling projects; certifying drinking water treatment and distribution operators; supporting and promoting water system security; providing for small water system technical assistance (SWSTA) and mandating minimum standards for PWS technical, managerial, and financial (TMF) capacity.

4. Program Goals

The DWSRF program supports the [U.S. EPA Strategic Plan](#) Goal 5 (Ensure Clean and Safe Water for All Communities), Objective 5.1: Ensure Safe Drinking Water and Reliable Water Infrastructure – “Project public health from the risk of exposure to regulated and emerging contaminants in drinking and source waters by improving the reliability, accessibility, and resilience of the nation’s water infrastructure to reduce the impacts of climate change, structural deterioration, and cyber threats.” Specifically, California established and is managing the DWSRF to provide affordable financing and other types of assistance to water systems to finance the cost of infrastructure projects to achieve or maintain compliance with SDWA requirements.

The DWSRF program supports the four goals of the [Water Resilience Portfolio](#) (July 2020): maintain and diversify water supplies; protect and enhance natural ecosystems; build connections and be prepared. The State Water Board is tasked as the responsible agency for 17 actions of which 8 actions require direct involvement from DFA.

Additionally, the DWSRF program supports the State Water Board [Resolution No. 2017-0012](#), which was adopted on March 7, 2017 to establish a comprehensive and robust response to climate change that will support California’s ongoing climate leadership.

Similarly, U.S. EPA confirmed in recent years that DWSRF funds may be awarded to projects that address “green” infrastructure, water and energy efficiency improvements, or other environmentally innovative activities. In response to Resolution No. 2017-0012, as well as the “green” objectives of U.S. EPA, the State Water Board will continue to prioritize Green Project Reserve (GPR) projects including, but are not limited to, ones that reduce water losses and energy consumption, reduce the environmental footprint of water treatment and distribution, help utilities adapt to climate change, adopt more sustainable solutions, and promote innovative approaches to water conservation and source protection, as long as they meet all DWSRF criteria and requirements.

The DWSRF program and its project priority approach also support the Governor’s [Executive Order B-40-17](#) of April 7, 2017, which states, “The Water Board and [the Department of Water Resources] shall continue to direct actions to minimize water system leaks that waste large amounts of water. The State Water Board, after funding projects to address health and safety, shall use loans from the [DWSRF] to prioritize local projects that reduce leaks and other water system losses”.

The DWSRF program supports the State Water Board’s combined [Clean Water and Drinking Water Capacity Development Strategy](#). With DWSRF set-aside funds as well as leveraging DWSRF planning and infrastructure financing, the DWSRF program and this IUP support the following strategic goals of the combined Clean Water and Drinking Water Capacity Development Strategy:

- Strategic Goal 1 - Use available resources to continuously improve the Capacity Development program
- Strategic Goal 2 - Identify systems with low TMF capacity
- Strategic Goal 3 - Assist water systems identified in Goal 2 to improve their TMF and if they are in violation, return to compliance
- Strategic Goal 4 – Ensure all new systems, systems changing ownership and systems using public funds to construct projects have TMF capacity to remain sustainable into the foreseeable future
- Strategic Goal 5 –Strengthen existing and foster new partnerships with federal, state, local governmental entities, environmental justice organizations, local non-profits and drinking water organizations
- Strategic Goal 6 – Provide a system of technical assistance and training for operators, managers and board members to ensure that drinking water provided by public drinking water systems is consistently safe

In 2017, the Drinking Water Capacity Development program, as required by the Safe Drinking Water Act, was moved from DFA to DDW, but both divisions play a role in supporting the Board’s capacity development goals.

D. Federal and State Water Board Guidance

The State Water Board will continue to implement the DWSRF consistent with applicable state and federal statutes, regulations, and policies. These include, but are not limited to:

- [The DWSRF Policy](#);
- [The Operating Agreement between the State Water Board and U.S. EPA](#);
- [The Clean Water and Drinking Water State Revolving Funds Debt Management Policy](#) (CWSRF/DWSRF Debt Management Policy) and agreements related to outstanding revenue bonds;
- [The Clean Water and Drinking Water Capacity Development Strategy](#) (Capacity Development Strategy);
- [U.S. EPA Interpretive Guidance regarding the DWSRF](#);

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- U.S. EPA’s October 23, 2019, Memorandum “[Award of State Revolving Funds Appropriated by the ‘Additional Supplemental Appropriations for Disaster Relief Act, 2019’](#)”;
 - U.S. EPA’s February 23, 2021, Memorandum “[Reallotment of FY 2019 ASADRA SRF Funds](#)”;
 - [U.S. EPA guidance](#) regarding Implementation of the CW and DWSRF Provisions of the Bipartisan Infrastructure Law
 - DWSRF regulations, including the general grant regulations at 40 C.F.R. part 200
 - Any additional federal requirements in the 2024 budget appropriation, the 2024 Capitalization Grant Agreement, and/or guidance from U.S. EPA. The State Water Board will operate its complementary financing programs in accordance with any requirements applicable thereto.

E. Drinking Water Financing Needs

Based on the [7th Drinking Water Infrastructure Needs Survey and Assessment \(DWINSA\) Fact Sheet](#), California needs approximately \$83.5 billion over the next 20 years to adequately fund drinking water infrastructure. The DWINSA is to be conducted every four years and results are used to determine allotment of capitalization grants for state DWSRF programs. The 2021 DWINSA began in January 2021 and California completed its assessment on 182 large and medium water systems selected by U.S. EPA in February 2022. The detailed report on the 2021 or 7th DWINSA report to Congress is posted at U.S. EPA website.

In 2018, the Legislature appropriated \$3 million to the State Water Board to perform a statewide safe and affordable drinking water needs analysis (Needs Analysis). In July 2018, the State Water Board’s DDW used this allocation to enter into a service contract with the University of California, Los Angeles and multiple subcontractors to do the following:

- 1) Identify PWSs in violation and at risk of failure, including the development of an interactive geographic information systems (GIS) map;
- 2) Identify state small water systems and domestic wells with known or high risk of unsafe water, including interactive GIS map; and
- 3) Develop a cost analysis for interim and long-term solutions.

The [2022 Drinking Water Needs Assessment](#) was released in May 2022 and will continue to be updated on an annual basis. Section XI.B. of the [SADW Policy](#) further defines the above three elements of the Needs Analysis with up to date information available online at:

https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/needs.html.

F. Supplementary Definitions

Unless otherwise defined below, the definitions in the DWSRF Policy apply to funding under this IUP.

1. If a single facility with a large residential population that does not pay drinking water rates and is reasonably isolated and divisible from the larger community, such as a prison, contributes significantly to the population of the community, the Deputy Director has discretion to determine it is appropriate to exclude that facility's population in determining population for the purposes of funding eligibility.
2. "Consolidation" means joining two or more Public Water Systems, State Small Water Systems, or affected residences into a single Public Water System. For the purposes of funding eligibility under this IUP, consolidations can also include projects that will achieve the following: provision of water via a master meter agreement where the Subsumed Water System is no longer separately permitted, or managerial consolidation where separate water system permits may still exist upon completion of the project. The term "consolidation" does not include the provision of water via an interconnection where the water systems will continue to operate under separate PWS permits.
3. For the purposes of DWSRF funding, "Disadvantaged Community" means the entire service area of a Community Water System, or a community therein, in which the Median Household Income (MHI) is less than 80 percent of the statewide annual MHI (Health & Saf. Code, §§ 116275, 116760.20). For the purposes of State Grant funding, "Disadvantaged Community" means a community with an annual MHI that is less than 80 percent of the statewide annual MHI (Wat. Code, §§ 79702, 79705.5.). In general, the entire water system service area will be used or, for a consolidation or extension of service project, the Subsumed Water System's entire service area or the community that will be connected will be used to determine grant/PF eligibility.
4. "Expanded Small Disadvantaged Community" or "Expanded Small DAC" means a Disadvantaged Community with a population more than 10,000 persons but no more than 20,000 persons, or more than 3,300 service connections but no more than 6,600 service connections.
5. "Large Community Water System" or "Large CWS" means a CWS that serves more than 30,000 service connections or a yearlong population of more than 100,000 persons.
6. For the purposes of DWSRF funding, except for LSLR funding, "Median Household Income" or "MHI" shall be defined as in the DWSRF Policy. The LSLR Supplemental IUP in Appendix I defines "Median Household Income" or "MHI" for the purposes of any projects administered through the LSLR Supplemental IUP. For other funding sources, "Median Household Income" or "MHI" means the household income that represents the median value for the area benefiting from the project.

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7. "Medium Community Water System" or "Medium CWS" means a CWS that serves more than 6,600 service connections but no more than 30,000 service connections; or a yearlong population of more than 20,000 persons but no more than 100,000 persons.
 8. "Medium Disadvantaged Community" or "Medium DAC" means a Disadvantaged Community with a population more than 20,000 but no more than 100,000 people, or more than 6,600 service connections but no more than 30,000 connections.
 9. "Multifamily Residential" means a classification of housing where multiple separate housing units for residential inhabitants are contained within one building, such as a duplex or apartment building.
 10. "Native American Tribe" means a federally recognized Indian tribe, or a State Indian tribe listed on the Native American Heritage Commission's California Tribal Consultation List.
 11. "Non-transient Non-Community Water System" or "NTNC" means a Public Water System that is not a Community Water System and that regularly serves at least 25 of the same persons over six months per year.
 12. "Receiving Water System" means the Public Water System that provides service to a Subsumed Water System through consolidation.
 13. "Small Disadvantaged Community" or "Small DAC" means a Disadvantaged Community with a population no more than 10,000 persons, or no more than 3,300 service connections.
 14. "Small Non-Disadvantaged Community" or "Small Non-DAC" means a community with a population no more than 10,000 persons, or no more than 3,300 service connections, and with an MHI greater than or equal to 80 percent of the statewide annual MHI.
 15. "Small Severely Disadvantaged Community" or "Small SDAC" means a community with a population no more than 10,000 persons, or no more than 3,300 service connections, and whose MHI is less than 60 percent of the statewide average MHI.
 16. "State Grant" means a grant administered under this IUP funded by state general obligation bonds or state general fund appropriations that is not used as state match for a DWSRF capitalization grant.
 17. "State Small Water System" means a system for the provision of piped water to the public for human consumption that serves at least five, but not more than 14, service connections and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days out of the year.
 18. "Subsumed Water System" means the Public Water System consolidated into or receiving service from the Receiving Water System.

II. FUNDING SOURCES AND APPROPRIATIONS

The funds available to fund drinking water projects generally consist of:

- Capitalization Grants from U.S. EPA, potentially including PF;
- State bond funds;
- Repayments of DWSRF principal and interest on past loans and investment earnings;
- Proceeds from revenue bond sales secured by past DWSRF loans and approved by the State Water Board;
- SADW Fund (generally administered via the SADW Fund Expenditure Plan rather than the DWSRF IUPs); and
- State general fund allocations, including the 2021 Budget Act Infrastructure appropriation.

A. DWSRF Base and General Supplemental

Table 1: FFY 2024 Capitalization Grant Breakdown

FFY 2024 Capitalization Grant	Loan	PF	Set-Asides	Total Cap Grant
Base Program	\$12,570,750	\$24,638,670	\$13,073,580	\$50,283,000
General Supplemental (appropriated by BIL)	\$61,993,500	\$121,507,500	\$64,473,240	\$247,974,000
Total	\$74,564,250	\$146,146,170	\$77,546,820	\$298,257,000

1. DWSRF Base

Based on the adoption of the federal budget for FFY 2024, the 2024 Base Program Capitalization Grant is estimated to be \$50,283,000, of which \$37.2 million will be available for project funding and the remainder \$13 million reserved for set-asides.

2. DWSRF General Supplemental

The BIL appropriated \$11.7 billion over five years to DWSRF General Supplemental funding. California is eligible to apply for and receive \$247,974,000 in FFY 2024 as part of the DWSRF General Supplemental funding. The DWSRF General Supplemental funds are available to any DWSRF eligible project and forty-nine percent (49%) will be committed as principal forgiveness to disadvantaged communities, in accordance with any requirements set forth in the DWSRF General Supplemental capitalization grant. Seventy four percent or \$183.5 million will be available for project funding and the remainder \$64.5 million reserved for set-asides.

3. DWSRF Additional Subsidy (PF)

The SDWA allows states to award up to 35 percent (35%) of the federal capitalization grants (and not less than twelve percent (12%), assuming there are sufficient applications) as “additional subsidy” to PWSs serving disadvantaged communities in the form of PF, negative interest rates, or grants. As with the FFY 2023 DWSRF Capitalization Grant, the FFY 2024 Capitalization Grant is expected to require states to provide an additional 14 percent (14%) of the capitalization grant as Additional Subsidy to eligible projects/recipients.

The State Water Board will provide the maximum Additional Subsidy allowed by the FFY 2024 Base Program Capitalization Grant and the mandated 49% Additional Subsidy from the FFY 2024 General Supplemental Capitalization Grant.

Based on the FFY 2024 capitalization grant, the Additional Subsidy for the Base Program will be approximately \$24.6 million. The BIL mandates that forty-nine percent (49%) of General Supplemental Funding be provided as PF to disadvantaged communities, which equates to approximately \$121.5 million. Any prior year Additional Subsidy will also be committed to fund eligible projects.

B. State Bond Funds

1. Prop 1 grant

[Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 \(Assembly Bill 1471, Rendon\)](#) authorized \$7.545 billion in general obligation bonds for water projects including surface and groundwater storage, ecosystem and watershed protection and restoration, and drinking water protection. Section 79724 of Prop 1 allocated \$260 million for drinking water grants and loans for PWS infrastructure improvements and related actions to meet safe drinking water standards, to ensure affordable drinking water, or both.

2. Prop 68 grant

[Proposition 68, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 \(Senate Bill 5, De León\)](#) authorizes \$4 billion in general obligation bonds for water projects including surface and groundwater storage, ecosystem and watershed protection and restoration, and drinking water protection. Section 80140 of Prop 68 allocates \$220 million for drinking water and clean water grants and loans for PWS infrastructure improvements and related actions to improve water quality or help provide clean, safe, and reliable drinking water.

3. Groundwater Grant Program

Chapter 10 of Prop 1 provided \$670 million to the State Water Board for grants for projects to prevent or clean up the contamination of groundwater that serves or has served as a source of drinking water. In accordance with the GWGP Guidelines, some of the GWGP funds may be available for drinking water treatment projects that treat groundwater for direct potable use benefiting PWS serving DACs and SDACs. Projects generally address regional contamination, ongoing discharge, or naturally elevated levels of the contaminant.

The SCG DW funds from Prop 1 and Prop 68, as well as any funds remaining from Props 13, 50, 84 and future state funds, will be administered consistent with this IUP and the DWSRF Policy to the extent allowed by federal regulations and state law. The joint administration of the DWSRF and SCG DW funds allows the State Water Board to leverage the low-interest and PF financing available through the DWSRF program with additional subsidies provided through state bond funds.

As of SFY 2017-18 all Prop 1 drinking water funds were substantially committed to eligible projects. If existing encumbrances of Prop 1 funds are de-obligated because projects are completed under budget, then these funds will be made available to eligible projects consistent with State budget authority. See Table 2 below for Prop 1 and Prop

68 fund appropriations and uncommitted balances.

**Table 2: Status of SCG DW Bond Funds
As of March 28, 2024**

Source	Enactment Year	Appropriation* (in Millions)	Uncommitted (in Millions)	Encumbrance End Date	Liquidation End Date
Prop 1 DW	2014-15	\$67.5	\$0	6/30/2024	6/30/2026
Prop 1 DW	2015-16	\$174.3	\$7.2	6/30/2024	6/30/2026
Prop 68 DW	2018-19	\$62.2	\$0	6/30/2024	6/30/2026
Prop 68 DW	2019-20	\$169.0	\$56.1	6/30/2025	6/30/2027

*Includes projects serving as state match for the DWSRF and administration of Prop 1 funds.

C. State General Funds

1. 2021 Budget Act Infrastructure Appropriation

The Budget Act of 2021 (Senate Bill 129 and Senate Bill 170) appropriated \$1.55 billion to the State Water Board in item 3940-106-0001. The budget bill specified that \$650 million was for drinking water projects, with priority given to disadvantaged communities. Up to five percent of the funds may be used for State Water Board administrative costs. Due to a reversion of appropriated drinking water and wastewater funds back to the General Fund, as outlined in item 3940-495-110 of the state Budget Act of 2023 (Assembly Bill 102), the 2021 Budget Act Infrastructure Appropriation funding for drinking water projects has been reduced by \$50 million.

Up to ten percent may be utilized for TA and capacity building in DACs. Certain SRF requirements may not apply to projects receiving 2021 Budget Act Infrastructure Appropriation funding. Applicable requirements depend in part on whether the projects are designated as state match for DWSRF funding.

The Deputy Director of DFA has authority to direct 2021 Budget Act Infrastructure Appropriation grant funds, not to exceed the ten percent (10%) maximum specified for the appropriation, to qualified TA providers to support DACs, and in doing so has the authority to apply relevant programmatic requirements from the SADW FEP as appropriate, such as those regarding eligibility of indirect costs.

The 2021 Budget Act Infrastructure Appropriation grant funds may also be directed to eligible uses outlined in the SADW FEP to the extent authorized in the SADW FEP.

2. DWSRF State Match

The Deputy Director was authorized at the March 15, 2022 Board meeting to use some of 2021 Budget Act Infrastructure Appropriation funds to meet DWSRF State Match needs. AB 180 (Chapter 44, Statutes of 2022) amended the Budget Act of 2021 and authorized an additional \$400 million for the state share of the CWSRF and DWSRF, consistent with existing law. The funds may be expended for project costs incurred by funding recipients in fiscal years prior to enactment of the Budget Act. The funding provided is available for expenditure until June 30, 2027. The Deputy Director of DFA is also authorized to determine the appropriate allocation of the additional funds appropriated by AB 180 between the CWSRF and DWSRF. The Deputy Director allocated \$170 million and \$230 million to be used as State Match for the CWSRF and DWSRF programs respectively.

D. BIL Lead Service Line Replacement

California is eligible to apply for and receive \$28,650,000 as part of the FFY 2024 DWSRF LSLR Funding, appropriated by the BIL; allotments are based on the results of the 2021 DWINSA. The funds are available to DWSRF eligible projects which identify and replace lead pipes and fixtures. 49% will be committed as principal forgiveness for disadvantaged communities.

E. BIL Emerging Contaminants

California is eligible to apply for and receive \$82,428,000 as part of the FFY 2024 DWSRF Emerging Contaminants Funding, appropriated by the BIL; allotments are based on the results of the 2021 DWINSA. The funds are available to DWSRF eligible projects which address emerging contaminants, with a focus on PFAS. One hundred percent (100%) of the funds other than set-asides will be committed as principal forgiveness, with at least twenty-five percent (25%) directed towards disadvantaged communities or PWS serving fewer than 25,000 persons.

The BIL also includes a total of \$5 billion in FFY 2022-2026 for the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) grant program, which focuses on addressing EC, including PFAS, in drinking water served by public water systems in small (less than 10,000 population) or disadvantaged communities (DAC). California is eligible to apply for and receive approximately \$82,900,000 for FFY 2024. The combined FFY 2022 and FFY 2023 EC-SDC grant to California was \$169,115,000.

F. ASADRA

California has received \$51,974,515 in supplemental DWSRF funds from ASADRA. The funds are available to help any DWSRF-eligible entity that was damaged, demonstrates an impact, or had a loss or disruption of a mission-essential function, including loss of function where there was potential impact to public health, from specifically identified calendar year 2018 disasters.

G. Drinking Water Small Community Emergency Grant

The State Water Board may apply a DWSCEG charge as a charge-in-lieu of interest³ to any eligible DWSRF repayable financing in an amount not to exceed the standard interest rate of the financing. Once the charge is applied to an agreement, the rate shall remain unchanged for the duration of the agreement, unless the Deputy Director of DFA determines any of the following:

- The DWSCEG charge is no longer consistent with federal requirements regarding the DWSRF; or
- The DWSCEG charge is no longer necessary; or

³ Like the administrative service charge (see Section X.C.), the DWSCEG charge is also a fee “other than program income not included as principal in DWSRF financing” for federal purposes. The DWSCEG charge is collected, as is the administrative service charge, in-lieu of an equal amount of interest that would otherwise be due on the outstanding balance of the financing agreement so that the annual payment stays the same.

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- The DWSCEG charge is negatively affecting DFA's ability to fund projects that support the State Water Board's goals.

The revenue generated by this charge shall be deposited into the DWSCEG Fund and used for Small SDAC and Small DAC drinking water projects after SCG DW and DWSRF PF funds are fully encumbered.

The State Water Board did not have any DWSCEG available during SFY 2023-24 and is not currently collecting a DWSCEG charge on any active projects.

The State Water Board may apply the DWSCEG charge to eligible loans in SFY 2024-25 subject to the availability of eligible loans and any projected demand for grant funding that exceeds all other available funding sources. If applied to an eligible loan, then the DWSCEG charge will be set so that it does not jeopardize the long-term growth of the DWSRF, the State Water Board's ability to leverage the DWSRF, or the State Water Board's ability to collect sufficient revenue to administer the DWSRF.

III. GENERAL FUNDING APPROACH

A. General Project Funding Approach

1. Comprehensive List

California’s drinking water infrastructure needs exceed \$80 billion over the next 20 years. The DWSRF’s capacity to fund this is likely less than \$10 billion over the same period given the existing capitalization and estimated future capitalization based on historic capitalization from the federal and state governments. This year’s Comprehensive List (Appendix B), which identifies PWSs seeking financial assistance for specific drinking water infrastructure projects, includes applications totaling more than \$3.5 billion.

The Comprehensive List includes all funding requests submitted to the State Water Board as of March 2024 and is used to identify projects potentially eligible for the Base and General Supplemental Fundable List. Placement of a project on the Comprehensive List does not constitute a commitment to provide financing. DFA may periodically post an updated Comprehensive List on the DWSRF website that will include all projects eligible for grant/PF under Appendices D and E, and all consolidation incentive projects, for which applications were received by the State Water Board after the development of this IUP. A summary of the total funding requested is shown in Table 3 and Table 4.

**Table 3: SFY 2024-25 DWSRF Grant/PF Comprehensive List
Funding Request Summary by Priority Ranking**

Priority Ranking	Description	No. of Applications	Estimated Requested Funding
A	Immediate Health Risk	30	\$98,037,347
B	Untreated At-Risk Sources	9	\$19,664,803
C	Compliance or Shortage	103	\$496,629,349
D	Inadequate Reliability	36	\$84,831,108
E	Secondary Risks	18	\$93,261,573
F	Other Projects	81	\$226,173,784
Total Grant/PF Requests		277	\$1,018,597,965

Of the 135 Category D-F applications submitted, 23 are for consolidation totaling \$122,846,918.

**Table 4: SFY 2024-25 DWSRF Repayable Comprehensive List
Funding Request Summary by Priority Ranking**

Priority Ranking	Description	No. of Applications	Estimated Requested Funding
A	Immediate Health Risk	0	\$0
B	Untreated At-Risk Sources	0	\$0
C	Compliance or Shortage	1	\$10,400,000
D	Inadequate Reliability	4	\$42,755,000
E	Secondary Risks	6	\$77,650,000
F	Other Projects	44	\$2,399,040,888
Total Repayable Loan Requests		55	\$2,529,845,888

2. Fundable List

This IUP updates the DWSRF Fundable List (Appendix A), which serves the DWSRF Base Program and DWSRF General Supplemental funding. The Fundable List is a subset of the Comprehensive List and represents those projects that the Deputy Director of DFA may approve for funding, provided the projects meet all eligibility requirements. The State Water Board’s goal is to execute agreements for all eligible projects on this IUP’s Fundable List for which there is an appropriate funding source by June 30, 2025. No guarantee can be given that all projects on the Fundable List will receive an executed agreement or that the agreement will be executed by June 30, 2025.

Projects are added to the Fundable List in two ways:

1. Projects that may be eligible for grant/PF under Appendices D and E, or eligible for consolidation incentive, will be added to the Fundable List after the Deputy Director deems the application initially complete. This includes projects that may be eligible for partial grant/PF and partial loan. Projects co-funded with funds administered through any supplemental IUP may be added to the Fundable List at the discretion of the Deputy Director after the Deputy Director deems the application initially complete.
2. For all other applications, projects expected to receive a financing agreement in SFY 2024-25 are placed on the Fundable List based on funding priorities in the next section.

Per section VI of the DWSRF Policy, the Deputy Director of DFA may bypass a project on the Fundable List if it is determined that the project is not ready to proceed to financing and the Deputy Director may add a project from the Comprehensive List to the Fundable List if (a) the project is expected to proceed to financing and (b) the aggregate funding amount is consistent with the funding capacities determined in this IUP. Expedited Drinking Water Grant projects may be funded without being designated on a Fundable List as fundable under DWSRF due to the differences in application requirements.

3. Funding Priorities

A primary goal of the State Water Board is to use the DWSRF program and its associated state funding sources to provide drinking water project financing that

(1) addresses the most serious human health risks, (2) is necessary to comply with the SDWA, and (3) assists the PWSs most in need on a per household basis. To meet this goal, the State Water Board will use the DWSRF and its complementary and supplementary funds timely and expeditiously and manage the available funding responsibly.

The State Water Board's drinking water funding priorities will stress helping Small SDACs and Small DACs solve their drinking water problems. In particular, available SCG DW funds, DWSRF PF funds, and Drinking Water Small Community Emergency Grant (DWSCEG) funds will be prioritized to address the most serious health risks for these communities. The State Water Board also directs DFA to manage the DWSRF program so that sufficient funds are available under all circumstances to meet the repayable financing needs of Small SDACs and Small DACs for drinking water projects.

Without restricting the approach described in these IUPs, the Executive Director (or designee), should update the State Water Board members and the public at State Water Board meetings or by other appropriate communications regarding the finances of the DWSRF and its complementary and supplementary financing sources. They should also recommend appropriate adjustments to these IUPs or other changes in policy or procedure necessary to achieve the maximum drinking water benefit in California.

4. Application Review

Applications for the DWSRF program and associated funding are accepted on a continuous basis. After DFA receives a complete application, a detailed technical, environmental, legal, and financial review is conducted to determine the applicant's eligibility for DWSRF and associated drinking water funding and to evaluate whether the project, once funded, is sustainable and will be operated and maintained for its useful life.

The DWSRF Policy and this IUP set forth the review process that the State Water Board undertakes to assess the credit and financial capacity of applicants, in order to evaluate the ability of the applicants to operate and maintain the funded projects over the useful life, as well as to repay borrowed DWSRF monies. For non-repayable planning and certain consolidation project funding, DFA may undertake an alternative financial capacity review, consistent with the statutory and other legal requirements for the funding source to be used (see section XIII.A.3).

The State Water Board will conduct environmental reviews of projects as described in Appendix F.

Eligible projects are added to the Fundable List as applications are completed and approved in accordance with the applicable federal and state rules and requirements, including the DWSRF Policy⁴ and this IUP. The online portal to submit an application for the DWSRF and its associated drinking water funding sources can be found at: <https://faast.waterboards.ca.gov/>.

⁴ For projects with a primary purpose of connecting state small water systems and domestic wells, it can be challenging to get binding commitments to participate from households in the absence of final funding information which informs final costs to the

The State Water Board will consider the requirements associated with all available sources of funds, and pair available funds with projects to achieve the maximum drinking water benefits. In order to provide the best funding package for an applicant, DFA will combine funding sources where appropriate. This includes the use of PF and grant funds, reduced interest rates, match financing, other state sources of funds appropriated to the State Water Board, and other state and federal funding sources managed by other agencies to the extent they are available and compatible with the State Water Board's funding to maximize the financing of drinking water projects.

5. Revenue Bonds

The Deputy Director of DFA is authorized to initiate the process to sell revenue bonds. The Deputy Director of DFA is also authorized to regulate project commitment levels, loan increases, or cash disbursement levels, suspend project approvals, or do some combination of these actions to ensure prior commitments are fulfilled. A detailed financial analysis is described in Section IV.

In addition, repayable financing will generally be consistent with the requirements of the DWSRF program's Master Trust Indenture and associated bond documents to ensure compliance with the U.S. Securities and Exchange Commission, Internal Revenue Service, and Municipal Securities Rulemaking Board (MSRB) rules and regulations and ensure that all DWSRF revenue bonds are secure and repaid in full and on time.

6. Disbursement Priorities

The State Water Board's disbursement priorities for the DWSRF program will be:

- Liquidating revenue bond proceeds, if available during the effective period of this IUP;
- Liquidating any available state match funds at a rate sufficient to access and liquidate federal capitalization funds timely and expeditiously;
- Liquidating capitalization grants once awarded; and
- Liquidating repayments and investment earnings.

B. Small Water System Reserve

Federal rules require that at least 15 percent (15%) of the assistance from the DWSRF shall be available solely for providing assistance to public water systems that serve less than 10,000 people to the extent that funds can be obligated for eligible projects for these public water systems (Small Water System Reserve). Based on the current DWSRF long-term loan capacity of approximately \$300 million, the minimum that must be reserved for SWSs is approximately \$45 million. Regardless of the minimum federal funding requirements for SWSs, the State Water Board will prioritize DWSRF funding for eligible SWSs that are ready to proceed to a funding agreement, to the maximum extent practicable, bearing in mind all other federal and State requirements regarding the prioritization of DWSRF funding. The State Water Board anticipates that the 15%

households. For such projects that are expected to be funded with the 2021 Budget Act Infrastructure Appropriation, the Deputy Director of DFA is authorized to provide a preliminary commitment of funds prior to application completion. Such commitments will include necessary conditions, including but not limited to, conditions regarding required household participation to receive the funds and deadlines to complete the application.

Small Water System Reserve will be maintained as more SWSs are ready to proceed to a funding agreement in this FY.

C. Green Project Reserve

Like prior years' capitalization grants, the FFY 2024 Capitalization Grant may provide for an optional reserve of DWSRF funds for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities (Green Project Reserve). While DWSRF funding is to be prioritized first for "ready-to proceed" projects that address risks to human health and ensure compliance with safe drinking water standards, the State Water Board also acknowledges the importance of the Green Project Reserves. Other Green Project Reserve (GPR) projects may include, but are not limited to, ones that reduce water losses and energy consumption, reduce the environmental footprint of water treatment and distribution, help utilities adapt to climate change, adopt more sustainable solutions, and promote innovative approaches to water conservation and source protection, as long as they meet all DWSRF criteria and requirements.

IV. DWSRF LOAN PROGRAM

A. Eligibility

The Policy for Implementing the Drinking Water State Revolving Fund addresses the project categories and costs eligible for DWSRF assistance. Projects on the Fundable List that are not eligible to receive PF/grant may receive repayable loan.

B. Financing Terms

The standard interest rate for repayable planning and construction financing is 50 percent (50%) of California's average general obligation bond rate obtained by the State Treasurer for the previous calendar year.

C. Recent Financing Activity

From the previous 5 years (up until March 1, 2024), the State Water Board has provided the following financing through the DWSRF repayable financing.

Table 5: Recent DWSRF Repayable Financing Agreements

SFY	Number of Agreements	\$ of Agreements (in millions)
2019-20	8	\$125
2020-21	11	\$257
2021-22	13	\$846
2022-23	3	\$19
2023-24	5	\$125

D. Financial Outlook

The DWSRF Base Program has been the existing DWSRF program in operation since 1996. The DWSRF Base Program's funding capacity is based, in part, on estimated capitalization grants from future annual federal budget appropriations and the General Supplemental ("any eligible project") BIL appropriations. The recent DWINSAs resulted in an increase to California's individual state allotment formula, impacting both the Base Program and General Supplemental capitalization grant amounts (approximately 10.79% of DWSRF allotment, increased from 8.82% previously).

Appendix C shows the forecasted cash flow of the DWSRF program as of April 2024. Except for capitalization grants, the future cash flow of the DWSRF program can be predicted with reasonable certainty. The estimated cash flow includes:

- The cash balance at the beginning of SFY 2023 (July 1, 2023);
- U.S. EPA capitalization grants (realized and estimated);
- Principal and interest payments on outstanding receivables;
- Investment earnings;
- Matching funds;
- Disbursements to projects with executed financing agreements; and
- Debt service payments.

1. DWSRF Sustainable Loan Capacity

Consistent with the DWSRF Policy, DFA has re-evaluated the lending capacity of the DWSRF. Given current capitalization and debt levels, and assuming conservative future capitalization, loan terms and earnings levels, and bond and coverage terms, the DWSRF can operate at an estimated sustainable repayable loan level of approximately \$300 million per year. The capacity is the amount of new lending that could be done per year with the existing loan pool and new loans pledged to potential bonds. The annual repayable loan capacity is a level amount that could be originated each year for the next 20 years. The DWSRF, therefore, for SFY 2024-25 will utilize a funding target range of 90% to 125% of the \$300 million annual repayable loan capacity.

2. Loan Capacity Calculation and Assumptions

The DWSRF's Municipal Advisor, in cooperation with DFA, ran several different scenarios to gauge the possible effects on the DWSRF's lending capacity from the BIL supplemental appropriations, potential higher future annual appropriations as authorized by the BIL, potential lower future annual appropriations due to congressionally directed spending of future annual appropriations, different match sources and the maximization of principal forgiveness authority. The potential capacity changes ranged from a low of about \$220 to as high as about \$375 in lending capacity over the next few years. The more liberal assumptions are contingent on Congress annually appropriating the maximum authorized for the DWSRF and approximately \$230 million in General Fund match and capitalization provided through the 2021 State Budget Act, as modified by the 2022 and 2023 State Budget Acts, and the maximization of principal forgiveness. The more conservative assumptions are based on receiving the BIL supplemental appropriations plus limited annual base program capitalization grants similar to the DWSRF's 2022 and 2023 base program capitalization grants. The more conservative assumptions still include approximately \$230 million in General Fund match and capitalization provided through the State Budget Acts and the maximization of principal forgiveness.

There is no guarantee that Congress will appropriate the maximum authorized for the DWSRF, as seen in the FFY 2022 and 2023 base program capitalization grant level. The FFY 2022 and 2023 grants are lower than previous grants due to congressionally directed spending for specific projects. Appendix K lists the projects identified through congressionally directed spending to be administered by U.S. EPA. If these congressional choices continue in the future, it could result in grants that are significantly smaller than what is authorized by the BIL and smaller even than historic base program grant levels. If congressionally directed spending continues beyond 2026, when BIL appropriations cease, it would result in significantly reduced capitalization, impacting the DWSRF's long-term lending capacity.

E. Fundable List and Demand

This IUP establishes a Fundable List (Appendix A) of projects as provided in the DWSRF Policy. The Fundable and Comprehensive Lists in Appendix A and B primarily serve the DWSRF Base Program and DWSRF General Supplemental funding.

The Fundable List was developed from applications in process⁵ as of March 2024 and includes those projects that the State Water Board believes will achieve the most favorable drinking water results in California with the financial and programmatic resources available to the DWSRF and its complementary financing programs. To the maximum extent practicable, priority for funding and placement on the Fundable List is given to projects based on DWSRF statutory priorities. Table 6 shows a summary of repayable funding requested by system size and type of project.

**Table 6: DWSRF Repayable Loan Fundable List Summary
by System Size and Project Financing Type**

Summary	Projected Number of Projects	Rollover Project Loan Amount	Estimated DWSRF New Project Loan Amount	Projected Total Loan Amount
Small Water System Planning	0	\$0	\$0	\$0
Medium Water System Planning	0	\$0	\$0	\$0
Large Water System Planning	0	\$0	\$0	\$0
Small Water System Construction	5	\$24,686,000	\$15,129,300	\$39,815,300
Medium Water System Construction	12	\$114,136,231	\$157,760,000	\$271,896,231
Large Water System Construction	8	\$284,691,810	\$205,920,000	\$490,611,810
TOTAL	25	\$423,514,041	\$378,809,300	\$802,323,341

The DWSRF Loan Fundable List includes both planning and construction projects. There are 25 projects from non-disadvantaged PWSs or medium and large PWSs on the Fundable List for a total request of approximately \$802 million in repayable financing. Of these 25, 8 projects (\$424 million) are rollover commitments with a funding decision in progress and are already incorporated into the DWSRF Program capacity model used to annually confirm the sustainable loan capacity. Therefore, the amount of new repayable financing commitments for SFY 2024-25 is \$379 million, higher than the sustainable loan capacity of \$300 million, but consistent with the target range of 90% to 125% of the sustainable loan capacity. The Fundable List projects are described in Appendix A.

⁵ “In process” means that some portion of the [DWSRF application](#) was submitted to the State Water Board.

The DWSRF repayable loan funds are limited to \$50 million maximum for each new project on this Fundable List. The total for each project on the Fundable List may be allocated or reallocated to other Fundable List projects at the request of the applicant as long as the total estimated repayable DWSRF loan funding does not exceed \$100 million for the combined projects on the Fundable List per entity. The funding maximums in this paragraph do not apply to rollover projects, and do not include any financing provided as a consolidation incentive or under any supplemental IUP. Each of the applicants on the Fundable List recommended for partial funding appears capable of obtaining the remaining financing necessary to successfully complete the projects.

The Deputy Director is directed to evaluate the potential impacts of rising construction costs and the DWSRF's ability to finance requests for higher loan amounts for existing loan projects before approving loan increases, approving new loans on the Fundable List, or bypassing projects to add new loan projects to the Fundable List. The Deputy Director should prioritize use of the repayable loan capacity for potential cost increases on previously funded loans rather than adding new loan projects. Amendments to existing funding agreements may be based on the IUP that the project was funded under, or this IUP, at the discretion of the Deputy Director.

F. Match Financing Option

California is required to contribute to the DWSRF at least one dollar of matching funds for every five federal dollars contributed to the program. Offering match financing in accordance with Section VII of the [DWSRF Policy](#), where the applicant provides the funds to match the federal grants, is one way California meets the match requirement.

The State Water Board may offer local match financing to eligible DWSRF program applicants in accordance with Section VII of the DWSRF Policy. The State Water Board will generally use the state's contribution ratio, i.e., one matching dollar for every five federal dollars, for each participating project. If the current interest rate makes a local match loan at the state's contribution ratio uncompetitive, the Deputy Director of DFA may lower the contribution ratio on any given project so that the imputed interest rate is competitive with the standard DWSRF interest rate for construction financing.

G. Future Financing Trends

Given the significant influx of state and federal infrastructure funding, the State Water Board can fund additional projects with the DWSRF program and its complementary and supplementary funding sources. The ability of the DWSRF program to leverage current assets remains underutilized and the State Water Board continues to emphasize projects that are "ready-to-proceed to a financing agreement."

If the State Water Board is successful at making a substantial portion of the commitments on the recommended SFY 2024-25 Fundable List, additional capital through the sale of DWSRF debt may be required. DFA will continue to evaluate the need for additional debt relative to average long-term funding levels and the State Water Board's direction in the *SRF Debt Management Policy*.

H. DWSRF Loan Provisions

Changes to the general provisions applicable to repayable financing projects in SFY 2024-25 are as follows.

Equivalency, Build America, Buy America (BABA), and Single Audit Act

Each fiscal year, the State Water Board is required to report a number of DWSRF financing agreements whose total dollar amount equals the amount of the federal DWSRF capitalization grants in order to satisfy federal rules. These reported financing agreements are referred to as “equivalency projects”. BABA and Single Audit Act requirements only apply to these equivalency projects.

In July 2023, U.S. EPA clarified that funding received by equivalency projects is considered to be federal funding and recipients of these funds must comply with Single Audit Act requirements.

On November 13, 2023, U.S. EPA amended the SRF Design Planning Waiver to the BABA requirements, stating that the waiver applies to projects receiving funds appropriated in Fiscal Year 2022 and 2023, which means the Design Planning Waiver will no longer apply to projects receiving DWSRF funding appropriated in or after FFY 2024.

The State Water Board has identified this year’s equivalency projects on the Fundable List (Appendix A). These projects will need to comply with BABA and Single Audit Act requirements, as well as other equivalency requirements. Equivalency projects were selected based on the following priority, until the necessary equivalent dollar amount was met:

1. Projects that have received or have applied for federal co-funding that are also subject to BABA requirements.
2. Projects for non-DAC communities. If not all projects need to be selected to meet equivalency requirements, projects with the largest estimated DWSRF funding amounts will be selected first.
3. If multiple projects have the same estimated DWSRF funding amounts, but not all these projects need to be selected as equivalency, the projects whose applicant communities are the largest will be selected.
4. If all projects described above are insufficient to meet equivalency requirements, DAC projects may be selected as equivalency projects.

Additional effort will also be required during SFY 2024-25 to administer BABA requirements. More information regarding BABA requirements is discussed in section XIII.F.7.

V. DWSRF PF AND SMALL COMMUNITY GRANT

A. Small Community Grant Drinking Water (SCG DW)

The Office of Sustainable Water Solutions provides low interest loans and PF through the DWSRF program and grants through the Small Community Grant Drinking Water (SCG DW) program including the 2021 Budget Act Infrastructure Appropriation, and the Safe and Affordable Drinking Water Fund, utilizing state and federal funds. The Office administers the funds consistent with this IUP and the DWSRF Policy, including any amendments thereto, to the extent allowed by federal regulations and state law and consistent with the conditions and limitations in Appendices D and E. Additionally, some SCG DW funds will be administered to projects consistent with the new [Expedited Drinking Water Grant \(EDWG\) funding program](#). Guidelines for this new program were adopted by the State Water Board in March of 2023. The EDWG funding program targets specific high priority, grant-eligible projects for a new streamlined application process to enable the State Water Board to commit funds to projects more quickly.

B. Eligibility Criteria

The State Water Board will provide funding for the planning, design, and construction of eligible drinking water improvements to publicly and privately-owned CWS and non-profit, non-community water systems. Certain state funding may also be provided to eligible entities to undertake projects on behalf of a PWS. Eligible planning, preliminary engineering studies, environmental review, project design, and construction costs are described in the [DWSRF Policy](#), Sections X.B. and XI.B. An eligible applicant may apply solely for planning funding with the option to later apply for construction funding. An eligible applicant may also apply for construction funding with the option to be reimbursed for eligible planning costs as part of the construction financing agreement.

Grant/PF funding will be limited to systems or households experiencing serious drinking water public health issues (Category A-C) and consolidation projects. Grant/PF criteria for eligible projects serving Small DACs/SDACs, Expanded Small DACs/SDACs, and Small Non-DACs are described in Appendices D and E.

1. Subsidized Planning Financing

Eligible small CWSs (SCWSs) serving a Small DAC/SDAC, eligible not for profit NTNCs serving a Small DAC/SDAC, and eligible PWSs consolidating with Small DACs/SDACs may receive grant/PF for a planning project in accordance with Appendix D. Repayable financing may also be made available to fund a planning project. The Deputy Director of DFA may approve planning grants/PF for small, non-DAC Category A-C and/or consolidation projects for good cause to the extent authorized under state law.

2. Subsidized Construction Financing

The following PWSs may be eligible for reduced interest rates, PF, grant, or a combination of PF and grant for a construction project in accordance with the terms in

Appendix E, to the extent consistent with state and federal law.⁶

1. A SCWS serving a Small DAC, a Small SDAC, or a Small Non-DAC with a MHI of less than 150% of the statewide MHI.
2. A NTNC that serves a Small DAC or a Small SDAC, if the system serves solely the following:
 - a public K-12 school⁷; and/or
 - a not-for profit K-12 private school; and/or
 - a not-for-profit daycare facility, and/or
 - a not-for profit labor camp; and/or
 - a not-for-profit elder care facility; and/or
 - a not-for-profit health care facility

Grant/PF funds will only be awarded to an eligible not-for-profit NTNC to the extent the NTNC cannot afford the full cost of repayable financing. With the exception of a PWS owned by a public school district, the current operating budget shall be evaluated when determining an eligible NTNC's ability to afford repayable financing. As stated in the DWSRF Policy, an eligible PWS owned by a public school district is deemed to have no ability to repay any financing and is eligible for 100% grant/PF, subject to all other eligibility rules and requirements. To determine the equivalent service connections for a school, the total number of staff and students is divided by 3.3. In the case of oversubscription, grant/PF may be limited to Title I schools. In the case of multifamily residential properties served by a single connection, the single connection can be treated as multiple service connections for the purposes of calculating grant eligibility, based on the number of households or housing units within the building or complex.

3. A PWS that is consolidating or extending service to a Small DAC, an Expanded Small DAC, or a Small Non-DAC with a MHI of less than 150% of the statewide MHI.
4. An Expanded SCWS that serves a DAC or SDAC.

See Appendix E for limitations. The Prop 1 and Prop 68 Drinking Water local cost share is reduced for a SCWS, Expanded SCWS, or a NTNC that serves a Small DAC or Expanded Small DAC and a PWS extending service to these types of communities in accordance with Appendices D and E.

In evaluating project eligibility, DFA will consider any relevant contamination-related settlement funds or other sources of funds for the project, including those related to

⁶ Eligibility for non-repayable financing varies depending on funding source. To the extent permitted by funding source, the categories below include systems owned by Native American Tribes.

⁷ Notwithstanding the definition of "not-for-profit" in the DWSRF Policy, NTNCs owned by public schools are deemed to be not-for-profit and may be eligible for PF/grant if authorized under the funding source.

PFAS or 1,2,3- Trichloropropane (1,2,3-TCP), when determining grant/PF eligibility. Pending or unrestricted funds must be allocated in accordance with the terms of any funding agreement with the State Water Board.

Non-repayable funding will generally be limited to project components necessary for the Category A-C issue, or for the consolidation.

Eligible planning projects may receive 100% grant/PF or be funded through TA, depending on the requirements of the funding source.

Funding for work on private property generally will be subject to the following limits, in addition to other applicable eligibility criteria, including those set forth in this IUP and those required by the applicable funding source. Work on the property of a for-profit mobile home park generally will not be eligible for grant/PF if the mobile home park is a non-DAC. Work on the private property of individual homes generally will not be eligible for grant/PF if the individual homes are located in a community that is a non-DAC. If available MHI data for the community does not appear representative for some or all of the households served by the project, household income verification may be required.

CPUC-regulated entities, and work on the private property of CPUC-regulated entities, will only be eligible for funding if the applicable CPUC rules⁸ and all other eligibility criteria are satisfied.

Amendments to existing funding agreements may be based on the IUP that the project was funded under, or this IUP, at the discretion of the Deputy Director, subject to funding source requirements. In general, changes to scope and cost increases for lower priority projects will not be approved unless the cost increase is due to higher construction costs at time of bidding (no change in the approved scope).

C. MHI Determination

In general, the MHI determination for a CWS will be based on the entire permitted service area of the CWS. The MHI is determined using the Census geography that best represents the community (i.e., city/Census Designated Place [CDP] or block group). DFA utilizes the American Community Survey (ACS) data set to determine the MHI of a community. ACS data is updated annually using a five-year rolling average. New ACS data is utilized by DFA as of April 1st of each year. If the MHI cannot be determined due to unavailable ACS data or the available data is not considered representative based on consultation with DDW or Regional Board staff, an income survey may be conducted. An impartial third party must conduct an income survey in accordance with the current Multiagency Income Survey Guidelines.

⁸ Entities regulated by the California Public Utilities Commission (CPUC) must comply with CPUC rules governing the receipt and use of state grant funds, including but not limited to rules that (i) limit enrichment of the owners by excluding PF and grant funded assets from the fair market value of the system in the case of a transfer, and (ii) ensure that PF and grant funds benefit rate payers by excluding PF and grant funded assets from the rate base.

A NTNC owned by a K-12 public school district is deemed to serve a severely disadvantaged community because the primary users are minor students. Minors generally have incomes below 60 percent (60%) of the statewide MHI. All other eligible NTNCs and the MHI of the small community they serve will be evaluated on a case-by-case basis based upon the intended customer base.

For a consolidation including the extension of water service by a PWS to a small community not currently being served by a PWS, for purposes of providing reduced interest rates and PF, the MHI of the PWS extending service/the Receiving Water System or the community receiving service/Subsumed Water System may be considered, consistent with statutory requirements. Grant eligibility for state small water systems or individual residences may be determined based on the best fit block group, an income survey, individual household certifications, or a combination thereof.

If a project will benefit a system that has industrial/commercial connections that account for greater than ten percent of the total water consumption, then grant/PF funding may be reduced for costs attributable to industrial/commercial use. In addition, project components that are solely for industrial/commercial use (e.g., water meters at an industrial/commercial facility) generally are not grant/PF eligible. On a case-by-case basis, the Deputy Director of DFA may approve grant/PF for industrial/commercial connections for consolidation projects for good cause. Individual project components such as water meters or private laterals that benefit individual facilities such as the following are not considered industrial/commercial connections and, therefore, may be eligible for grant/PF: a public K-12 school, a not-for-profit K-12 private school, a not-for-profit daycare facility, a not-for-profit labor camp, a not-for-profit elder care facility, a not-for-profit health care facility, or a not-for-profit facility serving a tribe.

D. Fundable List

All projects that may be eligible for grant/PF under Appendices D and E or for consolidation incentive are added to the Fundable List after the Deputy Director deems the application initially complete. The State Water Board acknowledges that the grant/PF applications currently exceed the estimated balance of grant/PF funds; therefore, staff resources and grant/PF funding will be prioritized for eligible Category A-C projects or consolidation projects for Small DACs, and based on the completeness of their application and their readiness to proceed to a funding agreement.

If a potentially grant/PF eligible project is not on the Comprehensive List at the time this IUP is approved by the State Water Board, it will be added automatically to the Comprehensive List when the applicant starts an application. The State Water Board will periodically post an updated Fundable List for public review on the DWSRF website. This posting will identify all projects on the Fundable List, including all projects that may be eligible for grant/PF under Appendices D and E or for consolidation incentive, for which complete applications were received by DFA.

E. Financial Outlook

Table 7: Estimated Available Grant/PF funds for SFY 2024-25

Funding Type	Total (Million)
PF (FFY 2024 Base Program and General Supplemental)	\$146
PF (previous cap grants)	\$51
Prop 1 grant	\$13
Prop 68 grant	\$46
2021 Budget Act Infrastructure Appropriation	\$0
Total	\$256

F. Consolidation

It is the intent of the State Water Board to promote consolidation where appropriate and feasible, especially among SCWS serving DACs. Many SCWSs struggle to meet minimum state and federal requirements to provide safe and reliable drinking water. Due to their smaller scale and limited resources, SCWSs face many TMF challenges and have difficulty maintaining long-term compliance. Infrastructure projects are increasingly costly, the technical complexity of compliance grows, and economic constraints are especially onerous for these systems. Consolidation is a promising solution to many difficulties faced by SCWSs, particularly when confronted with compliance-related problems or depleted water sources. To support consolidation, DFA, in coordination with DDW, will continue to emphasize consolidation opportunities by providing project financing and TA. Funding available through DFA can act as a key incentive for consolidation projects, even when other approaches such as mandatory consolidation orders are not applicable.

Consolidation projects are eligible for up to one hundred percent (100%) grant/PF funding, regardless of project category, as provided in Appendices D and E if they meet funding source requirements and the subsumed system is an eligible type as specified in Appendices D and E. Consolidation projects where the Subsumed System is already receiving water from the Receiving Water System via a master meter connection will generally be considered lower priority. To the extent that the Receiving Water System requires infrastructure improvements (e.g., pipelines, storage tank, new well, treatment) for the consolidation, those improvements may be eligible for 100% grant/PF. Funding for reasonable connection fees and constructed facilities for the consolidation that will be owned and operated by the Receiving Water System are eligible for up to one hundred percent (100%) grant/PF. The Deputy Director of DFA may reduce or limit reimbursement of connection fees if such infrastructure improvements, that provide capacity for the new service connections, are being funded with grant/PF. For other

work that is occurring on private property⁹, please reference the Subsidized Construction Financing Section for grant/PF eligibility.

Exceptions to grant eligibility may apply if the total cost per connection for specific households is significantly higher than others in the community being consolidated, for example because there is a larger individual property with an exceptionally long lateral or a higher connection fee required.

DFA will continue to require that all funding applicants evaluate the feasibility of consolidation to be eligible for the DWSRF construction funding. If planning funding is being provided to a SCWS, DFA may also require a consolidation assessment prior to reimbursement of other planning activities under the planning funding agreement. For SCWS applicants proximal to another community water system within 1.5 miles, the feasibility assessment or study shall include a consolidation assessment with an analysis of consolidation alternatives, including estimates of consolidation costs. For SCWS applicants proximal to another community water system at a distance greater than 1.5 miles, DFA may determine that a consolidation assessment is necessary. The consolidation assessment shall also include an assessment of the cost-effectiveness of consolidation over at least a period of 30-years and the impact to ratepayers.

If the applicant determines consolidation is infeasible, the applicant will be required to discuss the reasons supporting that determination. If consolidation is determined to be feasible and the most sustainable solution by DFA based on the consolidation assessment or other supplemental factors, DFA may provide grant/PF for the applicable consolidation project only, and not any alternative to consolidation. Loan funding may be available for alternative projects when consolidation is determined to be feasible but is not the preferred solution identified by the applicant. There may be unique cases where DFA approves grant/PF funding for a non-consolidation improvement project on a case-by-case basis, if that project is necessary to address a high priority issue while consolidation is evaluated and implemented, and either of the following applies: (1) the improvements included in the project would be necessary and continue to operate as part of the identified future consolidation opportunities; or (2) the project or a key portion of the project is identified as consistent with, and approved for funding consistent with, the Urgent Drinking Water Needs approach outlined in the FEP, and funding source requirements are met. Examples of high priority issues that such projects might address include: a chronic water quality issue that cannot generally be mitigated with short-term, interim solutions (e.g., brown water that cannot be used to wash clothes; an imminent threat of tank failure, that requires immediate action to avoid a risk to public health and safety).

⁹ Work on private property, including laterals, well and tank destruction, backflow prevention, risers, hydrants, master or individual meters, and distribution pipes, may be eligible for one hundred percent (100%) grant/PF if deemed necessary for consolidation and if the entity meets the eligibility requirements. If recipients do not own or have authority over project components located on private property, such as these components, the Deputy Director or Assistant Deputy Director has the discretion to determine whether recipients are required to ensure the operation and maintenance of such components, notwithstanding footnote 3 of the DWSRF Policy (Dec. 3, 2019).

Consolidation projects will be prioritized for DWSRF and associated drinking water funding. Consolidation projects are eligible for one hundred percent (100%) grant/PF funding, regardless of project category, but will be prioritized based on their public health ranking. Funding limits are described in Appendices D and E. As part of a consolidation project, reasonable and necessary connection fees or source capacity fees may be eligible for grant/PF. If a Receiving Water System does not have sufficient capacity to serve the additional customers of the Subsumed Water System, grant/PF funding may be available to increase a Receiving Water System's water supply capacity. The Deputy Director of DFA may approve grant funding for necessary improvements to recently consolidated systems for good cause.

To encourage the consolidation of PWSs, the State Water Board may continue to offer incentives to Receiving Water Systems in exchange for completing a consolidation (Consolidation Incentives). The project that solely benefits a Receiving Water System is an Incentive Project. Incentive Projects must be eligible; criteria depend on the funding source. The Consolidation Incentives DFA is authorized to offer a Receiving Water System for their Incentive Project include, but are not limited to¹⁰:

- A PWS completes a full physical consolidation of an existing PWS(s) (where the Subsumed Water System is no longer separately permitted) or a community (at least 15 year-round residential service connections or a year-round population of at least 25 people) not currently served by a PWS.
 - Maximum of \$10 million in zero percent (0%) interest rate financing per consolidated community/water system from available sources for planning or construction of an Incentive Project (maximum of \$50 million over a 5-year period); and/or
 - Maximum of \$1 million grant/PF per consolidated community/water system. Grant/PF funding for planning or construction of an Incentive Project of up to \$3,000 per connection¹¹ when consolidating a community water system that does not qualify as a Small DAC, \$5,000 per connection when consolidating a community/water system that qualifies as a small DAC, or up to \$10,000 per connection when consolidating a community/water system that qualifies as a Small SDAC. Any incentive grant/PF will not count towards the grant/PF cap for that community over a 5-year period.
- Maximum of \$2 million in zero percent (0%) interest rate financing for an Incentive Project when a PWS managerially consolidates (where separate water system permits still exist).

¹⁰ The Deputy Director of DFA has the discretion to apply consolidation incentive limitations from the 2023-24 DWSRF IUP, adopted July 18, 2023, to projects with a complete consolidation application and either a [DWSRF General Application Package](#) or [Urgent Drinking Water Needs \(UDWN\) Application](#) for the incentive project submitted to DFA before adoption of this IUP.

¹¹ For all Consolidation Incentives, available Consolidation Incentive grant/PF funding is based on the number of residential connections in the Subsumed Water System or the community that will be connected.

The Consolidation Incentive may be applied to one or more eligible projects chosen by a Receiving Water System and approved by DFA. The Receiving Water System may apply for planning financing to develop their Incentive Project. Incentive Project financing may be combined with other financing options, including SADW, to fund an Incentive Project. Consolidation Incentives may include, but are not limited to, planning or construction for infrastructure improvements to mitigate drinking water risks and support the human right to water and/or refinancing existing loans to the extent allowed by applicable statutes. The subsidized financing for the Incentive Project is in addition to any subsidized financing for the associated Consolidation project.

When determining the amount of incentive funding that a Receiving Water System may be eligible for, DFA will consider the following:

- Type of community that was consolidated:
 - DAC, SDAC or Non-DAC.
 - Failing, at-risk, or not at-risk.
 - Technical, managerial, or financial issues that may be a challenge for the Receiving Water System to take over.
- The scope of the consolidation project:
 - Subsumed Water System already receiving water via a master meter, but now will be individual customers of the Receiving Water System.
 - The amount of infrastructure that was needed to complete the consolidation project and the funding already received.
 - The amount of outreach and coordination that was needed to consolidate (public outreach, LAFCo, CPUC, etc.).
 - Upgrades to the Receiving Water System already included in the consolidation project (new wells, treatment, distribution system replacement, etc.).
- The project cost for the incentive project compared to the project cost for the consolidation project (ideally not much higher than the consolidation project).

Additional criteria and application requirements for the Consolidation Incentive include:

- The Receiving Water System must be a voluntary participant in the consolidation project. Consolidation Incentive will not be available to Receiving Water Systems completing a [mandatory consolidation](#), unless the Deputy Director of DFA approves a case-by-case exception for good cause.
- The Receiving Water System must not be an entity consolidating two or more systems it already owns. Such cases may qualify for project funding consistent with Appendices D and E, but the entity is not additionally eligible for consolidation incentive.
- The Receiving Water System should submit, at minimum, a [DWSRF General Application Package](#) or [Urgent Drinking Water Needs \(UDWN\) Application](#) for the Incentive Project(s) to DFA before completion of the associated consolidation project(s), or Subsumed System acquisition (if DFA is not funding the consolidation).

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- The DWSRF or UDWN application must indicate that it is for an Incentive Project associated with a specific consolidation project or group of consolidation projects.
 - The Receiving Water System must complete and submit a full DWSRF or UDWN application for the Incentive Project(s) within one year of completion of the associated consolidation project, or Subsumed System acquisition (if DFA is not funding the consolidation). The Deputy Director of DFA is authorized to allow additional time for good cause. Receiving systems that have implemented or are implementing a consolidation that does not include a DFA-funded consolidation project may be eligible for Consolidation Incentive at the discretion of the Deputy Director of DFA, but these Incentive Project(s) will generally be considered a low priority, and must meet above-described application deadlines tied to the date of Subsumed System acquisition.
 - In the case where the consolidation project has been designed to include the Incentive Project, then up to \$10 million in zero percent (0%) funding shall apply to the portion of costs that are part of the Incentive Project. The consolidation project may also receive up to \$500,000 grant/PF funding towards the Incentive Project as described above. The remaining costs associated with the consolidation project shall be funded in accordance with the general project financing terms discussed in this IUP. For example, the Receiving Water System may choose to replace some of its distribution system pipeline at the same time as the consolidation project. If the distribution system replacement that solely benefits the Receiving Water System is estimated to cost \$15 million, then that portion of the project may receive up to \$500,000 incentive grant/PF (depending on the community that is being consolidated) and up to \$10 million in zero percent (0%) financing per consolidated community/water system.

G. Advance Payment

Proposition 1 and Proposition 68 authorize up to 25 percent (25%) of a grant to be awarded in advance of actual expenditures. (Wat. Code, § 79724, subd. (a)(1) and Pub. Resources Code, §§ 80030, 80140, subd. (a).) An advance payment program may be established and approved by the Deputy Director of the DFA and be posted to the DFA webpage at a later date.

H. Future Financing Trends

Because significantly lower levels of grants/PF will be available in SFY 2024-25, it will be necessary to prioritize the requests for this funding. PF is expected to continue to be available from the capitalization grants. Therefore, DFA and DDW will continue to prioritize projects receiving grant/PF funds based on projects addressing the most pressing public health risks and readiness to proceed to a financing agreement.

VI. EMERGING CONTAMINANTS AND PFAS

California is eligible to apply for and receive \$82,428,000 as part of the DWSRF Emerging Contaminants Funding, appropriated by the BIL; allotments are based on the results of the 2021 DWINSA. The funds are available to DWSRF eligible projects which address emerging contaminants, with a focus on PFAS. One hundred percent (100%) of the funds other than set-asides will be committed as principal forgiveness, with at least twenty-five percent (25%) directed towards disadvantaged communities or PWS serving fewer than 25,000 persons.

The BIL also includes a total of \$5 billion in FFY 2022-2026 for the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) grant program, which focuses on addressing EC, including PFAS, in drinking water served by public water systems in small (less than 10,000 population) or disadvantaged communities (DAC). California is eligible to apply for and receive approximately \$82,900,000 for FFY 2024. The combined FFY 2022 and FFY 2023 EC-SDC grant to California was \$169,115,000.

Additional information regarding the availability of and requirements associated with emerging contaminants funding can be found in the DWSRF Emerging Contaminants Supplemental Intended Use Plan in Appendix J, along with the Emerging Contaminants Fundable List. The Emerging Contaminants Fundable List was developed from applications submitted by eligible water systems for projects whose primary purpose is to address emerging contaminants. The Emerging Contaminants Supplemental IUP describes the State Water Board's approach for soliciting projects and committing the BIL Emerging Contaminants funds.

Appendices D, E, and F do not apply to the DWSRF Emerging Contaminants and EC-SDC funding.

VII. LSL REPLACEMENT

California is eligible to apply for and receive \$28,650,000 as part of the DWSRF LSLR Funding, appropriated by the BIL; allotments are based on the results of the 2021 DWINSAs. The funds are available to DWSRF eligible projects which identify and replace lead pipes and fixtures. 49% will be committed as principal forgiveness for disadvantaged communities.

The State Water Resources Control Board will not apply for FFY 2024 Lead Service Line Replacement (LSLR) Capitalization Grant this year, based on existing available funding and current application demand.

Additional information regarding the availability of and requirements associated with DWSRF LSLR funding can be found in the DWSRF Lead Service Line Replacement Supplemental Intended Use Plan in Appendix I, along with the Lead Service Line Fundable Lists. The LSLR Fundable Lists were developed from known water systems with potential lead service lines and applications received. The LSLR Supplemental IUP describes the State Water Board's approach for soliciting projects and committing the BIL Lead Service Line Replacement funds.

Appendices D, E, and F do not apply to the LSLR funding.

VIII. GROUNDWATER GRANT PROGRAM

Chapter 10 of Prop 1 provided \$670 million to the State Water Board for grants for projects to prevent or clean up the contamination of groundwater that serves or has served as a source of drinking water. In accordance with the GWGP Guidelines, some of the GWGP funds may be available for drinking water treatment projects that treat groundwater for direct potable use benefiting PWS serving DACs and SDACs. Projects generally address regional contamination, ongoing discharge, or naturally elevated levels of the contaminant. GWGP funds will be administered consistent with Appendices D and E, except that: (1) GWGP funds may be available for projects benefiting SDACs regardless of water rates, and for DACs with water rates greater than or equal to one and five tenths percent (1.5%) of MHI, regardless of the community size, and (2) GWGP grant limits will be as provided in Appendices D and E, but are in addition to the maximum grant or principal forgiveness awarded from other funding sources through the DWSRF/SCG DW. No local match is required. \$20.8 million in GWGP funds remain available specifically for eligible SDAC projects, although some of these funds may be allocated to wastewater projects administered through the CWSRF program. DFA does not anticipate any GWGP funding to be available for DAC projects. DFA staff will coordinate with applicants to determine if projects meet the applicable requirements for GWGP funds. Applicants are advised to review the [Groundwater Grant Program Guidelines](#), which were updated in May 2023, for more information.

IX. ASADRA

California has approximately \$62 million in supplemental DWSRF funds available from ASADRA. The funds are available to help any DWSRF-eligible entity that was damaged, demonstrates an impact, or had a loss or disruption of a mission-essential function, including loss of function where there was potential impact to public health, from specifically identified calendar year 2018 disasters.

Appended to this IUP is a supplemental ASADRA IUP (Appendix H), which describes the opportunities to use ASADRA funds and the additional requirements associated with the funds. The ASADRA Fundable List has an estimated total of \$62 million in requested financing for ASADRA loan and principal forgiveness.

X. RESOURCES AND WORKLOAD

A. Organization, Program Resources, and Skills

Approximately 72.5 Personnel Years (PY) are budgeted for the DWSRF Program¹² in SFY 2024-25 and the number of positions is not expected to change substantially. These positions are distributed between DFA, the Office of Chief Counsel (OCC) and the Office of Communications as follows:

- 3.2 PYs for Environmental Scientists to ensure compliance with state and federal environmental and cultural resources requirements (DFA);
- 39.6PYs for Water Resources Control Engineers and Sanitary Engineers to manage project applications (DFA), and provide technical assistance, with approximately 18.1 PYs dedicated primarily to processing applications from SDACs and DACs and providing associated technical assistance¹³;
- 14.5 PYs for administrative support (DFA);
- PYs for Program management and staff oversight (DFA);
- 0.7 PYs for development and implementation of public-facing communication strategies;
- 3.7 PYs for legal support (OCC); and
- 6.8 PYs for other environmental and engineering support of project eligibility reviews

Additional indirect cost support is provided by accounting, information technology, personnel, budget, and contract support staff in the Division of Administrative Services.

The DWSRF program relies on some contracted services that (i) cannot be provided economically by Water Boards staff, (ii) require skills not available in the State Water Boards, or (iii) require independence from the DWSRF program. Approximately \$400,000 is budgeted for the following contract services:

- Independent accounting firm for annual audits;
- Vendor to provide maintenance for the Loans and Grants Tracking System (LGTS); and

¹² In addition to positions funded directly by the DWSRF, the State Water Board has other state-funded positions associated with its complementary funding programs as noted earlier. Many projects may be financed by a combination of DWSRF and state funds. Staff is trained to help applicants receive financing for their projects regardless of the funding sources; therefore, state-funded positions indirectly provide benefit to the DWSRF program and vice versa.

¹³ These DWSRF staff members are part of the Office of Sustainable Water Solutions within DFA, which includes three supervising engineers, ten senior engineers, and 50 technical staff dedicated to addressing both drinking water and wastewater funding and technical assistance needs of Small DACs.

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- Sonoma State University (California Historical Resources Information System (CHRIS) Contract)

B. Servicing and Program Administration

Servicing existing agreements and fulfilling ongoing program requirements represents a significant workload for the DWSRF staff. There are approximately 191 DWSRF program agreements in repayment. Payments on these agreements are generally collected two times per year, and DFA conducts regular surveillance on many of these recipients. At present, DWSRF is servicing approximately 145 agreements in disbursement. On average, staff typically process 250 DWSRF disbursement requests per year. Staff also oversee and perform periodic construction inspections of financed projects to ensure that work is performed consistent with previous approvals, and to ensure that work is being performed in conformance with program requirements, including but not limited to, Davis-Bacon wage rates, American Iron and Steel procurement requirements, Disadvantaged Business Enterprise solicitation rules, and environmental special conditions.

The DWSRF program sold revenue bonds in SFY 2018-19 and may sell additional bonds in the future. The outstanding revenue bonds require separate accounting of payments from pledged obligations, semi-annual bond payments, and specific monitoring, reporting, and continuing disclosure actions. The DWSRF program prepares annual financial statements that are audited independently. The DWSRF program is subject to yearly review by U.S. EPA and is periodically subject to audit or oversight by other federal or state agencies.

C. Administrative Funding

Administrative funding for the DWSRF program currently comes from the capitalization grants awarded yearly by U.S. EPA via the DWSRF Administration Set-Aside. See Section XII.A. below for budgeted use of the 2024 DWSRF Administration Set-Aside. The DWSRF Administration Set-Aside is limited to the greatest of: \$400,000, one-fifth percent of the current valuation of the fund, or an amount equal to four percent (4.0 %) of all grant awards to the fund for the fiscal year. Since the inception of the DWSRF program, the DWSRF Administration Set-Aside from U.S. EPA capitalization grants have provided a reliable source of funding for the administration of the DWSRF program.

Similarly, Section 116761.70 of the Health and Safety Code allows the State Water Board to apply an annual service charge¹⁴ on a financing agreement. Revenue generated by this service charge is deposited into the DWSRF Administrative Fund and may be used for administration. Under state law, the service charge rate cannot exceed one percent (1.0 %) of the outstanding balance of a financing agreement. Once the

¹⁴ For federal purposes, the DWSRF Administrative Fund service charge is a fee “other than program income not included as principal in DWSRF financing.” The service charge is collected in lieu of an equal amount of interest that would otherwise be due on the outstanding balance of the financing agreement. The service charge is offset by the reduction in the interest rate so that financing recipients’ payments remain the same whether or not they pay the service charge.

service charge is applied to an agreement, the rate remains unchanged for the duration of the agreement.

Since the service charge is a percentage of the outstanding principal on each agreement, it produces a declining amount of revenue each year. Each year, the State Water Board must evaluate the need for the service charge revenue and establish an appropriate rate. The service charge will then be applied to additional agreements to maintain the Administrative Fund revenue consistent with the budget established by the Governor and the Legislature for the DWSRF program. The State Water Board will continue an Administrative Service charge rate of one percent (1.0 %); this shall be the effective rate until the State Water Board establishes a different rate. The State Water Board also anticipates applying this charge to agreements in SFY 2024-25 to eventually provide further administrative funding for the DWSRF program and thereby make DWSRF Set-Aside funds available for other eligible purposes. The Administrative Service charge may also eventually offset declining administration funds from Prop 1 and Prop 68 and the need to continue supporting the administration of projects jointly funded by those propositions and the DWSRF. However, the actual expenditure of funds from the DWSRF Administrative Fund is still dependent upon appropriation from future State budgets.

XI. RISKS & OVERSIGHT

The following are financial or programmatic risks to the DWSRF Program. DFA management will focus on identifying potential problems and acting early to maintain the integrity and success of the DWSRF Program.

1. Application Demand vs. Resources

Demand for financing may exceed the administrative resources needed to review, approve, and finance all complete applications. In addition, the supplemental grants approved in the BIL create specific objectives for those funds that will likely require additional time to ensure compliance with these new requirements. Staff resources are the most inflexible aspect of the DWSRF program. Additional staff cannot be quickly added to address high demand because they must be approved through the State's budget process. In addition, hiring may be frozen or work hours reduced due to State budget concerns. If new positions are approved, staff hiring and training is necessary before the new staff can be effective.

The State Water Board will prioritize applications consistent with this IUP and the DWSRF Policy. The State Water Board may also adjust its review procedures and work with U.S. EPA or other agencies to resolve delays, schedule financing with applicants, or seek additional resources. The State Water Board is working with stakeholders to evaluate changes to the DWSRF Policy including further adjustments to the application and application review process.

2. Applicants' Schedule Changes or Delays in Executing Agreements

Beneficial and eligible projects may not be financed if the applicants' schedules change or are delayed. To minimize and avoid delays, DWSRF program staff will coordinate regularly with applicants identified in this IUP, and with others that submit applications during the year, to maintain a consistent demand on the program. As project schedules shift, lower priority projects may be funded if they are ready for financing, bearing in mind the PF and GPR requirements established in this IUP. This funding flexibility maximizes the use of the DWSRF and increases the number of projects funded.

Beneficial and eligible projects may not be financed if DFA encounters delays completing its reviews of the applications. To minimize and avoid delays, DWSRF program staff will internally coordinate regularly during the year to expeditiously complete its reviews and maintain consistent progress toward the goal of executing agreements for all projects on the Fundable List by June 30, 2025. As delays are encountered, other projects on the Fundable List should continue to move forward, bearing in mind the PF and GPR requirements established in this IUP and the amount of leveraging authority approved by the State Water Board. This funding flexibility maximizes the use of the DWSRF and increases the number of projects funded.

After financing is approved, the recipient must start and complete planning or construction promptly. Applicants are required by their financing agreements to report delays to DFA staff so that appropriate action can be taken to address those delays.

3. Cash Balance

The amount of disbursements requested may exceed the DWSRF program's cash balance. DFA staff will maintain accurate account balances and prepare forecasts

regularly to identify potential cash shortages in advance. If additional cash is needed, the DWSRF has several options. The DWSRF program has considerable assets it can leverage through revenue bond sales in the municipal bond market or through the Water Infrastructure Finance and Innovation Act (WIFIA) program to obtain additional cash. The State Water Board can prioritize or limit new commitments or potentially negotiate disbursement schedules with applicants. The DWSRF program can also investigate alternative financing (e.g., providing bond insurance) to reduce cash outlays.

Excess cash may accumulate if applications, and the associated disbursements, are too low. Holding excess cash provides no drinking water or public health benefits for California and tends to reduce the DWSRF's earnings. DFA will use its marketing, customer assistance, and project development resources to maintain a pipeline of projects ready for financing. It will closely monitor undrawn balances on outstanding financing agreements to ensure that financing recipients request funds expeditiously.

4. Defaults and Late Payments

Pursuant to the DWSRF Policy, the State Water Board will implement prudent lending standards and borrower surveillance practices that safeguard the DWSRF program's equity. The State Water Board also contracts with a professional financial advisor to provide additional financial expertise.

The DWSRF program has many tools to reduce the risk of default, including loan monitoring and surveillance, as well as enforcement remedies. For example, DFA collects and reviews audited financial statements of all borrowers for the first five years of repayment and may request audited financials for some borrowers for longer periods of time. The State Water Board has an agreement with independent accounting firm CliftonLarsonAllen to audit select borrowers identified as having a higher risk of experiencing financial difficulties. These audits can be conducted to evaluate the financial and management capacities of an entity and provide recommended solutions. The State Water Board will also continue to provide grant/PF funds in SFY 2024-25 to reduce debt service and default risk for small systems, and particularly disadvantaged systems. Additional subsidies for these systems will reduce borrowing costs and the risk of default. Additionally, the State Water Board can offer water-related technical assistance to small systems in areas such as evaluating project alternatives, financial management, rate setting, and operation and maintenance.

In addition to ordinary credit risk considerations, external factors may have potential to impact the revenues and/or operations of DWSRF borrowers and cause loan defaults. The State Water Board tracks potential external risk factors in its revenue bond disclosure documents. The State Water Board works with borrowers to address these issues as they arise.

5. Accountability and Oversight

The DWSRF is capitalized with public funds, and the State Water Board is responsible for using them lawfully and effectively.

The State Water Board regularly reports to U.S. EPA through the National Information Management System (NIMS) and the Project Benefits Reporting (PBR) system on use of the funds. Among other parameters, the reporting systems will evaluate the number of California DWSRF program projects that provide the following public health benefits:

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- Achieve compliance with SDWA;
 - Maintain compliance with SDWA; and
 - Meet future requirements of SDWA.

The State Water Board will enter project benefits information into PBR by the end of the quarter in which a funding agreement is signed and will enter NIMS data by U.S. EPA's annual deadline (generally end of August).

The State Water Board will also use the Federal Funding Accountability and Transparency Act (FFATA) reporting system to report on all DWSRF program equivalency projects.

In addition, U.S. EPA reviews the management and performance of the DWSRF annually. The results are summarized in its annual [Program Evaluation Reports](#). The DWSRF Program produces an [annual report and audited financial statements](#).

Additional actions are required of the State Water Board to comply with provisions of the Internal Revenue Code applicable to the DWSRF outstanding bond debt. The DWSRF program's [Post-Issuance Tax Compliance Policy for Tax-Exempt Bond Issues](#) provides further detail about actions required of the program's staff to help ensure that its bonds remain exempt from federal income taxes. Additional reporting is required by the program's Continuing Disclosure Agreement; information on the program's bonds can be found on the [Electronic Municipal Market Access](#) system maintained by the Municipal Securities Rulemaking Board.

DFA staff will continue to oversee projects to ensure that they meet the terms of the financing agreements by conducting periodic site visits during construction or implementation. All projects are subject to a "Final Project Inspection," and a final summary report is submitted on each project to confirm that it was completed. The State Water Board maintains copies of inspection and final summary reports in the project files.

XII. SET-ASIDE ACTIVITIES

In addition to the project funding discussed previously, the SDWA allows each state to set aside up to 31 percent (31%) of its federal capitalization grant to support various DWSRF and DDW program activities, including (1) the administration of the DWSRF, (2) SWS technical assistance, (3) PWS supervision by DDW and (4) other technical assistance to PWSs in support of technical, managerial, and financial capacity development. The Set-Asides are especially beneficial to SWSs serving SDACs and DACs. The Office of Sustainable Water Solutions uses the technical assistance, in conjunction with subsidized project financing from the DWSRF and state sources, to help SWSs achieve compliance with safe drinking water standards, establish and maintain TMF compliance, and foster consolidation.

For SFY 2024-25, the State Water Board will set-aside 26 percent (26%) of the 2024 Base Program Capitalization Grant and 26 percent (26%) of the 2024 General Supplemental Capitalization Grant for set-aside activities as further described below. Set-aside funding for the EC and LSLR capitalization grants is described in Appendices I and J. The State Water Board does not plan to take any set-asides from the ASADRA capitalization grant. The State Water Board will submit detailed work plans to U.S. EPA for approval in accordance with federal requirements; the Deputy Director of DFA may adjust the 2024 Base Program and General Supplemental Capitalization Grant budgets between these activities for good cause. The Deputy Director of DFA is authorized to make grants, enter into contracts, and establish in-kind funding from USEPA to accomplish work covered by the set-aside budgets for each grant. The Deputy Director of DFA is also authorized to request from U.S. EPA the transfer of any unspent set-aside funds to the DWSRF loan fund for expenditure on eligible projects. The State Water Board will report on the progress of set-aside activities to U.S. EPA in its DWSRF Annual Report. The State Water Board is also committed to maintaining a set-aside spending rate in accordance with U.S. EPA Memorandum from Peter Grevatt, Director, Office of Ground Water and Drinking Water, dated April 14, 2014, [Drinking Water State Revolving Fund \(DWSRF\) Unliquidated Obligations \(ULO\) Reduction Strategy](#).

A. Administration Set-Aside

The DWSRF Administration Set-Aside will fund administration of the DWSRF program in SFY 2024-25. This will include the review and processing of drinking water funding applications, project management and general oversight of DWSRF construction and planning projects. The DWSRF Administration Set-Aside will also cover the costs for accounting, legal, budgetary, and general management and oversight of the DWSRF, and may be used for contracts, including but not limited to the contracts listed below. The DWSRF Administrative Set-Aside Work Plan for SFY 2024-25 will contain detailed information about the specific tasks and full-time equivalent personnel that will be supported in DFA by the DWSRF Administration Set-Aside.

Max Allowed (from each Capitalization Grant):	4%	
Budgeted from FFY 2024 Base Program Grant:	4%	\$1,946,617 (estimate)
Budgeted from FFY 2024 General Supplemental Grant:	4%	\$9,918,960 (estimate)

Contracts:	DWSRF Annual Audit of Financial Statements including Single Audit		\$200,000 (estimate)
	U.S. EPA/Northbridge Environmental Management Consultants Maintenance Contract for the State Water Board's Loans and Grants Tracking System (LGTS)		\$200,000 (estimate)
	Sonoma State CHRIS Contract		\$10,000 (estimate)

B. Small Water System Technical Assistance Set-Aside

The SWSTA Set-Aside will fund DFA technical assistance to small PWSs serving less than 10,000 people, particularly those systems with fewer than 200 service connections. SWSTA will help SWS applicants establish eligibility for DWSRF or complementary funding and provide other technical assistance necessary for project development. The SWSTA Set-Aside may also fund technical assistance contracts to SWSs in support of project environmental documentation. The DWSRF Small Water Systems Technical Assistance Work Plan for SFY 2024-2025 will contain detailed information about the specific tasks and full-time equivalent personnel that will be supported in DFA by the DWSRF SWSTA Set-Aside.

Max Allowed (from each Capitalization Grant):	2%	
Budgeted from FFY 2024 Base Program Grant	2%	\$973,309 (estimate)
Budgeted from FFY 2024 General Supplemental Grant:	2%	\$4,959,480 (estimate)

C. State Program Management Set-Aside

The State Program Management Set-Aside will be used to partially fund DDW's administration of the State Water Board's PWSS program. The set-aside will supplement the annual PWSS grant from U.S. EPA and the charges paid by California's regulated PWSs. The Set-Aside will provide funds for DDW's permitting, inspection, compliance, and monitoring activities in accordance with the SDWA and delegated PWSS responsibilities by U.S. EPA. The DWSRF State Program Management Set-Aside Work Plan for SFY 2024-25 will contain detailed information about the specific tasks and full-time equivalent personnel that will be supported in DDW by the DWSRF State Program Management Set-Aside.

Max Allowed (from each Capitalization Grant):	10%	
Budgeted from FFY 2024 Base Program Grant:	10%	\$4,866,544 (estimate)
Budgeted from FFY 2024 General Supplemental Grant:	10%	\$24,797,400 (estimate)

D. Local Assistance Set-Aside

The Local Assistance Set-Aside will be used in SFY 2024-25 to fund personnel costs of the Office of Sustainable Water Solutions within DFA and may fund personnel costs of DDW. These staff costs are associated with State Water Board's implementation of its Capacity Development Strategy and providing direct technical assistance to PWSs in support of this strategy. Historically, the State Water Board has used the Local Assistance Set-Asides to provide third-party technical assistance to Small SDACs and DACs to support technical, managerial, and financial (TMF) capacity

development. Beginning in SFY 2021-22, the State Water Board began utilizing the Safe and Affordable Drinking Water (SADW) Fund to provide third-party technical assistance to help SDACs and DACs achieve compliance with the State Water Board's Capacity Development Strategy.

Max Allowed (from each Capitalization Grant):	15%	
Budgeted from FFY 2024 Base Program Grant:	10%	\$4,866,544 (estimate)
Budgeted from FFY 2024 General Supplemental Grant:	10%	\$24,797,400 (estimate)

XIII. FINANCING AND PROGRAMMATIC REQUIREMENTS

A. Technical, Managerial and Financial (TMF) Capacity

A PWS generally must demonstrate TMF capacity to be eligible for construction funding, regardless of the amount or type of funding provided, and to receive a permit from DDW to operate a drinking water facility. The State Water Board conducts TMF capacity assessments of all drinking water construction applicants to ensure sustainability, resilience, and responsible use of public funds. Where an eligible applicant acts on behalf of a PWS serving a disadvantaged community in applying for State Grant funding, the State Water Board will analyze the TMF capacity of the appropriate PWS.

For projects benefitting Small DACs, Expanded Small DACs, or Small Non-DACs, construction funding may be provided even if the system does not have adequate TMF capacity, subject to funding requirements. In these cases, a TMF capacity evaluation and implementation of an improvement plan to remedy TMF deficiencies will be required as a condition for funding. Applicants must submit TMF assessment forms as provided in Appendix C of the DWSRF Policy.

1. Technical Capacity

To demonstrate technical capacity, PWSs must show that their systems' drinking water sources are adequate¹⁵; that the treatment, distribution, and storage infrastructure are adequate; and that system personnel have the technical knowledge to properly and efficiently operate and maintain the system. As part of reviewing a funding application, the State Water Board staff will review the engineering reports, plans and specifications, and the PWS's records to verify that the system is being properly operated and maintained.

2. Managerial Capacity

To demonstrate managerial capacity, the PWS must have personnel with expertise to manage the operation of the entire water system. The State Water Board staff will review the PWS's managerial capacity to assure, among other items, that management is (1) involved in the day-to-day supervision of the water system, (2) compliant with all required regulations, (3) available to respond to emergencies, and (4) capable of identifying and addressing all necessary capital improvements and assuring financial viability. The State Water Board staff will also review records to ensure that the PWS is staffed with a qualified water operator in accordance with the State's Operator Certification Program.

3. Financial Capacity

A PWS generally must demonstrate it has the financial capacity to own, operate, and maintain its water system, including the proposed construction project, as a condition for the award of construction financing. The PWS must show that the system has sufficient revenues to cover necessary operation and maintenance costs and demonstrate credit

¹⁵ On a case-by-case basis, for larger entities that serve more than 10,000 people (which qualify for the Alternative Assessment Certification for TMF) that rely on purchased water, the Deputy Director may waive the requirement for a long-term water service contract in the TMF appendix for good cause.

worthiness with adequate fiscal controls¹⁶. The PWS must also demonstrate financial planning for future capital improvements, including providing any water rate studies to demonstrate overall financial capacity. The State Water Board staff will review the PWS's project budget, audited annual financial reports, and other financial information to determine whether the PWS has adequate financial capacity to operate and maintain its system, including the proposed infrastructure project.

For 100% nonrepayable planning projects, DFA generally will not require the applicant to submit a complete financial security package or undergo financial security review prior to receiving funding. DFA will require certain items that have been included in the financial security package, such as an authorizing resolution, to be submitted. A PWS is generally not required to demonstrate financial capacity to operate and maintain its system, or a proposed construction project, prior to receiving 100% nonrepayable planning funding. Planning funding would be provided to an eligible PWS that lacks adequate financial capacity to assist it with establishing its financial capacity to operate and maintain its system, and undertake a construction project, in preparation for an eventual construction funding agreement. Examples of tasks financed with planning funds may include, but are not limited to, water rate studies, budget development, and capital improvement planning.

A PWS is also generally not required to demonstrate financial capacity to operate and maintain its system if it will be consolidated into another PWS¹⁷, but the Receiving Water System must satisfy financial capacity requirements.

Notwithstanding the requirements in the DWSRF Policy, financial review requirements for the Receiving Water System for non-repayable funding, for a construction project that consists solely of a consolidation, are as follows. Receiving Water Systems must submit the appropriate TMF assessment form (see Appendix C to the DWSRF Policy), including a five-year budget projection for the system, including the project, in lieu of a complete financial security package.

However, DFA will generally require a complete financial security package and financial security review of the Receiving Water System if any of the following criteria are met : i) the number of connections will increase by more than 5% with the project or the allowable permitted number of connections will be exceeded with the project; ii) any financial risks were identified in the most recent DDW Drinking Water Needs

¹⁶ Any water rate increase determined to be necessary by the Deputy Director of the Division should occur prior to the execution of the construction Financing Agreement, but the Deputy Director may waive this requirement for good cause, to the extent allowed by the funding source, despite section IX of the Dec. 3, 2019 DWSRF Policy.

¹⁷ Requirements depend on the funding source, but a financial review of the subsumed system may not be required if the funded project does not include facilities that need to be operated and maintained by the subsumed system. If such facilities exist but are deemed to be minor with minimal O&M requirements, such as laterals, well and tank destruction, backflow prevention, risers, hydrants, master or individual meters, and distribution pipes, then the Assistant Deputy Director may waive the financial review of the subsumed system. For other cases where a review of the subsumed system will be required, a reduced financial review may be acceptable, with the following documents required as a minimum: prior year's tax returns and/or financial statements.

Assessment; iii) other information readily available, including information submitted by the Receiving Water System to DFA for other projects, or information from DDW's most recent sanitary survey of the Receiving Water System, indicates further review is warranted (or generally if a sanitary survey of the Receiving Water System has not been done within the past three years); and iv) the size of the Receiving Water System indicates further review is warranted (generally, for small systems a full financial review will be conducted). DFA will require certain items that have been included in the financial security package, such as the authorizing resolution, to be submitted.

Despite the foregoing, DFA has the discretion to require a complete financial security package or other information, and financial review, for any nonrepayable planning project or for a Receiving Water System.

Notwithstanding information in Appendix A of the DWSRF Policy, projects are not required to submit the Supplemental Information Form for Consolidation Projects. Other requirements in Appendix A may be waived by the Deputy Director or Assistant Deputy Director on a case-by-case basis for good cause, for example if an administrator has been appointed.

B. Cap Grant Payments and Draws

1. Federal DWSRF Capitalization Payments

Based upon the State Water Board's cash flow for SFY 2024-25, the State Water Board has requested the following federal payment schedules from U.S. EPA for the 2024 Base and General Supplemental Capitalization Grants as detailed in Table 9 and Table 10. Site Codes reference the federal accounts in which the various loan and set-aside funds of a capitalization grant are deposited and made available for liquidation by the State Water Board.

Table 9: 2024 DWSRF Base Capitalization Grant Payment Schedule

FFY	Payment Date	Percentage of Cap Grant	Estimated Amount	Description	Site Code
2024	Award Date	4%	\$2,011,320	DWSRF Administration Set-Aside	DD
2024	Award Date	2%	\$1,005,660	SWS Technical Assistance Set-Aside	DE
2024	Award Date	10%	\$5,028,300	State Program Management Set-Aside	DF
2024	Award Date	10%	\$5,028,300	Local Assistance & Other Programs Set-Aside	DG
2024	Award Date	74%	\$37,209,420	Loan Fund	DA

Table 10: 2024 DWSRF General Supplemental Capitalization Grant Payment Schedule

FFY	Payment Date	Percentage of Cap Grant	Estimated Amount	Description	Site Code
2024	Award Date	4%	\$9,918,960	DWSRF Administration Set-Aside	DD
2024	Award Date	2%	\$4,959,480	SWS Technical Assistance Set-Aside	DE
2024	Award Date	10%	\$24,797,400	State Program Management Set-Aside	DF
2024	Award Date	10%	\$24,797,400	Local Assistance & Other Programs Set-Aside	DG
2024	Award Date	74%	\$183,500,760	Loan Fund	DA

2. DWSRF Federal Draw Schedule and Estimated DWSRF Project Disbursements

Appendix G represents the State Water Board’s anticipated federal draw schedule for SFY 2024-25. The federal draw schedule assumes U.S. EPA’s “first-in-first-out” policy for liquidating DWSRF capitalization grants. Therefore, the draw schedule includes the anticipated liquidation of the prior year capitalization grant balances and the FFY 2024 DWSRF capitalization grants. Included within the draw schedule is the plan to transfer the balance of the Small Water System Technical Assistance Set-Aside to the DWSRF

Loan fund for the FFY 2019 capitalization grant. Upon the transfer and liquidation to project financings in SFY 2024-25, the FFY 2019 capitalization grant will be fully drawn.

C. 2023 State Match Source and Proportionality Draw

In general, the State Water Board must provide one dollar of match for each five dollars received through U.S. EPA capitalization grants, constituting twenty percent (20%) of a DWSRF capitalization grant. California’s DWSRF has been capitalized with a variety of state match sources including general fund appropriations, general obligation bonds not repaid by the DWSRF, short-term financings with the California Economic and Infrastructure Bank, and local match funds.

The Deputy Director was authorized at the March 15, 2022, Board meeting to use some of 2021 Budget Act Infrastructure Appropriation funds to meet DWSRF State Match needs. AB 180 (Chapter 44, Statutes of 2022) amended the Budget Act of 2021 and authorized an additional \$400 million for the state share of the CWSRF and DWSRF, consistent with existing law. The funds may be expended for project costs incurred by funding recipients in fiscal years prior to enactment of the Budget Act. The funding provided is available for expenditure until June 30, 2027. The Deputy Director of DFA is also authorized to determine the appropriate allocation of the additional funds appropriated by AB 180 between the CWSRF and DWSRF. The Deputy Director allocated \$170 million and \$230 million to be used as State Match for the CWSRF and DWSRF programs respectively.

Table 11: FFY 2024 Capitalization Grants and State Match Sources

DWSRF Grant	SFY 21/22 General Fund State Match	Federal/State Match Draw Ratio
FFY 2024 Base Grant	\$10,356,005	78.72% / 21.28%
FFY 2024 General Supplemental Grant	\$29,508,906	88.10% / 11.90%
Total	\$39,864,911	

The State Water Board will not draw capitalization grant and State Match funds per the draw ratio in Table 11 above. Rather, the State Water Board will disburse the entire state match for the FFY 2024 base and supplemental capitalization grants prior to drawing project funds from the grants. Therefore, the draw ratio of federal capitalization funds for the FFY 2024 base and supplemental capitalization grants will be one hundred percent (100%).

D. Application of Program Requirements and Federal Cross-Cutters

Applicants are expected to comply with all applicable federal and state requirements. The DWSRF financing agreements will generally include a list of applicable federal statutes and requirements taken from the most recent capitalization grant. The DWSRF financing recipients agree to comply with these federal requirements by signing the financing agreement.

In addition to the requirements of the SDWA, projects partially or fully funded by the DWSRF generally must also comply with other federal laws¹⁸ commonly known as “cross-cutters.” Certain federal requirements and cross-cutters apply to all DWSRF projects including the projects funded by state DWSRF match funds. Other cross-cutters must be applied to equivalency projects and activities funded by set-asides. Equivalency requirements must be applied to projects in an amount equal to the annual capitalization grants from U.S. EPA, although environmental cross-cutters do not apply to certain set-asides.

The State Water Board has identified this year’s equivalency projects on the DWSRF Fundable List (Appendix A). Some federal requirements will only apply to projects specifically identified as equivalency projects. All DWSRF base program or BIL general supplemental capitalization grant equivalency projects and all projects receiving DWSRF EC and LSLR funding must meet all federal equivalency requirements to maintain eligibility. The State Water Board will ensure that DWSRF financing recipients comply with applicable federal laws through a variety of program procedures. All projects requesting DWSRF repayable loan are generally expected to comply with all

¹⁸ See also Appendix O of the DWSRF Policy.

federal cross-cutting requirements, except for BABA and Single Audit Act which only apply to equivalency projects.

Described below are those federal cross-cutters that often require greater efforts of compliance by DWSRF/SCG DW funding recipients.

All projects and set-aside activities funded by the DWSRF will be performed in accordance with the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. All other cross-cutters applicable to the set-aside activities will be adhered to.

Compliance with the requirements in Table 12, as well as any other applicable requirements, is required to maintain eligibility for the associated funding sources. Projects that are not complying with the applicable federal requirements will be ineligible to receive funding from DWSRF or DWSRF match sources. Some projects even if not funded with DWSRF or DWSRF match sources may be required to comply with federal requirements to allow the addition of DWSRF funds if needed.

Table 12: List of Requirements Based on Funding Source

Financing and Programmatic Requirements	DWSRF			EC	SCG DW	GWGP
	Repayable Loan (including match loan)	PF (including state money used as match)	EC and LSLR	EC-SDC	Prop 1, 68, General Fund (not used as state match for DWSRF)	Prop 1
State Cross-Cutters	X	X	X	X	X	X
Davis-Bacon Prevailing Wage	X	X	X			
Disadvantaged Business Enterprise (equivalency requirement)	X	X	X	X		
Generally Accepted Accounting Principles	X	X	X	X	X	X
Single Audit (equivalency requirement)	Only if specifically identified as an equivalency project	Only if specifically identified as an equivalency project	X	X		
Telecomm Equipment & Services, (equivalency requirement)	X	X	X	X		
American Iron and Steel	X	X	X	X		
Build America Buy America (equivalency requirement)	Only if specifically identified as an equivalency project	Only if specifically identified as an equivalency project	X	X		
Federal Environmental Cross-Cutters (equivalency, see discussion below)	X	X**, may be Tier II	X	X		
TMF	X	X	X	X	X*	X*

* Targeted case-by-case exceptions may occur with approval from the Deputy Director or Assistant Deputy Director.

** Projects may not be required to comply with federal environmental cross-cutters if they qualify for Tier II environmental review. See Appendix F.

E. State Cross-Cutters

A list of State Cross-Cutters is included in the [DWSRF Policy as Appendix O](#). These State laws are not specific to DWSRF/SCG DW funding, but may apply to projects. These may include but are not limited to laws affecting urban water suppliers, charter cities, agricultural water users, projects located in the Delta and debt reporting.

Russian Sanctions - All projects must demonstrate compliance with California Executive Order N-6-22 regarding economic sanctions imposed in response to Russia's actions in Ukraine while that Executive Order remains in effect.

F. Federal Cross-Cutters

Federal requirements include, but are not limited to, the following.

1. Davis-Bacon Prevailing Wage

Federal [Davis-Bacon Act](#) rules apply to the construction activities carried out in whole or in part with assistance made available by the DWSRF. The State Water Board, therefore, will continue to require that DWSRF recipients comply with Davis-Bacon rules. Recipients of DWSRF financing must also agree to provide information necessary to show compliance with Davis-Bacon requirements as a condition of DWSRF funding. On August 23, 2023, the U.S. Department of Labor published in the Federal Register the final rule, "Updating the Davis-Bacon and Related Acts Regulations. The [final rule](#) took effect on October 23, 2023.

2. Disadvantaged Business Enterprise

DWSRF funding recipients will generally be required to seek and encourage the "fair share" employment of businesses categorized as [Disadvantaged Business Enterprises \(DBE\)](#) for the DWSRF funded project. This requirement will apply to all sub-agreements of the DWSRF funded project for equipment, supplies, construction, and services. Additional reporting to the State Water Board on the outcomes of DBE activities will also generally be required of DWSRF funding recipients. With the exception of projects receiving DWSRF EC or DWSRF LSLR funding, recipients with planning projects funded by the DWSRF will not be required to comply with federal DBE requirements.

3. Generally Accepted Accounting Principles (GAAP)

Federal rules require that recipients of DWSRF financing maintain project accounts in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets. Recipients must agree to comply with GAAP. For governmental entities, the Government Accounting Standards Board establishes these standards. The State Water Board, therefore, will require as a condition of financing that governmental applicants maintain project accounts in accordance with generally accepted government accounting standards.

4. Single Audit Act

Federal rules require DWSRF recipients to comply with applicable provisions of the federal Single Audit Act of 1984, OMB Circular No. A-133 and 2 CFR Part 200, subpart F, and updates or revisions thereto. U.S. EPA clarified the Single Audit Act requirements in July 2023. The State Water Board will include applicable Single Audit

Act provisions in all DWSRF equivalency funding agreements and require Single Audit Act reporting by those funding recipients, to the extent applicable, if their expenditure of any federal financial assistance is equal to or more than \$750,000 for a given fiscal year. For SRF, the expenditure occurs at the time the recipient pays an invoice.

5. Telecommunications Equipment & Services

Effective August 13, 2020, U.S. EPA General Terms and Conditions have placed SRF funding prohibitions on certain telecommunications and video surveillance services or equipment. As required by 2 C.F.R. § 200.216, borrowers under U.S. EPA funded revolving loan fund programs are prohibited from obligating or expending loan or grant funds to procure or obtain equipment, services, or systems from Huawei Technologies Company, ZTE Corporation, or certain other companies, subsidiaries, and affiliates.

6. American Iron and Steel (AIS)

Federal rules require DWSRF recipients, absent an exclusion or waiver, to use iron and steel products that are produced in the United States for treatment works projects.

U.S. EPA implementation of these provisions is described on its [State Revolving Fund American Iron and Steel \(AIS\) Requirement](#) website.

7. Build America Buy America (BABA)

Congress passed the Build America Buy America Act in 2021 as part of the BIL. It requires that by May 14, 2022, federal agencies must ensure that “none of the funds made available for a Federal financial assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States”.

Office of Management and Budget (OMB) issued its initial implementation guidance to federal agencies in the memorandum M-22-11 titled “Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure”. On August 23, 2023, OMB issued a [Notification of Final Guidance](#) revising title 2 of the Code of Regulations (“CFR”) to add a new part 184 (Buy America Preferences for Infrastructure Projects) and revise section 200.322. OMB issued its supplemental [implementation guidance](#) M-24-02, on October 25, 2023. Additionally, U.S. EPA issued a memorandum titled ["Build America, Buy America Act Implementation Procedures for EPA Office of Water Federal Financial Assistance Programs"](#) on November 3, 2022, and a supplemental Q&A on this subject in May 2023.

U.S. EPA also issued several general applicability waivers from the BABA requirement. The adjustment period waiver for SRF projects that have initiated project design and planning prior to May 14, 2022, was amended on November 13, 2023, such that this waiver may apply to SRF projects funded by federal appropriations in FFY 2022 and 2023, but will no longer apply to projects receiving SRF funding appropriated in or after FFY 2024. A list of currently approved waivers can be found on U.S. EPA’s website: <https://www.epa.gov/cwsrf/build-america-buy-america-baba-approved-waivers>. U.S. EPA is expected to develop and issue additional guidance regarding project-specific waivers for infrastructure projects funded through the State Revolving Funds, including DWSRF. Projects will be required to comply with any additional guidance issued by U.S.

EPA and OMB with respect to criteria, processes, and procedures for applying the Buy America preference, to the extent applicable.

BABA is an equivalency requirement. See section IV.H.

8. Environmental Review and Federal Environmental Cross-Cutters

Under the DWSRF Operating Agreement, all projects must undergo an environmental review prior to funding. The State Water Board will use its U.S. EPA-approved State Environmental Review Process (SERP) to review DWSRF project applications submitted for funding during the term of this IUP. The SERP sets forth an environmental review process based upon DWSRF environmental review requirements, the CEQA, and additional federal environmental laws (referred to as “federal environmental cross-cutters”). This process is referred to as “Tier I environmental review.”¹⁹ The SERP also sets forth an alternative environmental review process, referred to as “Tier II environmental review,” that applies to projects described in Appendix F to this IUP and does not require application of the federal environmental cross-cutters.²⁰ The State Water Board Environmental Scientist Staff will review DWSRF projects consistent with the SERP and this IUP. However, projects funded by non-DWSRF funds may be reviewed under CEQA rather than the SERP.

All applicants must provide a completed Environmental Package as part of their DWSRF Planning and Construction Applications. Certain requirements, including compliance with federal environmental cross-cutters, may not be required for State Grant-funded projects and projects subject to Tier II environmental review. The State Water Board Environmental Scientist Staff will conduct an initial review to verify a complete package has been received and identify any missing information. Once all required environmental documents have been received, the State Water Board Environmental Scientist Staff will conduct a thorough review of all items to determine whether 1) sufficient information has been provided to enable the State Water Board to make environmental determinations, 2) consultation(s) are required with relevant state and federal agencies, and/or 3) if any additional information is needed.

The Tier II environmental review process is set forth in an attachment to the SERP. The State Water Board has elected to apply Tier II environmental review to DWSRF-funded planning projects; construction projects for Small or Expanded Small DACs and SDACs; certain non-transient non-community water system projects serving Small DACs/SDACs; construction projects in Categories A through C for Small Non-DACs with a MHI of less than 150% of the statewide MHI; consolidation projects involving Small and Expanded Small DACs, and Small Non-DACs with an MHI of less than 150% of the statewide MHI, and non-repayable consolidation incentive projects involving

¹⁹ The State Water Board must apply Tier I environmental review, which includes compliance with federal environmental cross-cutters, to DWSRF equivalency projects, as well as projects funded by the source water protection set-aside (40 C.F.R. § 35.3580(b)).

²⁰ The State Water Board has elected to apply an alternative environmental review process (referred to as Tier II environmental review) to certain DWSRF projects and activities for which the State provides assistance in amounts that are greater than the amount of the capitalization grant deposited into the DWSRF or set aside accounts (40 C.F.R. § 35.3580(d)).

those types of communities. These categories of projects, set forth in Appendix F, will be designated for Tier II environmental review, unless DFA determines that additional projects are required to satisfy the equivalency requirement. Projects funded only by State Grant funds may be subject to the CEQA environmental review rather than the DWSRF SERP at the discretion of DFA. However, all projects funded by the DWSRF EC and DWSRF LSLR funds are subject to Tier I environmental review under the SERP, so Appendix F does not apply to those projects. Appendix F also does not apply to ASADRA projects; the Deputy Director of DFA will designate ASADRA equivalency projects.

The State Water Board will continue applying federal environmental cross-cutters requirements to projects totaling the amount made available by federal capitalization grants and reportable as such to the U.S. EPA. The State Water Board treats all applications not identified as non-DWSRF or Tier II projects, as Tier I projects. Based on the current list of potential equivalency projects on the Fundable List, the State Water Board expects to fulfill all equivalency requirements in SFY 2024-25 without needing to subject Tier II designated projects to meet federal environmental cross-cutters requirements.

9. Technical, Managerial and Financial Capacity

See Section A above for more details on TMF Capacity requirements.

G. Emergency Drinking Water Projects

Per 40 C.F.R., § 35.3555(c)(2)(iii), “the IUP may allow for the funding of projects which require immediate attention to protect public health on an emergency basis, provided that a State defines what conditions constitute an emergency and identifies the projects in the Biennial Report and during the annual review.” These projects may be funded without being placed on the Fundable List or being subject to the state’s priority system.

The Deputy Director of DFA may designate projects as emergency projects if the projects maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to the California Emergency Services Act, commencing with Section 8550 of the Government Code. This includes emergency repairs to publicly or privately owned service facilities necessary to maintain service essential to the public health, safety, or welfare. Emergency repairs include those that require a reasonable amount of planning to address an anticipated emergency.

Emergency projects will be designated as non-equivalency projects, and thus will not be subject to requirements that apply only to equivalency projects.

H. Capitalization Grant Conditions and Other Federal Requirements

The State Water Board will comply with all conditions included in the FFY 2024 Capitalization Grant agreements and will require that DWSRF financing recipients also comply with applicable federal pass-through requirements. Provisions specific to the FFY 2024 appropriation will take effect only if the State Water Board receives the FFY

2024 Capitalization Grant and will apply only as directed by Congress or U.S. EPA. The State Water Board will require that recipients of DWSRF financing agree to provide information necessary to show compliance with all applicable federal requirements.

I. Other State and State Water Board Requirements

Commencing with construction of a project and continuing throughout the reasonably expected useful life of the project, recipients must implement water conservation practices consistent with compliance obligations under governing statutes, regulations, and Executive Orders. More information about water conservation can be found at the State Water Board's website at

https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/california_statutes.html.

To be eligible for DWSRF and SCG DW funding per this IUP, a project proposed by a PWS owned by a private entity, including utilities regulated by the Public Utilities Commission, shall have a clear and definite public purpose, and shall solely benefit the customers of the PWSs.

The costs of purchasing water systems may be eligible under the DWSRF/SCG DW, including associated water rights. However, acquisition of real property, right-of-way, and easements are eligible only if integral to the project. The eligible cost is limited to the fair market value as determined by a California licensed appraiser, or through another methodology approved by DFA for costs related to purchasing a water system. DFA will determine real property eligibility. Project costs associated with water rights may be eligible notwithstanding the DWSRF Policy, although consultation with U.S. EPA may be required.

As a condition of eligibility for planning funding, DWSRF/SCG DW applicants shall submit evidence to DFA of a contract for professional engineering services between the funding recipient and its engineering consultant(s) unless waived for good cause as determined by the Deputy Director of DFA. This agreement shall include the scope of work, cost, and deliverable due dates. DFA will review the budget and identify costs that are ineligible or raise questions related to waste, fraud, or abuse. DFA will also review the professional services agreement(s) for compliance with applicable DWSRF federal and state requirements.

DFA will continue to evaluate all planning/design expenditures and deliverables of funding recipients to ensure the most cost-effective project is developed and to protect against potential waste, fraud or abuse of DWSRF/SCG DW funds. Suspected cases of waste, fraud or abuse of DWSRF/SCG DW funds may be forwarded to the U.S. EPA Office of Inspector General, the California Department of Finance, the State Water Board's Office of Enforcement, and/or the California Bureau of State Audits for further audit and investigation.

DWSRF/SCG DW construction funding recipients will be required to submit construction contracts to DFA for review of their compliance with applicable state and federal funding requirements. DFA will incorporate the approved construction budget into the funding agreement. Notwithstanding Section XII.B.2.a. of the DWSRF Policy, which limits contingency for projects with exclusively non-repayable financing to ten percent (10%) of the total project cost, projects funded with non-repayable financing may include contingency of up to twenty percent (20%) of the total project cost. In some cases,

unforeseen issues encountered in the field can lead to higher than typical change order costs. On a case-by-case basis for good cause, the Deputy Director of DFA may approve a higher percentage, up to thirty-five percent (35%) of the total project cost.

Although the DWSRF Policy authorizes reimbursement of eligible construction costs for projects on the Fundable List going back to the Eligible Construction Start Date to be determined by DFA for the project, applicants should note that **CONSTRUCTION COSTS INCURRED BEFORE DFA'S FINAL BUDGET APPROVAL, FOLLOWING EXECUTION OF A FINANCIAL ASSISTANCE AGREEMENT, ARE AT THE APPLICANT'S RISK**. Various factors may restrict reimbursement of costs incurred prior to execution of a funding agreement, including, but not limited to failure of the applicant to adopt a satisfactory reimbursement resolution, appropriations limits of funding sources, and other factors. **Further, starting construction before the State Water Board has provided approval to proceed (for DWSRF projects) and completed its environmental review may render the project ineligible for funding**. Additionally, changes to laws or requirements that occur prior to execution of a financial assistance agreement may affect some or all funding eligibility.

J. Other Assurances and Certifications

1. The State has the authority to establish a fund and to operate the DWSRF program in accordance with the SDWA

In California, the responsibility for regulating PWSs and overseeing the safety of drinking water has been assigned to the State Water Board. U.S. EPA recognized California's primacy status beginning in 1978, and has acknowledged the State Water Board's primacy authority, effective July 1, 2014.

2. The State will comply with state statutes and the DWSRF Policy handbook

State statutes governing California's DWSRF program are set forth in California's Health & Safety Code, Division 104, Part 12, Chapter 4.5, commencing with section 116760. The state statutes and DWSRF Policy conform to federal requirements. California will implement its DWSRF program in compliance with all applicable state and federal laws, regulations, and guidelines.

3. The State will deposit all capitalization grant funds in the DWSRF or Set-Aside Accounts

The State Water Board will maintain identifiable and separate accounts for all portions of the capitalization grant to be used. The capitalization grant will be deposited into either the DWSRF or the set-aside accounts.

4. The State will deposit revenues generated from the DWSRF Administration Charge and the DWSCEG Charge into their respective funds

In accordance with Health and Safety Code § 116761.70, the State Water Board will deposit revenues generated from the DWSRF Administration Charge into the Safe Drinking Water State Revolving Fund Administration Fund. The State Water Board will also deposit revenues generated from the DWSCEG Charge into Safe Drinking Water

Small Community Emergency Grant Fund, in accordance with Health and Safety Code § 116760.46.

5. The State will deposit net bond proceeds, interest earnings, and repayments into the DWSRF

All interest, earnings, principal repayments, and other proceeds will be deposited into the DWSRF.

6. The State will adopt policies and procedures to ensure that borrowers have a dedicated source of revenue for repayments (or in the case of a privately-owned system, demonstrated that there is adequate security)

The State Water Board has developed policies and procedures for ensuring that borrowers have a dedicated source of repayment and that privately owned systems have adequate security. These policies and procedures are contained in the State Water Board's DWSRF Policy.

7. The State will commit and expend funds as efficiently as possible, and in an expeditious and timely manner

The IUP explains how the State Water Board will use DWSRF funds. The State Water Board will commit and expend 2024 capitalization grants and associated state match funds as efficiently as possible, and in an expeditious and timely manner. The State Water Board will enter into binding commitments with recipients equal to the total amount of each 2024 Capitalization Grant payment and proportional 2024 State Match within one year of each 2024 Capitalization Grant payment. Additionally, the State Water Board will use cash-flow modeling to over-commit cash and undrawn federal funds to continually and timely disburse 100 percent (100%) of those funds.

8. DWSRF funds will be used in accordance with this IUP

The State Water Board will use DWSRF funds in accordance with this IUP.

9. The State will provide the U.S. EPA with an Annual Report on the performance of the DWSRF

The State Water Board will publish a SFY 2024-25 DWSRF Annual Report on the uses of the DWSRF funds during SFY 2024-25 and provide a final draft of the SFY 2024-25 DWSRF Annual Report to U.S. EPA Region 9. The report will document the projects funded through the DWSRF; financial and programmatic outcomes of the DWSRF; and summarize the accomplishments of the DWSRF program as it relates to the long-term and short-term goals contained within this IUP and the tasks included in the associated DWSRF work plans.

K. Cross-Collateralization

The State Water Board will implement cross-collateralization between the DWSRF and the CWSRF loan programs as necessary to support the goals and objectives of the State Water Board as documented in the [Operating Agreement for Implementing and Managing the Drinking Water State Revolving Fund Program between the State of California and the United States Environmental Protection Agency Region IX](#), as amended March 2019.

XIV. OUTCOMES, GOALS, ACTIVITIES, AND MEASURES

The following are the short-term and long-term goals of the State Water Board for its administration of the DWSRF. These goals will help the State Water Board maximize and prioritize its staff and funding resources.

A. Prioritizing DWSRF Funds for Public Health Benefits

Long-Term Goals

- 1. Address Significant Risks to Public Health:** DFA will coordinate with DDW to ensure that DWSRF and all available drinking water funding is targeted to address the most significant public health and compliance issues.
- 2. Promote SDWA Compliance:** DFA will continue to provide and prioritize subsidized financing for planning and construction that addresses SDWA compliance. DFA will also coordinate with DDW on the use of set-asides to promote the development of TMF capacity for all PWSs (especially small CWSs) to achieve or maintain compliance with State drinking water standards and federal SDWA requirements.
- 3. Improve Affordability and Sustainability:** DFA will continue to strategically use the DWSRF additional subsidy, set-aside funds and all available Drinking Water funds to achieve affordable compliance, especially for small severely disadvantaged and small disadvantaged communities. Also, DFA will continue to use DWSRF funds to maximize opportunities for consolidation, in coordination with DDW, to increase economies of scale to improve project affordability and PWS sustainability.

Short-Term Goals

1. Identify public health issues and evaluate solutions for SWSs, including technical assistance and consolidation where feasible.
2. Reduce instances of noncompliance with drinking water standards by providing technical and consolidation assistance to SWSs with significant SDWA violations, including those PWSs that are violating the arsenic maximum contaminant level (MCL).

B. Managing the DWSRF Responsibly to Ensure Its Perpetuity

Long-Term Goals

- 1. Use revenue and capital effectively:** Maximize the funding capacity of the DWSRF while minimizing long-term costs to the DWSRF to maximize safe drinking water results. In accordance with the CWSRF/DWSRF *Debt Management Policy*, the State Water Board may also consider leveraging the DWSRF for greater funding capacity. However, additional debt should be balanced against the long-term financial health of the program and the federal requirement to maintain the DWSRF in perpetuity.
- 2. Maintain financial integrity:** Financial integrity is a core value of the DWSRF program. Effective internal controls ensure that the program's finances are

dependable and trustworthy. Prudent lending practices and reasonable interest rates ensure the stability and continued growth of the DWSRF program.

- 3. Provide good customer service with a special emphasis on assisting DACs.** Ensure that the application forms and review procedures are clear, flexible, up-to-date, and efficient. Ensure staff is well trained and ready to help applicants resolve technical, legal, environmental, and financial issues needed to receive financing. Effectively communicate the status of funding applications as well as the general availability of DWSRF funding through a variety of channels.

Short-Term Goals

1. Continue marketing and outreach efforts to PWSs, including application status reports, Spanish translation services, newsletters, and social media to advertise the availability of technical assistance to assist small, and disadvantaged communities as well as large PWSs.
2. Continue regular staff level finance/audit coordination meetings to ensure the immediate and long-term health of the DWSRF.
 - a. Review cash flow forecasts of existing and potential commitments to assess the State Water Board's ability to meet its DWSRF commitments and to evaluate the need for leveraging or actions to regulate cash flows.
 - b. Compare actual performance with targeted performance measures.
 - c. Verify compliance with post-issuance tax compliance and continuing disclosure requirements associated with outstanding DWSRF bonds.
 - d. Review audit issues, program control issues, and prepare for any anticipated audits.
3. Continue to maximize all available DWSRF state match sources for future capitalization grants, including DWSRF Local Match financing options.
4. Coordinate with Environmental Finance Center and the SRF Stakeholders Advisory Group on following up on the program management review of the CWSRF Program to identify potential efficiencies, improvements, or enhancements that would facilitate review processing, and execution of loan agreements and disbursements for both SRF programs.

C. Ensuring Timely and Expedious Use of DWSRF Funds

Long-Term Goals

- 1. Ensure the timely commitment and disbursement of DWSRF funds:** Prioritize staff and financial resources to the maximum extent possible to ensure that the State Water Board can timely disburse DWSRF funds on existing obligations before considering new obligations.
- 2. Maximize cash flow and the disbursement of funds:** Engage in the over-commitment of DWSRF funds based upon cash-flow modeling of projected disbursements relative to anticipated receipt of repayments and other funding sources, including leveraged funds.

Short-Term Goals

1. Apply for and accept the anticipated 2024 Capitalization Grants from U.S. EPA. Upon award, commit funds from the 2024 Capitalization Grants, including the associated state match, by June 30, 2025, so that the federal funds can be utilized in an efficient and timely manner in accordance with 40 C.F.R. § 35.3550(c).
2. Continue to liquidate DWSRF capitalization grants within two to three years of their award by prioritizing disbursements for federal funds to the maximum extent possible.
3. Review cash flow forecasts of existing and potential commitments to assess the State Water Board's ability to satisfy its obligations timely and to also evaluate the need for leveraging or other actions to regulate cash outflows.
4. Amend the DWSRF Policy: DFA is currently preparing recommendations for changes to the DWSRF Policy. The objective of a DWSRF Policy amendment is to implement process improvements and clarifications to improve funding agreement processing times and to revise prioritization criteria to better align project applications with stated Board priorities.

D. DWSRF Performance Metrics

The following constitute performance metrics and targets for DFA to enable the timely and efficient processing of applications and disbursements:

1. Provide TA assistance (TA provider or DDW) by end of Fiscal Year to ninety percent (90%) of currently submitted incomplete applications for Category A-C projects benefitting small, disadvantaged communities that are eligible for grant/PF under Appendices D and E (Table 2), who require TA to complete their application.
2. Conduct initial application completeness reviews and notify applicant within 35 days.
3. Complete Tier I environmental reviews within 6 months and Tier II environmental reviews within 4 months of receiving a complete environmental package.
4. Complete financial reviews within 30 days of receiving complete financial information and legal concurrence with agreement conditions.
5. Execute agreements within 120 days of completing package reviews (environmental, financial, technical) and receiving legal concurrence from applicant.
6. For projects funded via the EDWG process: DFA award letters within 6 weeks after proposal deadline, and agreement execution within 4 months from date of award letter.
7. Ninety percent (70%) of DWSRF Ranked, Fundable List Applications Executed by End of Fiscal Year.
8. Issue funding agreements (or approve planning workplans) for ninety percent (90%) of projects with complete applications that are eligible for grant/PF under Appendices D and E.

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9. Fulfill seventy-five percent (75%) of complete disbursement requests in 60 days or less.²¹
 10. DWSRF Fund utilization rate²² > one hundred and five percent (105%) of available funds.

The SADW Policy establishes additional metrics that DFA will be tracking and for which goals will be set (see Section XI.I of the SADW Policy). The annual FEPs will identify the specific numeric goals and include a summary of progress made. These performance metrics will be used across programs.

E. Response to Climate Change

The State Water Board will provide technical assistance to support water systems' efforts to prepare for and mitigate the impacts of climate change. This may include, but not be limited to, preparing and implementing climate adaptation plans, implementing drought resiliency and preparedness efforts, improving public health outcomes and providing access to safe and affordable drinking water, and efficiently and sustainably managing their drinking water systems and resources.

The State Water Board will ensure that applications and environmental reviews for potential projects evaluate the impacts related to climate change and account for potential mitigation measures. This may include, but not be limited to, evaluating the potential effects of climate change on the viability of funded projects and helping applicants ensure that mitigation and adaptation measures are implemented as fully as practicable.

²¹ Disbursement fulfillment time is the receipt of a complete disbursement request to warrant date. The metric only includes disbursement requests that are complete and acceptable for processing and filled within the same fiscal year. Disbursement requests that are incomplete or not acceptable for processing and/or not filled by fiscal yearend are not included in the performance metric.

²² A utilization rate above 100% indicates that the total of the loan commitments exceeds the DWSRF cash available to fulfill those commitments. Overcommitting the available funds is necessary to ensure that an excessive amount of cash does not accumulate in the DWSRF.

XV. SCHEDULE

The estimated schedule for public comment and State Water Board adoption of the SFY 2024-25 DWSRF IUP, and the application, award, and acceptance of the 2024 DWSRF Base and Supplemental Capitalization Grants is as follows:

Draft IUP and Draft Supplemental IUPs posted for public comment	June 24, 2024
Board Workshop	July 16, 2024
Deadline for Public Comments on Draft IUP and Draft Supplemental IUPs	July 24, 2024
State Water Board considers IUP and Supplemental IUPs at regularly scheduled meeting	August 20, 2024
Submit FFY 2024 Capitalization Grant applications to U.S. EPA	June 1, 2024
Receive FFY 2024 Capitalization Grant agreements from U.S. EPA	October 2024

XVI. ACRONYMS

AIS	American Iron and Steel
BABA	Build America, Buy America
BIL	Bipartisan Infrastructure Law (Infrastructure Investment and Jobs Act)
CEQA	California Environmental Quality Act
CWS	Community Water System
DAC	Disadvantaged Community
DBE	Disadvantaged Business Enterprise
DDW	Division of Drinking Water
DFA	Division of Financial Assistance
DWSRF	Drinking Water State Revolving Fund
EC	Emerging Contaminants
EDWG	Expedited Drinking Water Grant
ESCWS	Expanded Small Community Water System
FFATA	Federal Funding Accountability and Transparency Act
FFY	Federal Fiscal Year
GPR	Green Project Reserve
GWUDI	Groundwater Under the Direct Influence
IUP	Intended Use Plan
LPA	Local Primacy Agency
LSLR	Lead Service Line Replacement
MCL	Maximum Contaminant Level
MHI	Median Household Income
NIMS	National Information Management System
NTNC	Non-Transient Non-Community Water System
PBR	Project Benefits and Reporting
PFAS	Per- and Polyfluoroalkyl Substances
PWS	Public Water System
PWSS	Public Water System Supervision
SCG DW	Small Community Grant Drinking Water
SCWS	Small Community Water System
SDAC	Severely Disadvantaged Community
SDWA	Safe Drinking Water Act
SERP	State Environmental Review Process
DWSCEG	Drinking Water Small Community Emergency Grant
SFY	State Fiscal Year
SWIFIA	State infrastructure financing authority Water Infrastructure Financing and Innovation Act
SWS	Small Water System
SWSTA	Small Water Systems Technical Assistance
TMF	Technical, Managerial and Financial
ULO	Unliquidated Obligation
U.S. EPA	United States Environmental Protection Agency

XVII. APPENDICES

Appendix A	SFY 2024-2025 DWSRF Fundable List
Appendix B	SFY 2024-25 DWSRF Comprehensive List
Appendix C	SFY 2024-25 DWSRF IUP Fiscal Impact Summary
Appendix D	Planning Project Grant and PF for an Eligible PWS
Appendix E	Construction Project Grant and PF Limitations for an Eligible PWS
Appendix F	Tier II Environmental Review or CEQA Review
Appendix G	FFY 2024 Estimated Federal Capitalization Grant Cash Draw Schedule
Appendix H	Additional Supplemental Appropriation for Disaster Relief Act, 2019 (ASADRA) Supplemental Intended Use Plan
Appendix I	Lead Service Line Replacement Supplemental Intended Use Plan
Appendix J	Emerging Contaminants Supplemental Intended Use Plan
Appendix K	Congressional Directed Spending for DWSRF

APPENDIX A: SFY 2024-2025 DWSRF Fundable List

(Sort Order: Priority Category, Applicant, Project Number)

Project Number ¹	District Number	Project Type	Applicant	Project Title / Description	Priority Category	Population	Service Connections	Water System Size ²	Estimated Project Costs	Estimated PF/Grant Amount ³	Estimated DWSRF Loan	Monthly Savings per Customer Connection ⁴	Rates as % of MHI	Proposed Equivalency Projects ⁵ Base Program	Proposed Equivalency Projects ⁵ General Supplemental
Rollover Loan Projects															
3110006-001C	02	Construction	Placer County Water Agency	Colfax WTP Replacement Project (Incentive)	D	2,987	905	Small	\$12,510,000	\$2,510,000	\$10,000,000	\$14.37	1.46%		
1010029-002C	11	Construction	Sanger, City of	City of Sanger New Water Well Project (Incentive)	E	25,404	5,971	Medium	\$5,250,000	\$580,000	\$4,670,000	\$1.02	0.75%		
3310021-020C	20	Construction	Jurupa Community Services District	Etiwanda Intervalley Water Quality & Water Resiliency Project-Pipeline Phase 1A (EC)	F	68,297	24,684	Medium	\$66,180,000	\$5,000,000	\$61,180,000	\$3.22	1.10%	\$61,180,000	
1910067-059C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	City Trunk Line North Unit 1	F	4,071,873	680,607	Large	\$139,000,000		\$139,000,000	\$0.27	2.40%		\$139,000,000
3710020-079C	14	Construction	San Diego, City of	Alvarado 2nd Pipeline Extension	F	1,266,731	271,962	Large	\$145,691,810		\$145,691,810	\$0.70	0.49%		\$145,691,810
4410010-004C	08	Construction	Santa Cruz, City of	Newell Creek Pipeline (Felton/Graham Hill) Replacement Project	F	90,000	24,228	Medium	\$41,352,000		\$41,352,000	\$2.22	1.17%		\$41,352,000
0910002-030C	09	Construction	South Tahoe Public Utility District	Waterline Upgrades and Improvement Project	F	21,414	13,635	Medium	\$6,934,231		\$6,934,231	\$0.66	0.80%		\$6,934,231
5610022-002C	06	Construction	Ventura River Water District	2023 Water Projects (Incentive)	F	6400	2125	Small	\$14,800,000	\$114,000	\$14,686,000	\$8.99	1.10%		
				Rollover Loan Projects =	8		Subtotal =		\$431,718,041	\$8,204,000	\$423,514,041			\$61,180,000	\$332,978,041
New Ranked Loan Projects															
2010009-003C	11	Construction	Bakman Water Company	Rolling Hills Water Meter Project	D	727	333	Small	\$5,000,000		\$5,000,000	\$19.52	0.69%		
1910067-061C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	Mission Wells Ammoniation Station	D	4,071,873	680,607	Large	\$25,000,000		\$25,000,000	\$0.05	2.29%		\$25,000,000
3310012-019C	20	Construction	Elsinore Valley Municipal Water District	Canyon Lake Water Treatment Plan Phase 1 Improvements (PFAS)	E	121,420	36,817	Large	\$46,500,000	\$5,000,000	\$41,500,000	\$1.47	1.60%		\$41,500,000
1210001-001C	01	Construction	Arcata, City of	Steel Water Line Replacement	F	20,359	6,036	Medium	\$9,600,000		\$9,600,000	\$2.34	2.88%	\$9,600,000	
3610012-008C	13	Construction	Chino, City of	State Street Water Treatment Project (WA212)	F	62,000	16,677	Medium	\$39,000,000		\$39,000,000	\$3.04	0.81%	\$39,000,000	

Project Number ¹	District Number	Project Type	Applicant	Project Title / Description	Priority Category	Population	Service Connections	Water System Size ²	Estimated Project Costs	Estimated PF/Grant Amount ³	Estimated DWSRF Loan	Monthly Savings per Customer Connection ⁴	Rates as % of MHI	Proposed Equivalency Projects ⁵ Base Program	Proposed Equivalency Projects ⁵ General Supplemental
1210004-001C	01	Construction	Eureka, City of	City of Eureka Energy and Water Conservation Project	F	32,800	9,949	Medium	\$3,500,000		\$3,500,000	\$0.46	0.71%		
1910067-062C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	Western Trunk Line Project	F	4,071,873	680,607	Large	\$142,320,000		\$50,000,000	\$0.10	2.29%		\$50,000,000
1910067-063C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	San Fernando Groundwater Basin Chlorination Station Improvements	F	4,071,873	680,607	Large	\$37,620,000		\$25,000,000	\$0.05	2.29%		\$25,000,000
3710020-080C	14	Construction	San Diego, City of	Otay 2nd Pipeline Steel Replacement Phase 3	F	1,266,731	271,962	Large	\$19,420,000		\$19,420,000	\$0.09	0.49%		\$19,420,000
3810001-003C	04	Construction	San Francisco, Public Utilities Commission of the City and County of	Sunol Valley Water Treatment Plant Ozonation Facility and Other Site Improvements Project	F	2,700,000	175,000	Large	\$214,000,000		\$50,000,000	\$0.37	0.82%		\$50,000,000
3410021-002C	09	Construction	San Juan Water District	Kokila Reservoir Replacement	F	33,792	10,240	Medium	\$13,360,000		\$13,360,000	\$1.00	0.85%	\$13,360,000	
4210010-006C	06	Construction	Santa Barbara, City of	Cater Reservoir Resiliency Project	F	94,370	25,580	Medium	\$27,000,000		\$27,000,000	\$1.37	0.82%		\$27,000,000
3010041-001C	08	Construction	Seal Beach, City of	LCWA Watermain Lining Project	F	24,157	5,358	Small	\$2,741,000		\$2,741,000	\$0.67	0.90%		
3010041-002C	08	Construction	Seal Beach, City of	Beverly Manor Booster Pump Station Rehabilitation Project	F	24,157	5,358	Small	\$7,388,300		\$7,388,300	\$1.79	0.90%		
3010042-001C	08	Construction	South Coast Water District	Doheny Ocean Desalination	F	35,000	12,519	Medium	\$175,000,000		\$50,000,000	\$5.19	0.80%		\$50,000,000
0910002-032C	09	Construction	South Tahoe Public Utility District	Pioneer Trail Waterline and PRV Upgrade	F	21,414	14,160	Medium	\$7,000,000		\$6,000,000	\$0.58	0.89%		\$6,000,000
3710026-004C	14	Construction	Valley Center Municipal Water District	2023 Water Facilities Replacement Project	F	25,572	9,704	Medium	\$9,300,000		\$9,300,000	\$1.25	2.42%		\$9,300,000
				New Ranked Loan Projects =	17		Subtotal =		\$ 783,749,300	\$5,000,000	\$378,809,300			\$61,960,000	\$298,220,000
				Total Loan Projects =	25		Total Loan =		\$1,215,467,341	\$18,204,000	\$802,323,341			\$123,140,000	\$631,198,041
				Total Projects Eligible for Grant/PF Under Appendix D & E =	50		Total Grant/PF =		\$267,839,514	\$267,839,514					
				Total Fundable List Projects =	114		Total =		\$1,597,900,502	\$286,043,514	\$802,323,341			\$123,140,000	\$631,198,041

Projects eligible for grant/PF under Appendices D and E

Project Number	District Number	Project Type	Applicant	Project Title / Description	Priority Category	Population	Service Connections	Degree of Disadvantaged	Consolidation Project	Estimated Project Costs
Construction Projects with Complete Applications										
5100138-001C	21	Construction	Browns Elementary School District	Browns School Well Rehabilitation Project	A	160	48	SDAC	No	\$1,750,000
0410006-001C	21	Construction	Butte, County of	Palermo Drinking Water Consolidation Project	A	1490	490	SDAC	Yes	\$13,266,780
1010039-005C		Construction	Caruthers Community Services District	Caruthers Well 5 TCP Treatment	C	2503	748	DAC	No	\$3,900,000
3310007-003C	20	Construction	Coachella, City of	Shady Lane Mobile Home Park Water Consolidation Project	C	200	40	SDAC	Yes	\$1,799,050
1710012-004C	3	Construction	Cobb Area County Water District	Alpine Meadows and Starview Improvement Project	C	310	95	DAC	No	\$3,893,000
0610002-001C	21	Construction	Colusa, City of	Water Well Construction Project	D	5625	2,126	SDAC	Yes	\$3,495,624
1000546-006C	23	Construction	Fresno, County of (Service Area 49)	CSA 49 Water System Improvements	B	450	31	SDAC	No	\$4,067,714
5100107-009C	21	Construction	Golden State Water Company - Robbins System	Robbins System - New Well and Arsenic Removal Treatment	C	336	94	DAC	No	\$6,480,000
5410019-002C	24	Construction	Ivanhoe Public Utility District	Well No.9 and Conveyance Pipeline Project	A	4474	1,113	SDAC	No	\$2,839,952
3600155-001C	13	Construction	JHC River Ranch Inc	River Ranch Mobile Home Park Water System Consolidation Project	A	300	136	SDAC	Yes	\$2,100,000
3610003-001C	13	Construction	Liberty Utilities (Apple Valley Ranchos Water) Corp.	Rehabilitation of the Yermo Water System	C	1049	277	SDAC	Yes	\$5,910,431
2410004-004C	11	Construction	Livingston, City of	Livingston 1,2,3-TCP Removal Treatment System Project	C	13795	2,948	DAC	No	\$42,000,000
0910007-001C	9	Construction	Lukins Brothers Water Company	Phase 2 Waterline Project - James Avenue	C	3168	968	DAC	No	\$3,284,011
2010008-007C	11	Construction	Madera, County of (MD10A - Madera Ranchos)	Meter and Pipeline Replacement Project	E	2255	922	Non-DAC	Yes	\$2,779,780
1510013-003C	12	Construction	McFarland, City of	Water System Improvement & Treatment Project	C	12138	2,220	SDAC	No	\$12,854,168
1900785-001C	16	Construction	Mitchell'S Avenue E Mobile Home Park	Arsenic Treatment Facility Improvements	C	26	24	SDAC	No	\$1,588,390
2100582-001C	18	Construction	Nicasio School District	Nicasio School District Water System Upgrade Project	B	40	12	SDAC	No	\$225,000
2700771-001C	5	Construction	Pajaro/Sunny Mesa Community Services District	Springfield Water System Improvements Project	A	200	42	SDAC	Yes	\$15,000,000
3110005-010C	2	Construction	Placer County Water Agency	Shady Glen Consolidation Construction Project	C	336	120	DAC	Yes	\$3,496,061
5410039-003C	12	Construction	Plainview Mutual Water Company	Plainview Nitrate Relief Project	A	800	187	SDAC	Yes	\$5,070,567
1910240-001C	15	Construction	Santa Clarita Valley Water Agency	T&U Wells PFAS Treatment, Saugus 1&2 Wells VOC Treatment & Disinfection Facility Improvement Project	C	101,000	29,924	Non-DAC	No	\$16,649,966

Project Number	District Number	Project Type	Applicant	Project Title / Description	Priority Category	Population	Service Connections	Degree of Disadvantaged	Consolidation Project	Estimated Project Costs
1910017-003C	22	Construction	Santa Clarita Valley Water Agency	New Mint Association Water System Consolidation	F	298,731	75,585	Non-DAC	Yes	\$3,708,994
4600019-001C	2	Construction	Sierra County (Calpine) Waterworks District No. 1	New Well and Treatment Facilities	C	225	142	Non-DAC	No	\$4,821,125
5200562-001C	21	Construction	Sky View County Water District	Water System Improvement Project	C	412	125	SDAC	No	\$13,622,400
4200842-001C	6	Construction	St. Marie Mobile Home Park, LLC	City of Santa Maria Water Service Connection	A	250	78	SDAC	Yes	\$1,034,450
3910012-001C	10	Construction	Stockton, City of	Century Mobile Home Park and Sunny Road Water System Consolidation Project	C	90	36	DAC	Yes	\$1,421,588
5510013-010C	11	Construction	Tuolumne Utilities District	Cuesta Heights Water Storage	D	3,646	1,545	DAC	Yes	\$2,633,879
5510001-004C	11	Construction	Tuolumne Utilities District	Muller Mutual Water Company Consolidation with Tuolumne Utility District Project	F	10,294	4,362	SDAC	Yes	\$4,400,000
4900568-001C	18	Construction	Valley Ford Water Association	VFWA New Well	A	61	20	DAC	No	\$2,150,000
1900520-004C	16	Construction	Village Mobile Home Park	Village MHP New Well for Arsenic Remediation	C	71	34	SDAC	No	\$2,000,000
1510021-004C	12	Construction	Wasco, City of	Water System Improvement & Treatment Project	C	19,448	3,936	SDAC	No	\$49,204,372
5010026-001C	10	Construction	Waterford, City of	Hickman Water System Improvements Construction Project	D	597	183	Non-DAC	Yes	\$5,033,821
3301529-001C	20	Construction	Western Water Conservation	ANZA-RAMONA WATER SYSTEM IMPROVEMENT PROJECT	C	250	106	SDAC	No	\$5,780,000
5410025-001C	12	Construction	Woodville Public Utility District	Replacement Well Project	A	1,678	478	SDAC	No	\$3,488,578
2000611-001C	11	Construction	Yosemite Unified School District	Coarsegold Elementary Groundwater Treatment and Water Systems Improvements	C	600	6	SDAC	No	\$2,320,000
Planning Projects with Complete Applications										
0600121-001P		Planning	Big Sandy Rancheria of Western Mono Indians of California	Big Sandy Rancheria Water System Capital Improvement	C	50	235	Small Disadvantaged	No	\$255,370
0600122-001P		Planning	Bishop Paiute-Shoshone Tribe	Bishop Paiute Tribe Water System Improvements	C	2,950	762	Small Severely Disadvantaged	No	\$407,421
5304109-001P	1	Planning	Burnt Ranch Estates Mutual Water Company	Water Treatment Plant & Supporting Infrastructure Upgrades	C	53	35	Small Severely Disadvantaged	No	\$397,750
3310001-010P	20	Planning	Coachella Valley Water District	East Coachella Valley Water Supply Plan Update and Consolidation Planning Project	C	244,472	97,789	Small Severely Disadvantaged	Yes	\$3,030,823
4700551-001P	1	Planning	Copco Lake Mutual Water Company	Copco Lake MWC Infrastructure Improvement	B	181	65	Small Disadvantaged	No	\$686,000
5000005-003P	10	Planning	Crows Landing Community Services District	Crows Landing Community Services District - Water System Improvements	C	322	137	Small Severely Disadvantaged	No	\$1,162,000
1010006-001P	11	Planning	Fowler, City of	City of Fowler Water System Improvement Project	C	7,100	2,160	Small Disadvantaged	No	\$495,000
3210010-001P	2	Planning	Hamilton Branch Community Services District	Source Capacity Development and Associated Infrastructure Improvements	D	1,624	495	Not Disadvantaged	Yes	\$775,000

Project Number	District Number	Project Type	Applicant	Project Title / Description	Priority Category	Population	Service Connections	Degree of Disadvantaged	Consolidation Project	Estimated Project Costs
5000008-002P	10	Planning	Knights Ferry Community Services District	KFCSD Functioning Upgrades	C	168	67	Small Disadvantaged	No	\$735,500
5800805-001P	21	Planning	Lake Francis Mutual Water Company	Lake Francis MWC DWSRF Planning Application	C	60	21	Small Disadvantaged	No	\$780,949
5500243-001P	11	Planning	OLA Rambling Hills, LLC	Water Source Planning	F	45	17	Small Severely Disadvantaged	Yes	\$500,000
3110005-010P	2	Planning	Placer County Water Agency	Weimar Water Company Pipeline Project	C	900	442	Not Disadvantaged	Yes	\$2,000,000
3110005-009P	2	Planning	Placer County Water Agency	Heather Glen Consolidation Planning Project	C	250	86	Small Severely Disadvantaged	Yes	\$597,000
5304502-001P	1	Planning	Salyer Heights Water Supply, Inc.	Salyer Heights New Water Treatment Plant & Water Tanks Project	A	135	41	Small Severely Disadvantaged	No	\$430,000
4710011-004P	1	Planning	Yreka, City of	South Yreka Water Supply & Distribution Improvements	D	7,746	3,015	Small Severely Disadvantaged	Yes	\$1,517,000
Subtotal Projects Eligible for Grant/PF Under Appendix D & E =					50					\$267,839,514

Projects Removed from Fundable List

Project Number	District Number	Project Type	Applicant	Project Title / Description	Class	Population	Service Connections	Water System Size	Estimated Project Costs	Reason for Removal
3010001-003C	8	Construction	Anaheim, City of	Groundwater Treatment Plants (PFAS) -Phase A	F		62,476	Large	\$20,682,483	Application withdrawn
Projects Removed =					1			Subtotal =	\$20,682,483	

Notes:

1. Project numbers and project names are for administrative purposes only. DFA may assign or reassign project numbers and project names as necessary to administer projects.
2. Small = water system serving no more than 10,000 people or no more than 3,300 connections; Expanded Small = water system serving more than 10,000 people but no more than 20,000 people, or more than 3,300 service connections but no more than 6,600 service connections; Medium = water system serving more than 20,000 people but no more than 100,000, or more than 6,600 service connections but no more than 30,000 connections; Large = water system serving more than 100,000 people or more than 30,000 connections. See section I.F.
3. 2024 DWSRF Base Program & 2024 General Supplemental Capitalization Grants total \$298,257,000, with \$146,145,930 available as PF.
4. Monthly Saving per customer connection includes estimated savings from subsidized loan and grant/PF. The savings are estimated by assuming that without SWRCB funding, the applicant would incur debt service at market rates. The monthly savings per customer connection is calculated as the annual debt service savings on a 30-year loan at market rate of 4.2% compared to a similar term at the current DWSRF rate of 2.1%, spread among the applicant's residential connections.
5. Proposed Equivalency Projects were selected in an amount equal or greater to the full 2024 Capitalization Grant Awards and remaining unreported balance of the 2023 Capitalization Grant awards.

APPENDIX B: SFY 2024-25 DWSRF Comprehensive List¹

Loan Projects - Sort Order: Applicant, Project Number

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Estimated/ Requested Project Costs
3010001-004C	08	Construction	Anaheim, City of	Groundwater Treatment Plant (PFAS) - Phase B	F	FALSE	346823	62,476	Not Disadvantaged	\$5,000,000
1210001-001C	01	Construction	Arcata, City of	Steel Water Line Replacement	F	FALSE	20359	6036	Medium	\$9,600,000
2010009-003C	11	Construction	Bakman Water Company	Rolling Hills Water Meter Project	D	FALSE	727	333	Not Disadvantaged	\$5,000,000
4210018-001C	06	Construction	Buellton, City of	Reservoir 2 Roof	F	FALSE	4000	1,500	Not Disadvantaged	\$1,500,000
7844-110	05	Construction	California American Water Company	Calam Monterey Peninsula Water Supply Project	F	FALSE			Not Disadvantaged	\$279,200,000
5610024-001C	06	Construction	Casitas Municipal Water District	Ventura-Santa Barbara Counties Intertie (ASADRA)	F	FALSE	65000	3,184	Not Disadvantaged	\$17,072,300
3610012-008C	13	Construction	Chino, City of	State Street Water Treatment Project (WA212)	F	FALSE	62000	16,677	Not Disadvantaged	\$39,000,000
1910026-012C	22	Construction	Compton-City, Water Dept.	City of Compton Water Improvement Project	E	FALSE	71000	13,947	Large Disadvantaged	\$5,000,000
3310012-019C	20	Construction	Elsinore Valley Municipal Water District	Canyon Lake Water Treatment Plan Phase 1 Improvements (PFAS)	E	FALSE	121420	36,817	Not Disadvantaged	\$46,500,000
1210004-001C	01	Construction	Eureka, City of	City of Eureka Energy and Water Conservation Project	F	FALSE	32800	9,949	Large Severely Disadvantaged	\$3,500,000
5510009-002C	11	Construction	Groveland Community Services District	Groveland CSD Water Distribution System Improvements	F	FALSE	3400	3,293	Not Disadvantaged	\$5,352,675
3310021-020C	20	Construction	Jurupa Community Services District	Etiwanda Intervalley Water Quality & Water Resiliency Project-Pipeline Phase 1A (EC)	F	FALSE	68297	24,684	Not Disadvantaged	\$66,180,000
3310021-021C	20	Construction	Jurupa Community Services District	Roger Teagarden Ion Exchange Plant Improvements Project	E	FALSE	68297	24,684	Not Disadvantaged	\$20,000,000
3010017-002C	08	Construction	Laguna Beach County Water District	Rimrock Reservoir and Pump Station Replacement Project	F	FALSE	25000	8,554	Not Disadvantaged	\$9,600,000
1910067-061C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	Mission Wells Ammoniation Station	D	FALSE	4071873	680,607	Not Disadvantaged	\$25,000,000
1910067-062C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	Western Trunk Line Project	F	FALSE	4071873	680,607	Not Disadvantaged	\$142,320,000
1910067-063C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	San Fernando Groundwater Basin Chlorination Station Improvements	F	FALSE	4071873	680,607	Not Disadvantaged	\$37,620,000
1910067-059C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	City Trunk Line North Unit 1	F	FALSE	4071873	680,607	Not Disadvantaged	\$139,000,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Estimated/ Requested Project Costs
1910067-055C	15	Construction	Los Angeles, City of Acting by and through the Department of Water & Power	Fairmont Sedimentation Plant	F	FALSE	4,071,873	680,607	Not Disadvantaged	\$524,700,000
1910079-002C	22	Construction	Lynwood, City of	Ham Park Reservoir and Pump Station Project	F	FALSE	66967	9277	Pending	\$20,000,000
2010002-001C	11	Construction	Madera, City of	2.5 MG Water Storage Tank, Pump Station and Transmission Main (Incentive)	F	FALSE	57318	12,419	Large Severely Disadvantaged	\$17,750,000
2000690-001P	11	Planning	Madera, County of	MD-73 Quartz Mountain Water System Improvements	E	FALSE	375	126	Not Disadvantaged	\$550,000
2000865-001P	11	Planning	Madera, County of (MD#58 Sierra Highlands)	Sierra Highlands Water System Improvement Project	E	FALSE	75	25	Not Disadvantaged	\$350,000
4210007-001C	06	Construction	Montecito Water District	Montecito Water Resilience Project (ASADRA)	F	FALSE	13500	4,529	Not Disadvantaged	\$31,223,334
0103040-001P	04	Planning	Norris Canyon Property Owners Association	NCPOA Water System Upgrades	D	FALSE	100	19	Not Disadvantaged	\$245,000
3010027-001C	08	Construction	Orange, City of	City of Orange Wells 20, 21 and 22 PFAS Treatment Systems	F	FALSE	138640	35,645	Not Disadvantaged	\$5,000,000
1995015-002P	07	Planning	Palmdale Water District	Palmdale Water District Sierra Highway Reservoir Project	F	FALSE	1	0	Not Disadvantaged	\$475,000
3110006-001C	02	Construction	Placer County Water Agency	Colfax WTP Replacement Project (Incentive)	D	FALSE	2987	905	Not Disadvantaged	\$12,510,000
0110008-001C	04	Construction	Pleasanton, City of	Per- and Polyfluoroalkyl (PFAS) Treatment and Wells Rehabilitation Project	F	FALSE	67876	21516	Not Disadvantaged	\$31,400,000
4510005-002C	02	Construction	Redding, City of	Pump Station 1 Replacement Project	F	FALSE	85703	26,080	Not Disadvantaged	\$40,000,000
5200555-001C	21	Construction	Rio Ranch Community Services District	Water Source Capacity Improvement	F	FALSE	25	21	Small Severely Disadvantaged	\$112,314
4810004-001C	04	Construction	Rio Vista, City of	New Well, Storage Tank and Booster Station in Core	F	FALSE	7376	3,274	Not Disadvantaged	\$9,300,000
4810004-002C	04	Construction	Rio Vista, City of	New Well near the High School	F	FALSE	7376	3,274	Not Disadvantaged	\$2,700,000
3710020-080C	14	Construction	San Diego, City of	Otay 2nd Pipeline Steel Replacement Phase 3	F	FALSE	1,266,731	271,962	Not Disadvantaged	\$19,420,000
3710020-079C	14	Construction	San Diego, City of	Alvarado 2nd Pipeline Extension	F	FALSE	1266731	271,962	Not Disadvantaged	\$145,691,810
3710020-082C	14	Construction	San Diego, City of	El Monte Pipeline Number 2	F	FALSE	1266731	271,962	Not Disadvantaged	\$28,000,000
3710020-083C	14	Construction	San Diego, City of	La Jolla View Reservoir	F	FALSE	1266731	271,962	Not Disadvantaged	\$37,000,000
3810001-003C	04	Construction	San Francisco, Public Utilities Commission of the City and County of	Sunol Valley Water Treatment Plant Ozonation Facility and Other Site Improvements Project	F	FALSE	2,700,000	175,000	Not Disadvantaged	\$214,000,000
3510002-002C	05	Construction	San Juan Bautista, City of	Water Main from West Hills Water Treatment Plant	F	FALSE	1720	694	Not Disadvantaged	\$13,150,000
3410021-002C	09	Construction	San Juan Water District	Kokila Reservoir Replacement	F	FALSE	33792	10,240	Not Disadvantaged	\$7,850,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Estimated/ Requested Project Costs
4010009-001C	06	Construction	San Luis Obispo, City of	Santa Rosa - Stenner Creek to Highland 30" Pipeline Replacement	F	FALSE	44174	14,400	Not Disadvantaged	\$11,000,000
1010029-002C	11	Construction	Sanger, City of	City of Sanger New Water Well Project (Incentive)	E	FALSE	25404	5,971	Large Disadvantaged	\$5,250,000
4210010-006C	06	Construction	Santa Barbara, City of	Cater Reservoir Resiliency Project	F	FALSE	94370	25,580	Not Disadvantaged	\$27,000,000
4410010-004C	05	Construction	Santa Cruz, City of	Newell Creek Pipeline Improvement Project [Felton/Graham Hill]	F	FALSE	90000	24,228	Not Disadvantaged	\$41,352,000
4410010-003C	05	Construction	Santa Cruz, City of	Graham Hill Water Treatment Plant Facility Improvements Project (PFAS)	F	FALSE	90000	24,228	Not Disadvantaged	\$177,600,000
3010041-001C	08	Construction	Seal Beach, City of	LCWA Watermain Lining Project	F	FALSE	24157	5,358	Not Disadvantaged	\$2,741,000
3010041-002C	08	Construction	Seal Beach, City of	Beverly Manor Booster Pump Station Rehabilitation Project	F	FALSE	24157	5,358	Not Disadvantaged	\$7,388,300
3010042-001C	08	Construction	South Coast Water District	Doheny Ocean Desalination	F	FALSE	35000	12519	Not Disadvantaged	\$175,000,000
0910002-030C	09	Construction	South Tahoe Public Utility District	Waterline Upgrades and Improvement Project	F	FALSE	60000	13,635	Not Disadvantaged	\$6,934,231
0910002-031C	09	Construction	South Tahoe Public Utility District	Tahoe/Glenwood Waterline Upgrades	F	FALSE	60000	13,635	Not Disadvantaged	\$7,567,939
0910002-032C	09	Construction	South Tahoe Public Utility District	Pioneer Trail Waterline and PRV Upgrade	F	FALSE	60000	13,635	Not Disadvantaged	\$6,963,201
3010046-001C	08	Construction	Tustin, City of	City of Tustin PFAS Water Treatment Plant	F	FALSE	62100	14,071	Not Disadvantaged	\$3,166,784
3710026-004C	14	Construction	Valley Center Municipal Water District	2023 Water Facilities Replacement Project	F	FALSE	25572	9,704	Not Disadvantaged	\$9,300,000
5610003-001C	06	Construction	Ventura County Waterworks District No. 17	Bell Canyon Reservoir #3 (ASADRA)	C	FALSE	2154	711	Pending	\$10,400,000
5610022-002C	06	Construction	Ventura River Water District	2023 Water Projects (Incentive)	F	FALSE	6400	2,125	Not Disadvantaged	\$14,800,000
					Projects =	55			Subtotal =	\$2,529,845,888

Construction Projects eligible for grant/PF under Appendices D and E, and Consolidation Projects³ - Sort Order: Complete Application, Applicant, Project Number

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
3610002-001C	13	Construction	Alpine Water Users Association	System Meter Replacements	D	No	3000	932	Small Disadvantaged	Yes	No	\$498,288
0510003-003C	10	Construction	Angels, City of	City of Angels Water Treatment Plant Upgrade	F	No	3956	1,882	Small Severely Disadvantaged	Yes	No	\$6,686,140
0410001-002C	21	Construction	Biggs, City of	Storage Tank and Pump Station	F	No	1805	650	Small Disadvantaged	Yes	No	\$6,100,000
5100138-001C	21	Construction	Browns Elementary School District	Browns School Well Rehabilitation Project	A	No	160	48	Small Severely Disadvantaged	Yes	Yes	\$1,750,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
0410006-001C	21	Construction	Butte, County of	Palermo Drinking Water Consolidation Project	A	Yes	1490	490	Small Severely Disadvantaged	Yes	No	\$13,266,780
0510002-005C	10	Construction	Calaveras Public Utilities District	Rich Gulch Transmission Main Replacement	F	No	4758	1,903	Small Severely Disadvantaged	Yes	No	\$1,116,000
1010039-005C		Construction	Caruthers Community Services District	Caruthers Well 5 TCP Treatment	C	No	2503	748	Small Disadvantaged	Yes	No	\$3,900,000
1010039-004C	23	Construction	Caruthers Community Services District	Water Line Loop - Tahoe, Mt. View & West Ave	F	No	2103	672	Small Disadvantaged	Yes	No	\$716,600
3310007-003C	20	Construction	Coachella, City of	Shady Lane Mobile Home Park Water Consolidation Project	C	Yes	200	40	Small Severely Disadvantaged	Yes	No	\$1,799,050
1710012-004C	3	Construction	Cobb Area County Water District	Alpine Meadows and Starview Improvement Project	C	No	310	95	Small Disadvantaged	Yes	No	\$3,893,000
0610002-001C	21	Construction	Colusa, City of	Water Well Construction Project	D	Yes	5625	2,126	Small Severely Disadvantaged	Yes	No	\$3,495,624
4400571-005C	5	Construction	Davenport County Sanitation District	Davenport Drinking Water Improvement Project - Phase III	D	No	350	130	Small Severely Disadvantaged	Yes	Yes	\$668,000
1000546-006C	23	Construction	Fresno, County of (Service Area 49)	CSA 49 Water System Improvements	B	No	450	31	Small Severely Disadvantaged	Yes	No	\$4,067,714
5100107-009C	21	Construction	Golden State Water Company - Robbins System	Robbins System - New Well and Arsenic Removal Treatment	C	No	336	94	Small Disadvantaged	Yes	Yes	\$6,480,000
5410019-002C	24	Construction	Ivanhoe Public Utility District	Well No.9 and Conveyance Pipeline Project	A	No	4474	1,113	Small Severely Disadvantaged	Yes	No	\$2,839,952
3600155-001C	13	Construction	JHC River Ranch Inc	River Ranch Mobile Home Park Water System Consolidation Project	A	Yes	300	136	Small Severely Disadvantaged	Yes	No	\$2,100,000
1710022-009C	3	Construction	Lake, County of (CSA 20)	Soda Bay Water Treatment Plant Improvements	F	No	1438	662	Small Disadvantaged	Yes	No	\$6,380,000
3610003-001C	13	Construction	Liberty Utilities (Apple Valley Ranchos Water) Corp.	Rehabilitation of the Yermo Water System	C	Yes	1049	277	Small Severely Disadvantaged	Yes	No	\$5,910,431
2410004-004C	11	Construction	Livingston, City of	Livingston 1,2,3-TCP Removal Treatment System Project	C	No	13795	2,948	Small Disadvantaged	Yes	No	\$42,000,000
0910007-001C	9	Construction	Lukins Brothers Water Company	Phase 2 Waterline Project - James Avenue	C	No	3168	968	Small Disadvantaged	Yes	No	\$3,284,011
2010008-007C	11	Construction	Madera, County of (MD10A - Madera Ranchos)	Meter and Pipeline Replacement Project	E	Yes	2255	922	Not Disadvantaged	Yes	No	\$2,779,780
1910086-001C	16	Construction	Maywood Mutual Water Company #3	Water Quality Improvement Project	F	No	9500	2,036	Small Severely Disadvantaged	Yes	No	\$2,650,000
1510013-003C	12	Construction	McFarland, City of	Water System Improvement & Treatment Project	C	No	12138	2,220	Small Severely Disadvantaged	Yes	No	\$12,854,168
1900785-001C	16	Construction	Mitchell'S Avenue E Mobile Home Park	Arsenic Treatment Facility Improvements	C	No	26	24	Small Severely Disadvantaged	Yes	No	\$1,588,390
1910091-002C	16	Construction	Montebello Land and Water Company	Centralized PFAS Remediation Treatment System Project	E	No	13451	4,076	Large Severely Disadvantaged	Yes	No	\$9,602,779

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
4510002-007C	2	Construction	Mountain Gate Community Services District	Water System Improvement Project	F	No	2227	669	Small Severely Disadvantaged	Yes	No	\$14,285,600
2100582-001C	18	Construction	Nicasio School District	Nicasio School District Water System Upgrade Project	B	No	40	12	Small Severely Disadvantaged	Yes	No	\$225,000
2700771-001C	5	Construction	Pajaro/Sunny Mesa Community Services District	Springfield Water System Improvements Project	A	Yes	200	42	Small Severely Disadvantaged	Yes	No	\$15,000,000
5400519-001C	24	Construction	Palo Verde Union Elementary School District	Palo Verde Union Elementary School Well	D	No	584	26	Small Severely Disadvantaged	Yes	No	\$750,000
3110005-010C	2	Construction	Placer County Water Agency	Shady Glen Consolidation Construction Project	C	Yes	336	120	Small Disadvantaged	Yes	No	\$3,496,061
5410039-003C	12	Construction	Plainview Mutual Water Company	Plainview Nitrate Relief Project	A	Yes	800	187	Small Severely Disadvantaged	Yes	Yes	\$5,070,567
3600220-001C	13	Construction	San Bernardino, County of	CSA 42 Reservoir Replacement	D	No	700	140	Small Severely Disadvantaged	Yes	No	\$1,511,292
1910240-001C	15	Construction	Santa Clarita Valley Water Agency	T&U Wells PFAS Treatment, Saugus 1&2 Wells VOC Treatment & Disinfection Facility Improvement Project	C	No	101000	29,924	Not Disadvantaged	Yes	No	\$16,649,966
1910017-003C	22	Construction	Santa Clarita Valley Water Agency	New Mint Association Water System Consolidation	F	Yes	298,731	75,585	Not Disadvantaged	Yes	No	\$3,708,994
4600019-001C	2	Construction	Sierra County (Calpine) Waterworks District No. 1	New Well and Treatment Facilities	C	No	225	142	Not Disadvantaged	Yes	No	\$4,821,125
5200562-001C	21	Construction	Sky View County Water District	Water System Improvement Project	C	No	412	125	Small Severely Disadvantaged	Yes	No	\$13,622,400
4200842-001C	6	Construction	St. Marie Mobile Home Park, LLC	City of Santa Maria Water Service Connection	A	Yes	250	78	Small Severely Disadvantaged	Yes	Yes	\$1,034,450
3910012-001C	10	Construction	Stockton, City of	Century Mobile Home Park and Sunny Road Water System Consolidation Project	C	Yes	90	36	Small Disadvantaged	Yes	Yes	\$1,421,588
5510013-010C	11	Construction	Tuolumne Utilities District	Cuesta Heights Water Storage	D	Yes	3646	1,545	Small Disadvantaged	Yes	No	\$2,633,879
5510012-001C	11	Construction	Tuolumne Utilities District	Sierra Pines Regional Water Treatment Facility Project	F	Yes	3446	1,460	Not Disadvantaged	Yes	No	\$45,600,000
5510001-004C	11	Construction	Tuolumne Utilities District	Muller Mutual Water Company Consolidation with Tuolumne Utility District Project	F	Yes	10294	4,362	Small Severely Disadvantaged	Yes	No	\$4,400,000
4900568-001C	18	Construction	Valley Ford Water Association	VFWA New Well	A	No	61	20	Small Disadvantaged	Yes	Yes	\$2,150,000
1900520-004C	16	Construction	Village Mobile Home Park	Village MHP New Well for Arsenic Remediation	C	No	71	34	Small Severely Disadvantaged	Yes	No	\$2,000,000
1510021-004C	12	Construction	Wasco, City of	Water System Improvement & Treatment Project	C	No	19448	3,936	Small Severely Disadvantaged	Yes	No	\$49,204,372
5010026-001C	10	Construction	Waterford, City of	Hickman Water System Improvements Construction Project	D	Yes	597	183	Not Disadvantaged	Yes	Yes	\$5,033,821

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
3301529-001C	20	Construction	Western Water Conservation	ANZA-RAMONA WATER SYSTEM IMPROVEMENT PROJECT	C	No	250	106	Small Severely Disadvantaged	Yes	No	\$5,780,000
1210015-002C	1	Construction	Willow Creek Community Services District	Brannan Mountain Water Storage Tank	F	No	2500	889	Small Disadvantaged	Yes	No	\$2,112,750
2410010-001P	11	Construction	Winton Water and Sanitary District	Well 16 Project	D	No	9000	2,701	Pending	Yes	Yes	\$392,000
5410025-001C	12	Construction	Woodville Public Utility District	Replacement Well Project	A	No	1678	478	Small Severely Disadvantaged	Yes	No	\$3,488,578
2000611-001C	11	Construction	Yosemite Unified School District	Coarsegold Elementary Groundwater Treatment and Water Systems Improvements	C	No	600	6	Small Severely Disadvantaged	Yes	Yes	\$2,320,000
5403144-001C	24	Construction	Ali Mutual Water Company	Ali Mutual Water Distribution Replacement Project	F	No	39	13	Small Severely Disadvantaged	No	Yes	\$1,643,000
3301491-003C	20	Construction	Alpine Village	Uranium Compliance Project	A	No	130	33	Small Disadvantaged	No	Yes	\$-
3600009-001C	13	Construction	Apple Valley Heights County Water District	Storage Tanks and Transmission Pipeline Improvements Project	F	No	550	324	Small Severely Disadvantaged	No	Yes	\$4,400,000
4510001-001C	2	Construction	Anderson, City of	Anderson Heights Reservoir Replacement and Pressure Regulating Valve (PRV) Station Project	F	No	10050	3,077	Small Severely Disadvantaged	No	No	\$2,250,000
3600012-002C	13	Construction	Apple Valley View Mutual Water Company	Apple Valley View MWC	A	No	200	81	Small Severely Disadvantaged	No	Yes	\$600,000
1610001-001C	12	Construction	Armona Community Services District	District Well No. 4 Project	D	No	3239	1,301	Small Severely Disadvantaged	No	Yes	\$15,000,000
P84C-1500588-001C	12	Construction	Arvin Community Services District	Sonshine Properties Proposition 84 Project	A	Yes	11847	3,446	Small Severely Disadvantaged	No	No	\$4,484,962
1510001-005C	12	Construction	Arvin Community Services District	123 TCP Treatment for Well No.8 and Well No. 13	C	No	11847	3,446	Small Severely Disadvantaged	No	No	\$3,115,350
2400097-001C	11	Construction	Ballico-Cressey School District	Cressey Elementary School Water System Project	C	No	155	7	Small Severely Disadvantaged	No	No	\$867,214
1000004-001C	23	Construction	Belmont Water Corporation	Belmont Water Corporation 1,2,3-TCP Mitigation - Construction	C	No	86	46	Not Disadvantaged	No	No	\$1,442,700
4400751-002C	5	Construction	Bonny Doon Union Elementary School District	Bonny Doon School Water System Storage Tank Replacement	F	No	160	10	Small Severely Disadvantaged	No	Yes	\$1,100,000
1000182-001C	23	Construction	Burrel Union Elementary School	Burrel Union Elementary School Water System Upgrade	C	No	178	53	Pending	No	Yes	\$658,108
1510032-001C	19	Construction	California City, City Of	California City Water Main Replacement Project-Rancho Tract	F	No	12000	4,175	Pending	No	No	\$-
1510033-003C	21	Construction	California Water Service Company	PFAS Wellhead Treatment Project for Well ARD-W-018-01	E	No	5501	4003	Small Severely Disadvantaged	No	No	\$2,220,180
1510033-002C		Construction	California Water Service Company	RS Mutual Water Company Consolidation Project	A	Yes	55	23	Small Severely Disadvantaged	No	Yes	\$538,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
0410005-001C	21	Construction	California Water Service Company	Oroville District Station 17 and 18 New Well and Treatment	E	No	5501	3547	Small Severely Disadvantaged	No	No	\$10,896,895
0410002-003C	21	Construction	California Water Service Company	Chico District Well 071-01 PFAS Treatment	E	No	109723	29516	Pending	No	No	\$9,926,289
4100529-002C	17	Construction	Camp Loma Mar	Camp Loma Mar Drinking Water State Revolving Fund Construction Financing Application	C	No	187	21	Pending	No	Yes	\$888,000
5610024-002C	6	Construction	Casitas Municipal Water District	Casitas and Ojai Water System Consolidation	C	Yes	65000	3,184	Pending	No	No	\$10,000,000
4900508-001C	18	Construction	Cazadero Water Company, Inc.	Cazadero Water System Improvements	C	No	250	157	Small Disadvantaged	No	Yes	\$6,700,000
1800512-001C	2	Construction	Clear Creek Community Services District	Drinking Water System Improvements	D	No	2151	1,115	Small Severely Disadvantaged	No	Yes	\$7,521,494
1710001-004C	3	Construction	Clearlake Oaks County Water District	Water Distribution System, Storage, and Booster Pump Station Infrastructure Project	C	No	2551	2,112	Small Severely Disadvantaged	No	Yes	\$4,582,206
3310001-020C	20	Construction	Coachella Valley Water District	Leon Housing Water Consolidation Project	C	No	244472	97,789	Pending	No	No	\$5,469,084
3310001-019C	20	Construction	Coachella Valley Water District	Pierce Street Community Water Consolidation Project	C	No	244472	97,789	Pending	No	Yes	\$25,000,000
3310001-018C	20	Construction	Coachella Valley Water District	Avenue 76 Community Drinking Water Consolidation Project	C	No	244472	97,789	Pending	No	Yes	\$5,000,000
1710012-006C	3	Construction	Cobb Area County Water District	Pine Grove Improvement Project	F	No	845	631	Small Disadvantaged	No	No	\$4,209,000
1710012-005C	3	Construction	Cobb Area County Water District	Adam Springs Improvement Project	F	No	845	631	Small Disadvantaged	No	No	\$1,870,000
1710012-003C	3	Construction	Cobb Area County Water District	Mount Hanna Distribution System Improvements	F	No	100	36	Small Disadvantaged	No	Yes	\$2,425,000
1710012-001C	3	Construction	Cobb Area County Water District	Pine View Heights Distribution System Improvements	F	Yes	845	631	Small Disadvantaged	No	Yes	\$2,130,000
3310037-011C	20	Construction	Corona, City of	PFAS Removal Project	E	No	167409	46,256	Pending	No	No	\$5,000,000
4510007-001P	2	Construction	Cottonwood Water District	Water System Improvement Project	C	No	2700	1,065	Small Disadvantaged	No	Yes	\$500,000
3700922-001C	14	Construction	County of San Diego, Department of Public Works, County Service Area 137	Live Oak Springs Community Water System Improvements	C	No	300	96	Pending	No	No	\$-
0810001-005C	1	Construction	Crescent City, City of	Butte Court Mobile Home Park Consolidation	C	Yes	70	28	Small Severely Disadvantaged	No	Yes	\$750,000
0810001-004C	1	Construction	Crescent City, City of	West Park Properties Mobile Home Park Consolidation	A	Yes	119	39	Small Severely Disadvantaged	No	Yes	\$1,966,794
4710004-001C	1	Construction	Etna, City of	City of Etna - Water System Improvements Project	B	No	769	391	Small Severely Disadvantaged	No	Yes	\$7,936,080

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
3200078-001C	2	Construction	Feather River Canyon Community Services District	Old Mill Ranch Water Supply Project	C	No	32	16	Small Severely Disadvantaged	No	No	\$2,160,000
1010005-004C	23	Construction	Firebaugh, City of	Las Deltas Mutual Water Company and City of Firebaugh Consolidation Project	C	Yes	6500	1,347	Small Severely Disadvantaged	No	Yes	Pending
4710003-001C	1	Construction	Fort Jones, Town of	Water Meter Replacement	F	No	647	347	Small Severely Disadvantaged	No	No	\$1,086,460
1510007-004C	19	Construction	Frazier Park Public Utility District	Frazier Park Public Utility District Pipeline Replacement Project	E	Yes	2,570	1,293	Small Severely Disadvantaged	No	Yes	\$9,851,450
1510007-003C		Construction	Frazier Park Public Utility District	Well Site Acquisition and Construction and Operation of Well #8	C	Yes	2,570	1,293	Small Severely Disadvantaged	No	Yes	\$3,577,150
1000277-001C	11	Construction	Fresno, City of	City of Fresno Regional Consolidation Project Group 2	C	No	457511	130,176	Small Disadvantaged	No	Yes	\$4,500,000
1000484-001C		Construction	Fresno, County of	Fresno County Service Area 34SWTP System Improvements	C	No	1117	399	Pending	No	No	\$3,500,000
1000471-001C	23	Construction	Fresno, County of	Fresno County Service Area 39AB System Improvements	A	Yes	158	63	Small Disadvantaged	No	Yes	\$6,334,901
5602108-002C		Construction	Garden Acres Mutual Water Co	Sustainable Water Assurance for the Next Generation (SWAN)	C	No	795	110	Small Severely Disadvantaged	No	No	\$5,235,119
5602108-001C	6	Construction	Garden Acres Mutual Water Co	SWAN Tank B Inlet/Outlet Modernization Upgrade	F	No	795	110	Small Severely Disadvantaged	No	No	\$209,036
2710007-001C	5	Construction	Gonzales, City of	Alpine Camp System Consolidation	A	No	8803	1,894	Pending	No	No	\$5,000,000
2910001-006C	21	Construction	Grass Valley, City of	Water Service, Earthquake Preparation, and Control Project	F	No	5600	2,328	Small Severely Disadvantaged	No	No	\$5,000,000
2910001-005C	21	Construction	Grass Valley, City of	Water Treatment Plant Improvement Project	F	No	5600	2,328	Small Severely Disadvantaged	No	No	\$5,000,000
2910001-004C	21	Construction	Grass Valley, City of	Water Distribution System Pipeline Repair and Replacement	F	No	5600	2,328	Small Severely Disadvantaged	No	No	\$14,970,000
1710015-009C	3	Construction	Hidden Valley Lake Community Services District	Water Storage Reliability	F	No	6,235	2,473	Small Disadvantaged	No	No	\$3,864,983
3510001-001C	5	Construction	Hollister, City of	City of Hollister - Valenzuela Full Planning Project	A	Yes	55	17	Pending	No	No	\$-
5400994-001C	24	Construction	Hope Elementary School	Hope Elementary Consolidation with City of Porterville	A	Yes	256	78	Small Severely Disadvantaged	No	Yes	\$5,212,140
4700513-005C	1	Construction	Hornbrook Community Services District	Hornbrook CSD Improvement Project	C	No	280	141	Small Severely Disadvantaged	No	Yes	\$8,880,000
5010008-012C	10	Construction	Hughson, City of	Cobles Corner/County Villa Consolidation with City of Hughson	C	Yes	92	40	Not Disadvantaged	No	Yes	\$4,166,274
5010008-0013C	10	Construction	Hughson, City of	City of Hughson and Riverview Mobile Estates - Water Consolidation Project	C	Yes	540	173	Pending	No	Yes	\$12,350,261
3010053-001C	8	Construction	Huntington Beach, City of	Old Pirate Lane Consolidation Project	A	Yes	201000	52,358	Not Disadvantaged	No	No	\$681,322
1010044-002C	23	Construction	Huron, City of	City of Huron Water Storage Tank Rehabilitation	F	No	7306	862	Small Severely Disadvantaged	No	No	\$5,954,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
1510017-003C	19	Construction	Indian Wells Valley Water District	Hometown Water Association Consolidation	F	Yes	30000	11,643	Small Disadvantaged	No	No	\$270,066
1510017-002C	19	Construction	Indian Wells Valley Water District	Dune 3 Water Company Consolidation Project	F	Yes	30000	11,643	Not Disadvantaged	No	Yes	\$4,927,845
0300078-001C	10	Construction	Ione Band of Miwok Indians	Ione Band of Miwok Indians Water System Improvements	B	Yes	45	14	Pending	No	Yes	\$-
3600222-001C	13	Construction	Juniper Riviera County Water District	Improvement Project	C	No	332	168	Small Disadvantaged	No	Yes	\$3,000,000
1400037-001C	13	Construction	Kevin McCormick and Holly Flow LLC	Foothill Mobile Home Park Water System Improvements	C	No	100	48	Small Severely Disadvantaged	No	Yes	\$6,000,000
1000316-001C	23	Construction	Kings Canyon Unified School District	KCUSD Water Supply and Treatment Project for Alta, Riverview, and Kings Canyon High	C	No	79	1	Small Severely Disadvantaged	No	Yes	\$9,463,000
P84C-1500364-001C	19	Construction	KRVMC - Kernvale Mutual Water Company	Arsenic and uranium MCL exceedance	C	Yes	2500	1,211	Small Severely Disadvantaged	No	No	\$1,410,000
3610005-001C	27	Construction	Lake Arrowhead Community Services District	PFAS Removal	E	No	7,219	8,473	Disadvantaged	No	No	\$6,000,000
3700924-001C	14	Construction	Lake Morena Views Mutual Water Company, Inc.	Lake Morena Views Consolidation	C	Yes	350	120	Pending	No	Yes	\$12,000,000
1510023-003C	19	Construction	Lake of The Woods Mutual Water Company	Lake of the Woods Water System Improvement Project	C	Yes	990	396	Small Severely Disadvantaged	No	Yes	\$5,500,000
3700919-001C	14	Construction	Lake Wohlford Resort	Lake Wohlford Resort	C	Yes	235	137	Pending	No	Yes	\$2,000,000
4500008-002C	2	Construction	Lakeshore Villa Mutual Water Company	Lakeshore Villa MWC System Improvements	F	No	81	46	Small Severely Disadvantaged	No	Yes	\$957,600
1510012-010C	12	Construction	Lamont Public Utility District	(Placeholder) Lamont PUD - Consolidation of Fuller Acres MWC & Athal MWS	C	Yes	695	220	Pending	No	Yes	\$20,320,600
1900038-001C	16	Construction	Lancaster Park Mobile Home Park	Lancaster Park Mobile Home Project	C	No	61	21	Small Severely Disadvantaged	No	Yes	\$-
2000589-001C	11	Construction	Legacy Development, LLC	Mammoth Pool MHP Water Improvement Project	C	No	60	32	Pending	No	Yes	\$5,000,000
2000534-001C	11	Construction	Leisure Acres Mutual Water Company	Potable Water System Improvements	C	No	45	24	Small Severely Disadvantaged	No	Yes	Pending
5400616-001C	24	Construction	Lemon Cove Sanitary District	New Well and Storage Tank Installation Project	A	No	109	54	Pending	No	Yes	\$6,142,021
1502164-001C	19	Construction	Llanas Camp Four Water System	Llanas Camp Four Water System Consolidation	C	Yes	65	53	Small Severely Disadvantaged	No	Yes	\$4,000,000
1210023-003C	1	Construction	Loleta Community Services District	Water Storage Tank Replacement	C	No	632	302	Small Severely Disadvantaged	No	Yes	\$6,667,960
0910007-004C	9	Construction	Lukins Brothers Water Company	Lukins Brothers Water Company Inc. Meter Project	D	No	3168	968	Small Disadvantaged	No	No	\$3,974,600
2000544-003C	11	Construction	Madera, County of	MD-1 Hidden Lakes Surface Water Treatment Plant	C	No	150	53	Not Disadvantaged	No	No	\$1,000,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
2000552-001C	11	Construction	Madera, County of (MD24 - Teaford Meadow Lakes)	MD24 Teaford Meadows - Water Systems Improvements	C	No	150	66	Pending	No	No	\$4,200,000
2000293-001C		Construction	Madera, County of (MD46 - Ahwahnee Resrts)	MD-46 Ahwahnee - Water System Improvements Project	C	No			Pending	No	No	\$-
2000561-002C	11	Construction	Madera, County of (MD8 - North Fork)	MD-8A North Fork Water System Improvements Project	C	Yes	264	80	Small Severely Disadvantaged	No	No	\$15,248,000
5610005-001C	6	Construction	Meiners Oaks County Water District	Cozy Dell Water Treatment Facility	C	No	4000	1,283	Not Disadvantaged	No	No	\$6,200,000
1500401-001C	19	Construction	Mettler County Water District	1,2,3-TCP and Nitrate Mitigation Project	A	No	150	39	Not Disadvantaged	No	Yes	\$3,822,000
2702317-001C	5	Construction	Mission Union Elementary School District	Long Term Solution for Nitrate Contamination	A	No	100	1	Small Severely Disadvantaged	No	Yes	\$1,281,273
5010010-005C	10	Construction	Modesto, City of	Riverdale Park Tract Community Services District Consolidation	C	Yes	610	180	Small Disadvantaged	No	Yes	\$7,115,592
3610032-005C	13	Construction	Needles, City of	New 1.5 MG Storage Tank	F	No	3631	1,832	Small Severely Disadvantaged	No	No	\$2,780,608
2310007-019C	3	Construction	North Gualala Water Company, Incorporated	North Gualala Water Company (NGWC) Gualala River Flow Bank Project – Filter Backwash Recovery Tank	F	No	2630	1,068	Pending	No	No	\$524,000
5810006-002C	21	Construction	North Yuba Water District	North Yuba Meter Replacement Project	D	No	5303	695	Small Disadvantaged	No	No	\$3,361,000
4010005-002C	6	Construction	Oceano Community Services District	KenMar Gardens Water System Improvements	E	No	7600	2,065	Small Disadvantaged	No	Yes	\$3,132,300
1010023-005C	23	Construction	Orange Cove, City of	Emergency Lining of Source Water Retention Basins	C	No	8500	1,450	Small Severely Disadvantaged	No	No	\$3,000,000
1010023-004C	23	Construction	Orange Cove, City of	Water Treatment Plant Improvements	F	No	8500	1,450	Small Severely Disadvantaged	No	No	\$19,438,750
1110001-005C	21	Construction	Orland, City of	Orland MHP Consolidation Project	F	Yes	6525	2,615	Pending	No	No	\$2,000,000
5610007-001C	6	Construction	Oxnard, City of	Laguna Vista Elementary School Consolidation Project	C	Yes	192000	37,964	Small Severely Disadvantaged	No	Yes	Pending
4400758-001C	5	Construction	Pajaro Valley Unified School District	Renaissance High School and Soquel Creek Consolidation	C	Yes	250	1	Small Severely Disadvantaged	No	Yes	\$-
0400060-001C	21	Construction	Palermo Union School District	Honcut School Water System Improvement Project	C	No	40	2	Small Disadvantaged	No	Yes	\$2,876,900
1206002-001C	1	Construction	Palomino Estates M.W.C.	Palomino Estates Water System Upgrade Project	B	No	64	19	Small Severely Disadvantaged	No	Yes	\$2,320,000
1000345-003C	23	Construction	Panoche Water District	Drinking Water Treatment Plant	D	No	27	15	Pending	No	No	\$9,340,000
5200534-005C	21	Construction	Paskenta Community Services District	Paskenta CSD - Water Main Rehabilitation and Meter Project	F	No	120	67	Small Severely Disadvantaged	No	No	\$4,515,352
1200541-003C	1	Construction	Phillipsville Community Services District	Water Quality, Supply, and Distribution Improvements Project	C	No	140	66	Small Severely Disadvantaged	No	Yes	\$4,621,157
1010026-001C	11	Construction	Pinedale County Water District	Pinedale County Water District - Water Meter Project	D	No	8495	3,370	Small Disadvantaged	No	No	\$8,170,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
0710008-001C	4	Construction	Pittsburg, City of	Bella Vista Mobile Home Park and Riverview Mobile Home Park Water Service Extension Project	C	No	62500	19,256	Pending	No	Yes	\$300,000
5410009-001C	12	Construction	Pixley Public Utilities District	Pixley TCP Treatment Design	C	No	2772	840	Small Severely Disadvantaged	No	Yes	\$8,342,200
3210003-001C	2	Construction	Portola, City of	Emergency Water System Improvement Project	D	No	2500	1,083	Pending	No	No	\$1,498,300
2300755-001C	3	Construction	Potter Valley Community Unified School District	PVCUSD System DWSRF Improvement	B	No	307	93	Small Severely Disadvantaged	No	Yes	\$-
1500458-002C	19	Construction	R.S. Mutual Water Company	R.S. Mutual Water Company Consolidation Project	A	Yes	67	23	Small Severely Disadvantaged	No	Yes	\$538,000
4200867-001C	6	Construction	Ray Water	Ray Water Company Consolidation	C	Yes	25	7	Small Severely Disadvantaged	No	Yes	Pending
4510005-001C	2	Construction	Redding, City of	City of Redding and Cascade Racquet Club Mutual Water Company Consolidation	F	Yes	89	27	Small Disadvantaged	No	Yes	\$1,067,509
3310028-001C	20	Construction	Riverside, County of (CSA 122- Mesa Verde)	Consolidation – Expanded Feasibility Study, Rate Study and Construction Application	C	Yes	1240	389	Small Severely Disadvantaged	No	Yes	\$7,865,213
4000523-001P	6	Construction	S & T MUTUAL WATER COMPANY	S&T Emergency Water Supply Resiliency Projects	D	Yes	220	138	Not Disadvantaged	No	Yes	\$394,950
3600226-001C	13	Construction	San Bernardino, County of	(I) CSA 70 F Morongo Uranium Treatment Facilities	C	No	450	90	Small Disadvantaged	No	Yes	Pending
4200833-001C		Construction	Santa Maria Bonita School District	Santa Maria School Consolidation	C	Yes		1	Small Severely Disadvantaged	No	Yes	\$3,053,700
4910009-001C	18	Construction	Santa Rosa, City of	City of Santa Rosa Mobile Home Park Consolidation Project	C	Yes	157,985	54,603	Not Disadvantaged	No	Yes	\$5,588,000
4900913-001C	18	Construction	Santa Rosa, City of	Robin Way Water System Consolidation	A	No	65	20	Pending	No	No	\$-
4500015-001C	2	Construction	Shasta, County of	County Service Area No. 3-Castella Intake Replacement	F	No	252	90	Pending	No	No	\$4,063,000
2000506-001C	11	Construction	Sierra Linda Mutual Water Company, Inc.	Consolidation, Metering, and Water Treatment	C	Yes	180	89	Small Disadvantaged	No	No	\$7,724,400
4900510-001C	18	Construction	South Cloverdale Water Corporation	Water Service Connection and Metering	C	No	90	37	Small Severely Disadvantaged	No	Yes	\$117,808
1910153-001C	22	Construction	South Montebello Irrigation District	South Montebello Irrigation District Centralized PFAS Treatment System Project	C	No	15021	2,374	Small Disadvantaged	No	No	\$6,157,687
4910028-001C	18	Construction	Sweetwater Springs Water District	Monte Rio Bridge Water Main Attachment	F	No	3000	1,061	Small Disadvantaged	No	No	\$800,000
3400172-001C	9	Construction	Tokay Park Water Company	New Production Well and Interconnection Project	A	No	525	190	Small Disadvantaged	No	No	\$462,000
1910160-010C	7	Construction	Tract 349 Mutual Water Company	Tract 349 Water Quality Improvement Project	E	No	7500	905	Small Severely Disadvantaged	No	No	\$7,387,000

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
5400903-001C	24	Construction	Tract 92 Community Services District	Tract 92 CSD – CWS Visalia Water System Consolidation Project	C	Yes	500	91	Small Severely Disadvantaged	No	Yes	\$-
1010030-007C	23	Construction	Tranquillity Irrigation District	TID Rural Water System Improvement Project	C	No	897	354	Pending	No	Yes	\$4,700,000
5401003-001C	24	Construction	Tulare, County of	East Oroshi Community Services District Water Supply and Infrastructure	A	Yes	700	106	Small Severely Disadvantaged	No	Yes	\$13,521,607
5010019-001C	10	Construction	Turlock, City of	Well 35 Emerging Contaminants Treatment Project	C	No	74,300	19,468	Disadvantaged	No	No	\$5,000,000
0510001-002C	10	Construction	Union Public Utility District	Union Public Utility District Backwash / Recycling and Tank Aeration Project	F	No	4300	1,521	Small Disadvantaged	No	No	\$1,377,000
1710009-002C	3	Construction	Upper Lake County Water District	Meadow Pointe Residential Park Water System Consolidation	D	Yes	255	91	Pending	No	Yes	\$6,739,000
3701010-004C	26	Construction	Warner Unified School District	Warner Unified School District Construction Financing Application	C	No	250	76	Small Severely Disadvantaged	No	Yes	\$6,081,000
1000204-001C	23	Construction	Washington Unified School District	American Union Elementary School Well Replacement Project	C	No	250	4	Small Severely Disadvantaged	No	No	\$2,636,701
1500578-003C	19	Construction	Weldon Regional Water District	Weldon Regional Water Project	E	Yes	197	67	Small Severely Disadvantaged	No	Yes	\$20,000,000
1200553-001C	1	Construction	Weott Community Services District	Water Tank Replacement and Water Treatment Improvement Project	B	No	364	150	Small Severely Disadvantaged	No	Yes	\$3,974,226
1310008-003C	14	Construction	Westmorland, City of	Westmorland Water Treatment Plant Improvements	C	No	2444	601	Small Severely Disadvantaged	No	Yes	\$5,000,000
1810002-001P	2	Construction	Westwood Community Services District	Storage Capacity 1 MG Tank Project	E	No	1387	946	Small Severely Disadvantaged	No	Yes	\$434,800
1910173-001C	7	Construction	Whittier, City of	Whittier Groundwater Treatment System (WGTS) Expansion (PFAS)	E	No	49954	11,385	Pending	No	No	\$4,000,000
1900961-001C	16	Construction	Winterhaven Mobile Estates	Winterhaven Mobile Estates	C	No	56	20	Pending	No	Yes	\$6,000,000
2410010-002C	11	Construction	Winton Water and Sanitary District	Winton Water and Sanitary District 1,2,3-TCP Mitigation Project	C	No	9000	2,701	Pending	No	Yes	\$2,791,416
4900694-001C	18	Construction	Wright Elementary School District	Wright Elementary and City of Santa Rosa Water System Consolidation	E	Yes	500	151	Small Severely Disadvantaged	No	Yes	\$550,000
5110002-003C	21	Construction	Yuba City, City of	Yuba City and Yuba Apartment Homes Consolidation	D	No	51504	13,550	Pending	No	No	\$1,000,000
3700938-001C	14	Construction	Yuima Municipal Water District	Pauma Valley Water Company Consolidation	A	Yes	400	244	Pending	No	Yes	\$-
Projects =						188						\$953,508,744

Planning Projects eligible for grant/PF under Appendices D and E, and Consolidation Projects³ - Sort Order: Complete Application, Applicant, Project Number

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
3600009-001P2	13	Planning	Apple Valley Heights County Water District	Storage Tanks & Transmission Pipeline Improvements	F	No	550	324	Small Severely Disadvantaged	Yes	No	\$75,872

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
1200592-001P	1	Planning	Big Lagoon Community Services District	Big Lagoon Pipeline Replacement Serving the School District	F	No	140	35	Small Severely Disadvantaged	Yes	Yes	\$189,610
0600121-001P		Planning	Big Sandy Rancheria of Western Mono Indians of California	Big Sandy Rancheria Water System Capital Improvement	C	No	50	235	Small Disadvantaged	Yes	No	\$255,370
0600122-001P		Planning	Bishop Paiute-Shoshone Tribe	Bishop Paiute Tribe Water System Improvements	C	No	2,950	762	Small Severely Disadvantaged	Yes	Yes	\$407,421
5304109-001P	1	Planning	Burnt Ranch Estates Mutual Water Company	Water Treatment Plant & Supporting Infrastructure Upgrades	C	No	53	35	Small Severely Disadvantaged	Yes	No	\$397,750
2510002-001P	1	Planning	Cedarville County Water District	Cedarville Capital Improvements	F	No	711	293	Small Severely Disadvantaged	Yes	No	\$795,500
3210009-001P	2	Planning	Chester Public Utility District	Water System Improvement Project	D	No	1,209	2,088	Small Disadvantaged	Yes	No	\$1,812,000
4510016-004P	2	Planning	Clear Creek Community Services District	Distribution Pipe Replacement	F	No	6,250	2,369	Small Disadvantaged	Yes	Yes	\$231,608
3310001-010P	20	Planning	Coachella Valley Water District	East Coachella Valley Water Supply Plan Update and Consolidation Planning Project	C	Yes	244,472	97,789	Small Severely Disadvantaged	Yes	No	\$3,030,823
4700551-001P	1	Planning	Copco Lake Mutual Water Company	Copco Lake MWC Infrastructure Improvement	B	No	181	65	Small Disadvantaged	Yes	No	\$686,000
5000005-003P	10	Planning	Crows Landing Community Services District	Crows Landing Community Services District - Water System Improvements	C	No	322	137	Small Severely Disadvantaged	Yes	Yes	\$1,162,000
2410006-001P	11	Planning	Delhi County Water District	Drinking Water Planning Project	E	No	7,784	2,312	Small Disadvantaged	Yes	Yes	\$980,100
4710002-004P	1	Planning	Dunsmuir, City of	Water System Improvement Project	F	No	1,923	1,285	Small Severely Disadvantaged	Yes	No	\$1,419,000
4510008-002P	2	Planning	Fall River Valley Community Services District	Fall River Valley CSD Water System Improvements	D	No	1,584	474	Small Severely Disadvantaged	Yes	Yes	\$2,016,000
4710003-002P	1	Planning	Fort Jones, Town of	Drinking Water Improvements Project	D	No	647	302	Small Severely Disadvantaged	Yes	No	\$1,086,460
1010006-001P	11	Planning	Fowler, City of	City of Fowler Water System Improvement Project	C	No	7,100	2,160	Small Disadvantaged	Yes	No	\$495,000
3210010-001P	2	Planning	Hamilton Branch Community Services District	Source Capacity Development and Associated Infrastructure Improvements	D	Yes	1,624	495	Not Disadvantaged	Yes	Yes	\$775,000
4500023-001P	2	Planning	Hat Creek Highlands Mutual Water Company	Water Treatment and Storage Improvements Project	D	Yes	88	50	Small Disadvantaged	Yes	Yes	\$500,000
5000008-002P	10	Planning	Knights Ferry Community Services District	KFCSD Functioning Upgrades	C	No	168	67	Small Disadvantaged	Yes	No	\$735,500
5800805-001P	21	Planning	Lake Francis Mutual Water Company	Lake Francis MWC DWSRF Planning Application	C	No	60	21	Small Disadvantaged	Yes	Yes	\$780,949
4700549-001P	1	Planning	Lake Siskiyou Mutual Water Company	Lake Siskiyou Water System Upgrades	F	No	240	82	Small Disadvantaged	Yes	Yes	\$421,750

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
1810004-001P	2	Planning	Leavitt Lake Community Services District	Leavitt Lake CSD DWSRF New Well	D	No	950	258	Small Disadvantaged	Yes	Yes	\$748,000
1800516-001P	2	Planning	Little Valley Community Services District	Little Valley CSD - Drinking Water Improvement Project	F	No	26	46	Small Disadvantaged	Yes	No	\$432,500
1910064-001P	7	Planning	Littlerock Creek Irrigation District	Littlerock Creek Irrigation District GIS Program and Master Plan	F	No	2,900	1,184	Small Disadvantaged	Yes	No	\$315,080
4010005-001P	6	Planning	Oceano Community Services District	CIP Upgrade Projects	F	No	7,600	2,065	Small Disadvantaged	Yes	Yes	\$503,846
5500243-001P	11	Planning	OLA Rambling Hills, LLC	Water Source Planning	F	Yes	45	17	Small Severely Disadvantaged	Yes	No	\$500,000
0310005-004P	10	Planning	Pine Grove Community Services District	Lead Abatement and Water Conservation	D	No	1,141	407	Small Disadvantaged	Yes	No	\$850,000
3110005-010P	2	Planning	Placer County Water Agency	Weimar Water Company Pipeline Project	C	Yes	900	442	Not Disadvantaged	Yes	No	\$-
3110005-009P	2	Planning	Placer County Water Agency	Heather Glen Consolidation Planning Project	C	Yes	250	86	Small Severely Disadvantaged	Yes	No	\$-
0900308-001P	9	Planning	Quintette Service Corporation	Quintette Service Corporation Infrastructure Enhancement Project	F	No	68	59	Small Severely Disadvantaged	Yes	Yes	\$811,096
5305007-001P		Planning	Ruth Mutual Water Company	Source Capacity & Water Infrastructure Improvements	F	No	30	10	Small Severely Disadvantaged	Yes	No	\$549,750
5304502-001P	1	Planning	Salyer Heights Water Supply, Inc.	Salyer Heights New Water Treatment Plant & Water Tanks Project	A	No	135	41	Small Severely Disadvantaged	Yes	Yes	\$430,000
4010028-001P	6	Planning	San Luis Obispo, County of	Shandon (CSA 16) - Water System Improvement Project	F	No	1,030	344	Small Severely Disadvantaged	Yes	No	\$708,871
4700630-001P	1	Planning	Shasta View Heights Owners' Association, Inc.	Shasta View Heights Water System Planning Activities	D	No	50	17	Pending	Yes	No	\$659,200
3710025-001P	14	Planning	Sweetwater Authority	Sweet Water Authority Lead and Copper Rule Revisions Inventory and Identification Requirements	F	No	177,630	33,396	Large Disadvantaged	Yes	No	\$1,018,155
5303002-001P	1	Planning	Trinity Indian Creek Mobile Home Park, LLC	Source and Infrastructure Improvements	F	No	40	30	Pending	Yes	No	\$597,300
3702354-001P	14	Planning	Warner Springs Estates Homeowners Association	Warner Springs Tank, Wells, and Meters Improvement Project	D	No	340	287	Small Severely Disadvantaged	Yes	Yes	\$567,500
5410020-001P	24	Planning	Woodlake, City of	Woodlake Water Systems Improvement Project	F	No	7,300	1,903	Small Severely Disadvantaged	Yes	No	\$832,000
4710011-004P	1	Planning	Yreka, City of	South Yreka Water Supply & Distribution Improvements	D	Yes	7,746	3,015	Small Severely Disadvantaged	Yes	No	\$1,517,000
2510001-001P	2	Planning	Alturas, City of	City of Alturas Drinking Water Improvement Project	F	No	2,600		Small Severely Disadvantaged	No	No	\$500,000
4510001-001P	2	Planning	Anderson, City of	City of Anderson Lead Service Line Inventory Project	F	No	11,386	3,380	Small Disadvantaged	No	Yes	\$255,856
1700561-001P	3	Planning	Blue Lakes Improvement Club Water, Inc.	Blue Lakes Water System Improvements	F	No	150	43	Small Severely Disadvantaged	No	Yes	\$802,710

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
4510003-003P	2	Planning	Burney Water District	Lead Service Line Inventory	F	No	3,377	1,430	Pending	No	No	\$1,990,000
4700559-001P		Planning	Butteville Union Elementary School District	Butteville Union Elementary School District new water source	F	No	165	1	Pending	No	No	\$242,000
2500503-001P	1	Planning	California Pines Community Services District	Water System Improvements	F	No	300	130	Pending	No	No	\$551,700
1710005-003P	3	Planning	California Water Service Company	California Water Service - Intake Water Quality	F	No	2,870	1,280	Small Severely Disadvantaged	No	No	\$385,936
1510003-001P	12	Planning	California Water Service Company	Lead Service Line Replacement Survey DAC	F	No	1,008,349	234,834	Small Disadvantaged	No	No	\$5,189,400
3600108-001P		Planning	CSA 70 Zone Glen Helen	Glen Helen Groundwater Well Expansion Project	D	No			Pending	No	Yes	\$-
4400571-006P	5	Planning	Davenport County Sanitation District	Davenport Diversion Facility Upgrade Feasibility Study	F	No	350	130	Small Severely Disadvantaged	No	No	\$475,000
0710007-003P	4	Planning	Diablo Water District	Bethel Island Consolidation	F	Yes	34,942	13,366	Not Disadvantaged	No	Yes	\$4,100,000
2000512-001P	11	Planning	East Acres Mutual Water Company	East Acres MWC Planning Project	E	No	250	81	Pending	No	Yes	\$-
5410003-001P	24	Planning	Exeter, City of	Drinking Water System Improvement Project	C	No	10,334	3,317	Pending	No	Yes	\$617,683
5410004-001P	24	Planning	Farmersville, City of	City of Farmersville Well Replacement and Related Improvements	F	No	10,971	2,414	Small Severely Disadvantaged	No	No	\$822,000
1210008-007P	1	Planning	Garberville Sanitary District	Meadows Aerial Waterline Reconstruction Project	F	No	913	324	Small Severely Disadvantaged	No	No	\$500,000
0410004-003P	21	Planning	Gridley, City of	Wilson Well Assessment	C	No	7,510	2,067	Small Disadvantaged	No	No	\$1,000,000
0910006-002P	9	Planning	Grizzly Flats Community Services District	Booster Station & Pipeline Upgrades	C	No	1,300	609	Not Disadvantaged	No	Yes	\$131,250
1710015-007P	3	Planning	Hidden Valley Lake Community Services District	HVLCSD WaterMains Rehabilitation - Planning	F	No	6,235	2,473	Small Disadvantaged	No	No	\$806,112
1710003-001P	3	Planning	Highlands Water Company	Highlands Water Treatment Plant and Distribution Improvements	F	No	5,300	2,303	Small Severely Disadvantaged	No	No	\$500,000
1610007-003P	12	Planning	Home Garden Community Services District	Home Garden System Deficiencies Planning Project	F	No	1,750	453	Small Severely Disadvantaged	No	Yes	\$350,000
3610045-001P	13	Planning	Lake Arrowhead Community Services District	Rimforest Planning	D	Yes	256	298	Small Disadvantaged	No	Yes	\$372,000
4500016-001P	2	Planning	Lakehead Subdivision Mutual Water Company	Lakehead Subdivision MWC Planning Application	F	No	40	19	Pending	No	Yes	\$544,711
0000000-001P		Planning	Larkin Woods Mutual Water Company	Larkin Woods MWC Capital Improvements	A	No	34	18	Not Disadvantaged	No	Yes	\$322,000
2410011-001P	11	Planning	Le Grand Community Services District	Le Grand Community Services District Well Site Seven	C	No	1,739	456	Small Severely Disadvantaged	No	Yes	\$297,600
5810002-001P	21	Planning	Linda County Water District	Castlewood Mobile Home Park Drinking Water Consolidation	F	Yes	21,654	5,111	Pending	No	Yes	\$-

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
1710010-003P	3	Planning	Lower Lake County Water District	Infrastructure Upgrades/Replacements	F	No	1,902	851	Pending	No	No	\$970,000
2010008-005P	11	Planning	Madera, County of (MD10A - Madera Ranchos)	MD10A New Wells Improvement Planning Project	C	Yes	2,255	922	Not Disadvantaged	No	No	\$3,080,433
4710006-001P	1	Planning	McCloud Community Services District	McCloud CSD Distribution System Improvements Project	F	No	1,020	728	Small Severely Disadvantaged	No	No	\$800,000
1210016-001P	1	Planning	McKinleyville Community Services District	MCSD Service Line Inventory	F	No	16,900	5,810	Small Disadvantaged	No	Yes	\$25,128
1010021-002P	23	Planning	Mendota, City of	Water Supply Planning Project	E	No	8,656	1,680	Small Severely Disadvantaged	No	No	\$500,000
3010097-001P	8	Planning	Midway City Mutual Water Company	Midway City Distribution System Improvements	F	No	1,000	198	Small Severely Disadvantaged	No	No	\$707,000
3900805-001P	10	Planning	Morepark Properties, LP	Morehead Park CWS Meter Project	D	No	300	108	Small Severely Disadvantaged	No	Yes	\$50,000
1010023-006P	23	Planning	Orange Cove, City of	City of Orange Cove Water Supply Reliability Project	F	No	8,500	1,450	Small Severely Disadvantaged	No	No	\$500,000
1995015-001P	7	Planning	Palmdale Water District	Alpine Mobile Home Park Consolidation and Palmdale Water District Sierra Highway Reservoir Project	C	Yes	175	52	Small Disadvantaged	No	No	\$475,000
1010027-001P	11	Planning	Reedley, City of	Reedley Water Extension/Connections	F	No	25,584	5,445	Pending	No	No	\$-
4010010-001P	6	Planning	San Miguel Community Services District	San Miguel Water System Improvements Project	F	No	1,500	668	Pending	No	No	\$1,155,000
3900755-001P	10	Planning	Shady Rest Trailer Court	Shady Rest Trailer Ct. DWSRF Planning Application	C	No	120	49	Small Disadvantaged	No	No	\$463,858
4510013-001P	2	Planning	Shasta Community Services District	Lead Service Line Inventory	F	No	2,234	913	Disadvantaged	No	No	\$1,390,000
3510003-001P	5	Planning	Sunnyslope County Water District	Sunnyslope Consolidated Minimum Health & Safety Water System Improvements	A	Yes	16,713	5,223	Pending	No	No	\$-
5110007-001P	21	Planning	Sutter Community Services District	Sutter CSD Water Storage Reservoir	C	No	2,904	1,064	Not Disadvantaged	No	No	\$276,000
4700531-005P	1	Planning	Tennant Community Services District	Water Distribution Replacement Project	D	No	94	94	Small Disadvantaged	No	No	\$253,000
5400704-001P	24	Planning	Three Rivers Union School District	Three Rivers USD Drinking Water Planning Application	C	No	180	7	Small Severely Disadvantaged	No	Yes	\$1,175,350
1500371-001P	19	Planning	Union Pacific Railroad Company	Keene Water System - New Water Supply and System Modifications	C	No	147	42	Small Severely Disadvantaged	No	No	\$500,000
0510010-001P	10	Planning	Valley Springs Public Utility District	Distribution System Improvement Project	F	No	900	276	Small Disadvantaged	No	No	\$620,000
3610046-001P	13	Planning	Valley View Mutual Water Company	Valley View Park MWC Crestline CWD consolidation study	D	No	499	218	Pending	No	No	\$-
5010006-002P	10	Planning	Waterford, City of	Waterford Water Systems Capacity Improvement Project	D	No	8,788	2,174	Small Disadvantaged	No	Yes	\$1,307,700

Project Number ²	District Number	Project Type	Applicant	Project Title / Description	Class	Consolidation Project	Population	Service Connections	Degree of Disadvantaged	Complete Application	TA Provided	Estimated/ Requested Project Costs
1200553-001P	1	Planning	Weott Community Services District	Replacement of Raw and Treated Water Transmission Pipelines	B	No	364	150	Small Severely Disadvantaged	No	No	\$455,783
5400718-001P	24	Planning	Williams Mutual Water Company	Williams MWC Water System Improvements	D	No	180	50	Pending	No	No	\$-
3701837-001P	14	Planning	Wynola Water District	Wynola Estates Drinking Water Treatment and Supply	E	No	120	87	Pending	No	No	\$-
5400647-001P	24	Planning	Yokohl Mutual Water Company	Yokohl Mutual Water Company Water System Improvements Project	D	No	75	32	Pending	No	Yes	\$335,000
Projects =						89						\$65,089,221

Total Comprehensive List Projects =	332	Total =	\$3,548,443,853
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Notes:

1. Projects eligible for grant/PF under Appendices D and E, and all consolidation incentive projects, are added to the Fundable List after the Deputy Director, or designee, deems the application complete. Projects for small DACs that are not eligible for grant/PF funding under Appendices D and E with complete applications are not currently being added to the Fundable List. However, because these projects may be loan eligible, applicants should work with their DFA Project Manager if they are interested in loan funding and may need to submit supplemental applications documents prior to being added to the Fundable List.
2. Project numbers and project names are for administrative purposes only. DFA may assign or reassign project numbers and names as necessary to administer projects.
3. Construction Projects eligible for grant/PF under Appendices D and E are potentially eligible for DWSRF Principal Forgiveness, and DFA intends to award PF in the amounts previously discussed to projects from this group. The demand for grant/PF well exceeds the \$137.4 million in principal forgiveness available from the FFY 2023 DWSRF Base Program and General Supplemental capitalization grants.

APPENDIX C: SFY 2024-25 DWSRF IUP Fiscal Impact Summary^{23,24}

	Projected SFY 2024-25	Projected SFY 2025-26	Projected SFY 2026-27	Projected SFY 2027-28	Projected SFY 2028-29
Estimated Beginning Balance (Cash + Undrawn Federal Capitalization Grants)	\$462,749,237	\$453,977,847	\$472,225,139	\$590,499,419	\$659,019,100
Estimated Principal Payments + Interest Earnings	\$129,118,805	\$140,549,973	\$139,949,836	\$139,224,806	\$134,414,740
Estimated SMIF ²⁵ Interest Earnings	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Estimated Federal Capitalization Grants Received ²⁶ (Loan Fund)	\$220,710,180	\$235,982,819	\$235,982,819	\$37,000,000	\$37,000,000
Estimated State Match ²⁷	\$0	\$0	\$0	\$0	\$0
Estimated Bond Proceeds Received	\$0	\$0	\$0	\$0	\$0
Existing Revenue Bond Debt Service	(\$9,100,375)	(\$8,785,500)	(\$8,158,375)	(\$8,205,125)	(\$8,107,125)
Estimated New Debt Service	\$0	\$0	\$0	\$0	\$0
Estimated Disbursements ²⁸	(\$350,000,000)	(\$350,000,000)	(\$250,000,000)	(\$100,000,000)	(\$90,558,024)
Estimated Year-End Balances ²⁹	\$453,977,847	\$472,225,139	\$590,499,419	\$659,019,100	\$732,268,691

	SFY 2024-25	SFY 2025-26	SFY 2026-27	SFY 2027-28	SFY 2028-29
Estimated Yearly Cash Flows ³⁰	(\$8,771,390)	\$18,247,292	\$118,274,280	\$68,519,681	\$73,249,591

²³ Forecast as of April 2024.

²⁴ This table reflects projected sources of DWSRF funding, including estimated future federal funds, as well as the disbursement of current executed agreements and scheduled bond debt service. Disbursements will increase and year-end cash balances will decrease over time as future fundable lists are adopted and associated agreements are executed."

²⁵ SMIF means Surplus Money Investment Fund.

²⁶ These numbers include estimates for the FFY 2024 through FFY 2027 Base and Supplemental Capitalization Grants, not including set-asides. The forecasted capitalization grants are listed in the aggregate amounts. Principal forgiveness, if available, is included in the aggregate grant amount in the forecast.

²⁷ State Match for these estimated federal capitalization grants has already been provided for the DWSRF via State General Fund appropriations. Any additional match needs are anticipated via a short-term financing using DWSRF repayment funds, which generally have a net-zero impact on the cashflows of the DWSRF. The Deputy Director of DFA was authorized at the March 15, 2022 Board meeting to use up to \$85 million of 2021 Budget Act Infrastructure Appropriation grant funds as state match for the CWSRF and DWSRF programs and determine the appropriate allocation. AB 180 authorized an additional \$400 million for the state share of the CWSRF and DWSRF, consistent with existing law, and the Deputy Director of DFA is authorized to determine the appropriate allocation of the additional funds appropriated by AB 180 between the CWSRF and DWSRF. As a result, the Deputy Director of DFA has allocated \$265 million of this General Fund funding as State Match for the DWSRF.

²⁸ Estimated disbursements are a forecast of the cash disbursements for projects with current executed financing agreements.

²⁹ Estimated Year End Balances represent a running total based on the previous year's ending balance.

³⁰ Estimated Yearly Cash Flows represent the projected difference between revenues and capitalization grants (inflows) and disbursements and expenses (outflows) for each year, and do not include the previous year's ending balance. Positive numbers indicate that inflows are projected to be greater than outflows for that year. Negative numbers indicate that outflows are projected to be greater than inflows for that year.

APPENDIX D: Planning Project Grant and PF for an Eligible PWS³¹

Affordability Criteria ³²		Grant Amount	
Size	Community MHI ³³	Percent of Total Project Cost	Maximum Grant/PF Per Project ³⁴
≤3,300 connections or ≤10,000 persons	<80% of Statewide MHI	Up to 100%	N/A
<p>To the extent consistent with state law, this grant/PF may be awarded to the extent that DFA reasonably believes that there may be subsequent PF/grant-eligible construction project resulting from this planning/design.</p> <p>DFA may deny planning grant funding if the planning project has already been funded in part by other drinking water funding sources, including DWSRF and/or SCG DW funding.</p> <p>Amendments to existing funding agreements may be based on a previous IUP that the project was funded under, or this IUP, at the discretion of the Deputy Director, subject to funding source requirements. In an amendment, DFA will not necessarily revise the determination for characteristics such as system connections and income to inform the “Type of Community” for the project, but can adjust PF/grant amounts based on the previous determinations. Prop 1 GWGP planning grant funding may be awarded to eligible DACs/SDACs of any size, but DACs must have water rates ≥1.5% MHI.</p>			

³¹ Not applicable to ASADRA funding (see Appendix H), EC/PFAS funding (see Appendix J), or LSLR funding (see Appendix I).

³² A Receiving Water System may receive a planning grant/PF to develop an Incentive Project. Any grant/PF received under a planning agreement will be subtracted from the maximum grant/PF available for the Incentive Project.

³³ The Deputy Director of DFA may approve planning grants/PF for Small, non-DAC Category A-C and/or consolidation projects for good cause to the extent authorized under state law.

³⁴ The maximum grant/PF for a community is based on grant/PF funding benefiting the community in a five-year period. This includes planning, TA, Administrator, direct operation and maintenance, and construction funding for the community, but not GWGP funding, consolidation incentive, or funding under a supplemental IUP. Funds disbursed to the community under planning will be subtracted from the maximum eligible construction grant.

APPENDIX E: Construction Project Grant and PF Limitations for an Eligible PWS

Maximum PF, Grant or Combination Thereof Per Construction Project ^{35, 36}				
Type of Community ³⁷	Residential Water Rates as a Percentage of MHI ³⁸	Percentage of Total Eligible Project Cost	Maximum Amount Per Connection ^{39,40, 41}	
Category A – C⁴² and/or Consolidation Projects⁴³				
Small DAC/SDAC; Eligible NTNC ⁴⁴ That Serves a Small DAC/SDAC; Expanded Small DAC/SDAC; or Small Non-DAC with MHI < 150% of Statewide MHI	N/A	up to 100%	\$80,000 ⁴⁵	
Medium DAC ⁴⁶	>=1.5%	up to 50%	\$40,000	
Repayable Construction Financing Terms				
Type of Community	Residential Water Rates as a Percentage of MHI	Interest Rate	Maximum Financing Term ⁴⁷	Local Cost Share ⁴⁸
Small SDAC or Eligible NTNC That Serves a Small DAC	N/A	0%	40 Years	Waived
Small DAC or Expanded Small DAC	>=1.5%			
	<1.5%	½ General Obligation Bond Rate		
SDACs and DACs may be eligible for Prop. 1 GWGP drinking water treatment grants. For GWGP grants, the funding maximums provided above apply in addition to the limit for grant/PF from other funding sources. SDACs of any size may be eligible for GWGP grant funds regardless of water rates, and DACs of any size may be eligible for GWGP grant funds if residential water rates as a percentage of MHI ≥ 1.5%. For GWGP grants, DACs and SDACs of any size, including large DACs, are subject to the grant limits specified for Small DACs in the table above. No local match is required.				

³⁵ The Deputy Director of DFA has the discretion to apply grant and PF limitations from the 2023-24 DWSRF IUP, adopted July 18, 2023, to projects with complete applications submitted to DFA before March 15, 2024.

³⁶ Not applicable to ASADRA funding (see Appendix H), EC/PFAS funding (see Appendix J), or LSLR funding (see Appendix I).

³⁷ See Section I.F. of this IUP for the specific definitions of each type of community. Where a community is not currently being served by the funding recipient, eligibility for PF or grant may be based on the community that will be served by the project rather than the funding recipient, if consistent with the requirements of the funding source. If eligibility depends on rates, then adopted rates that will apply upon completion of construction may be considered. Eligibility is subject to limitations depending on the funding source..

³⁸ For the purposes of a consolidation project, the residential water rate of the Receiving Water System may be considered. For systems that do not charge monthly water rates, including, but not limited to, migratory labor camps, mobile home parks, or tribes, residential water rates as a percentage of MHI is considered not applicable and DFA may approve State Grant/PF funding per other limitations specified above.

³⁹ The Deputy Director of DFA may approve financing for construction projects with a total eligible project cost up to \$8,000,000 regardless of the amount per connection. In addition, the Deputy Director of DFA may approve up to a 20% cost increase, regardless of the amount per connection, during the Final Budget Approval.

⁴⁰ The maximum grant/PF is based on grant/PF funding benefiting the community in a five-year period. This includes planning, TA, Administrator, direct operation and maintenance, and construction funding for the community, but not GWGP funds, consolidation incentive, or funds received under a supplemental IUP.

⁴¹ Construction projects that receive only Prop 1 and Prop 68 grant funds shall be limited to \$5,000,000 per project (\$20,000,000 limit for projects that provide regional benefits or are shared among multiple entities).

⁴² Projects that are addressing water quality levels above a new MCL (e.g., hexavalent chromium or PFAS) may be considered a Category C priority even if they are not currently in violation of the MCL.

⁴³ Funding priority will be given to Category A-C Projects and consolidation projects. For consolidation projects, grant/PF eligibility may be determined based on the Subsumed Water System, although the recipient must be eligible under the applicable funding source. Throughout this document, Category A-C Projects may include projects that will address DAC state small water systems or domestic wells with water quality or quantity issues deemed equivalent to Category A-C to the extent eligible under the applicable funding source. To be eligible for funding for a consolidation of a state small water system or individual residences, the Receiving Water System need not be one of the specified types of communities, but must be eligible under the funding source. See section V.F for a discussion of consolidation incentives, which may be provided to Receiving Water Systems for consolidation projects apart from grant/PF for the consolidation project.

⁴⁴ For NTNC requirements, see section V.B.

⁴⁵ The Deputy Director of DFA may approve up to \$100,000 per connection for good cause. For good cause, the Deputy Director of DFA may approve up to \$120,000 per connection for projects addressing compliance with a mandatory consolidation order, or addressing a system with an appointed administrator.

⁴⁶ Funding priority will be given to projects that serve Small or Expanded Small DACs. Projects for Medium DACs may receive a maximum grant of \$5 million per project.

⁴⁷ Financing Term shall not exceed the useful life of the facilities being financed.

⁴⁸ The applicant may choose to fund the remainder of the total project cost (Local Cost Share) from other sources (e.g., repayable DWSRF/Prop 1/Prop 68 financing; grant funding from sources other than the State Water Board; or other sources).

NOTES: Amendments to existing funding agreements may be based on a previous IUP that the project was funded under, or this IUP, at the discretion of the Deputy Director, subject to funding source requirements. Although changes to the agreement require an amendment, the Deputy Director has the discretion to base final budget approval letters on a previous IUP that the project was funded under, or this IUP. In an amendment, DFA will not necessarily revise the determination for characteristics such as system connections and income to inform the "Type of Community" for the project, but can adjust PF/grant amounts based on the previous determinations. Agreements entered into during prior fiscal years based on eligibility determinations reliant on the treatment of multiple related systems as one project remain eligible for amendments, to extent the original agreement and subsequent amendments are consistent with state and federal law.

DFA may deny DWSRF/SCG DW grant, PF or a combination thereof if the construction project has already been funded in part by other drinking water funding sources, including DWSRF and SCG DW funding. Where a PWS is privately owned, DFA may also consider the private owner's assets and ability to afford a loan before otherwise awarding PF, grant or combination thereof.

APPENDIX F: Tier II Environmental Review or CEQA Review

DWSRF projects that will generally be subject to Tier II environmental review, and thus would be excluded from federal environmental cross-cutters (see section XIII.F.8, above), include the following^{49, 50}. Projects funded only by State grant funds may be subject to CEQA environmental review rather than the DWSRF SERP at the discretion of the Deputy Director of DFA.

- 1) Planning projects;
- 2) Construction projects that serve one of the following community types, as defined in this IUP:
 - a. Small DAC/SDAC;
 - b. Non-transient non-community water system that serves a Small DAC/SDAC, if the system serves solely the following:
 - i. A public K-12 school;
 - ii. A not-for-profit K-12 private school;
 - iii. A not-for-profit daycare facility;
 - iv. A not-for-profit labor camp;
 - v. A not-for-profit elder care facility; and/or
 - vi. A not-for-profit health care facility.
 - c. Expanded Small DAC/SDAC; or
 - e. Small Non-DAC with an MHI<150% of statewide MHI with a Category A-C project.
- 3) Consolidation projects involving Small and Expanded Small DACs, and Small Non-DACs with an MHI of less than 150% of the statewide MHI, and non-repayable consolidation incentive projects involving those types of communities.

Applying Tier II review to these categories of projects will promote operational efficiency. Consultation under federal environmental cross-cutters can add time to the State Water Board's review of projects that might never receive DWSRF funding, are not viable equivalency projects, or are not needed to fulfill the equivalency requirement. Projects consistent with categories identified above would undergo Tier II environmental review, and the State Water Board would not undertake federal environmental cross-cutter review on these projects, resulting in a more expedited environmental review process for Tier II projects. Alternatively, review under CEQA rather than the SERP may be applied to State grant funded projects at the discretion of the Deputy Director of DFA.

⁴⁹ The Deputy Director of DFA may designate projects in these categories as projects for which the state provides assistance in amounts up to the amount of the capitalization grant subject to Tier I environmental review and federal cross-cutters to the extent necessary to satisfy the equivalency requirement.

⁵⁰ The Deputy Director of DFA may designate additional individual projects for Tier II environmental review for good cause.

Tier II drinking water projects include projects that are in one of the categories listed above and are in the following groups:

- Projects in the planning phase during the term of this IUP (either in an existing planning agreement or completing planning work through an approved technical assistance [TA] workplan) regardless of whether federal environmental cross-cutters are listed in the existing scope of work.
 - If federal environmental cross-cutters are part of the scope of work, the applicant/TA provider will be notified by DFA Project Manager (PM) not to prepare the relevant federal environmental cross-cutters documents.
 - PM will also notify DFA Contracts Staff of the changes to the scope of work, to amend the project financing agreement to relieve the applicant/TA provider of the obligation to prepare the relevant federal environmental cross-cutter documents.
- Projects with a complete planning application submitted to DFA or with an environmental review requested by the PM by June 30, 2025.
- Projects with complete construction applications submitted by June 30, 2025 (including environmental documents). This may include projects in which the applicant has self-funded the environmental documents.
- Projects with construction applications submitted by June 30, 2025, that had a Tier II environmental review completed under a planning agreement or TA workplan.

APPENDIX G: FFY 2024 Estimated Federal Capitalization Grant Cash Draw Schedule

DWSRF Base Capitalization Grant	Estimated Balance	SFY 2024-25 Projected Federal Draws				SFY 2025-26 Projected Federal Draws				SFY 2027-28 Projected Federal Draws
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Project Loans/PF										
2021 grant	\$10,012,392	\$10,012,392								
2022 grant	\$23,706,404			\$23,706,404						
2023 grant	\$53,830,500					\$53,830,500				
2024 grant	\$54,831,000									\$54,831,000
Set-Asides										
FFY 2019-2022 Set-Asides*	\$26,465,112	\$4,108,567	\$4,108,567	\$4,108,567	\$4,108,567	\$2,507,711	\$2,507,711	\$2,507,711	\$2,507,711	
FFY 2023 Set-Asides*	\$13,850,720					\$712,764	\$712,764	\$712,764	\$712,764	\$10,999,663
FFY 2024 Set-Asides*	\$13,735,080						\$686,754	\$686,754	\$686,754	\$11,674,818

DWSRF BIL-General Capitalization Grant	Estimated Balance	SFY 2024-25 Projected Federal Draws				SFY 2025-26 Projected Federal Draws				SFY 2026-27 Projected Federal Draws
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Project Loans/PF										
2022 grant	\$158,733,000				\$52,911,000	\$52,911,000	\$52,911,000			
2023 grant	\$227,150,000						\$75,716,667	\$75,716,667	\$75,716,667	
2024 grant	\$227,150,000							\$75,716,667	\$75,716,667	\$75,716,667
Set-Asides										
FFY 2022 Set-Asides*	\$37,986,462	\$2,659,052	\$2,659,052	\$2,659,052	\$2,659,052	\$6,837,563	\$6,837,563	\$6,837,563	\$6,837,563	
FFY 2023 Set-Asides*	\$59,059,000	\$4,134,130	\$4,134,130	\$4,134,130	\$4,134,130	\$10,630,620	\$10,630,620	\$10,630,620	\$10,630,620	
FFY 2024 Set-Asides*	\$59,059,000									\$59,059,000

*Draws may also represent draws for set-asides transferred back to loan fund and expended on loans/PF

APPENDIX H: Additional Supplemental Appropriations for Disaster Relief Act, 2019 (ASADRA) Supplemental Intended Use Plan

APPENDIX I: Lead Service Line Replacement Supplemental Intended Use Plan

APPENDIX J: Emerging Contaminants Supplemental Intended Use Plan

APPENDIX K: Congressionally Directed Spending for DWSRF¹

Recipient and Project	Community Grant Amount	Funding Year	Water System Size	Disadvantaged Status	SWRCB Received Funding Application?	Project Number	Applicant	Project Title	Status of SWRCB Application
Adventist Health St. Helena Hospital for Napa County Deer Park/St. Helena Water System improvements	\$1,840,000	FFY 2022	Small	Non-DAC					
Cambria Community Services District for Water Tanks project	\$375,000	FFY 2022	Expanded Small	Non-DAC					
Citrus Heights Water District for Ground- water Production Well	\$585,000	FFY 2022	Medium	Non-DAC					
City of Dos Palos for Water Plant Clarifier Replacement and Repair	\$279,664	FFY 2022	Small	SDAC	Yes	2410002-003C	Dos Palos, City of	Water Treatment Plant Replacement Project	Agreement executed
City of Downey for Well Remediation Project	\$1,000,000	FFY 2022	Medium	Non-DAC					
City of Gustine for Water Loop Line Completion Project	\$950,000	FFY 2022	Small	DAC					
City of Lomita for Lomita Water System Improvements Project	\$940,000	FFY 2022	Expanded Small	Non-DAC					
City of Oxnard for a Water Transmission Line	\$500,000	FFY 2022	Large	Non-DAC					
City of Poway for Clearwell Bypass System Project	\$1,000,000	FFY 2022	Medium	Non-DAC					
City of San Buenaventura (Ventura Water) for a State Water Interconnection Project	\$2,840,000	FFY 2022	Medium	Non-DAC					
City of Santa Cruz for Water Meter Up- grade Program	\$1,000,000	FFY 2022	Medium	Non-DAC					
City of Thousand Oaks for a Water Reuse Project	\$1,500,000	FFY 2022	Medium	Non-DAC					
Coachella Valley Water District for Water Transmission Project	\$2,700,000	FFY 2022	Small	SDAC					
Earlimart Public Utility District for a well treatment improvement project.	\$1,756,416	FFY 2022	Small	SDAC					
East Bay Municipal Utility District for Upper San Leandro Drinking Water Treatment Plant upgrades	\$3,500,000	FFY 2022	Large	Non-DAC					
Eastern Municipal Water District for Mead Valley Water Booster Station Replacement Project	\$1,000,000	FFY 2022	Large	Non-DAC					

Recipient and Project	Community Grant Amount	Funding Year	Water System Size	Disadvantaged Status	SWRCB Received Funding Application?	Project Number	Applicant	Project Title	Status of SWRCB Application
Elsinore Valley Municipal Water District for the Canyon Lake Water Treatment Plant improvement project.	\$780,000	FFY 2022	Large	Non-DAC	Yes	3310012-019C	Elsinore Valley Municipal Water District	Canyon Lake Water Treatment Plan Phase 1 Improvements (PFAS)	Under review - included on 24/25 Fundable List and EC Fundable List
Ironhouse Sanitary District for Recycled Water Project	\$3,000,000	FFY 2022	Small	SDAC					
Pico Rivera Water Authority for PFAS Groundwater Treatment Project	\$2,500,000	FFY 2022	Medium	Non-DAC					
West Valley Water District for Bloomington Alleyway Pipeline Project	\$2,000,000	FFY 2022	Medium	Non-DAC					
City of Gustine for Tank and Booster Pump Station Improvements	\$3,000,000	FFY 2022	Small	DAC					
City of Sacramento for Fairbairn Ground- water Well	\$1,700,000	FFY 2022	Large	Non-DAC					
South Coast Water District for Doheny De- salination Plant Well Project	\$2,400,000	FFY 2022	Large	Non-DAC					
East Palo Alto for East Palo Alto Water Infrastructure Improvements	\$800,000	FFY2023	Expanded Small	Non-DAC					
County of Tulare for Drinking Water Kiosks	\$200,000	FFY2023	Large	DAC					
Woodville Public Utility District for Woodville PUD Well No. 4 Replacement	\$1,150,000	FFY2023	Small	SDAC	Yes	5410025-001C	Woodville Public Utility District	Replacement Well Project	Under review – included on 24/25 Fundable List
City of Modesto for Grayson Well and Tank Replacement	\$1,750,000	FFY2023	Expanded Small	DAC	Yes	5010033-001P	City of Modesto	Grayson Water Infrastructure	Planning agreement executed
Allensworth Community Services District for Allensworth Well Solar Array	\$150,000	FFY2023	Small	SDAC	Yes	5400544-001C	Allensworth Community Services District	Water System Improvement Project	Agreement executed
City of Tulare for Water Delivery System	\$500,000	FFY2023	Medium	DAC					
City of Dinuba for Well 21 Construction	\$1,500,000	FFY2023	Expanded Small	SDAC	Yes	5410002-002C	City of Dinuba	Well #21 Project	Agreement executed
Carmichael Water District for Aquifer Storage and Recharge Well #2	\$2,500,000.00	FFY2023	Medium	Non-DAC					
Citrus Heights Water District for the Highland Avenue Well Project	\$1,500,000.00	FFY2023	Medium	DAC					

Recipient and Project	Community Grant Amount	Funding Year	Water System Size	Disadvantaged Status	SWRCB Received Funding Application?	Project Number	Applicant	Project Title	Status of SWRCB Application
Sacramento County for a Regional Conjunctive Use Project	\$2,800,000.00	FFY2023	Large	Non-DAC					
City of Oxnard for a Water Pipeline Replacement	\$2,846,400.00	FFY2023	Large	Non-DAC					
Cachuma Operation and Maintenance Board for the Lake Cachuma Pumping Facility Project	\$500,000.00	FFY2023	Large	Non-DAC					
City of Atwater for the Buhach Road and Gurr Road Utility Extension	\$3,000,000.00	FFY2023	Medium	DAC					
Solano Irrigation District for Quail Creek Well Relocation and Associated Conveyance Facilities	\$2,824,000.00	FFY2023	Large	DAC					
City of Ripon for the SSJID Surface Water Connection Project	\$3,452,972.00	FFY2023	Expanded Small	Non-DAC					
Stanislaus County for a Crows Landing Water Wells Project	\$3,452,972.00	FFY2023	Large	Non-DAC					
Valley Center Municipal Water District Lilac Road Pipeline Replacement Project	\$3,060,000.00	FFY23	Medium	Non-DAC	Yes	3710026-003C	Valley Center Municipal Water District	2020 Pipeline Replacement Project	Agreement executed
Borrego Water District—Borrego Spring Road Transmission Main and Sun Gold Pipeline Replacement Projects	\$3,392,667.00	FFY2023	Small	SDAC					
Orange County Water District PFAS Groundwater Treatment Project	\$5,000,000.00	FFY2023	Medium	Non-DAC	Yes	3010046-001C	Orange County Water District/ City of Tustin	PFAS Water Treatment Plant	Under review – included on EC Fundable List
Placer County Water Agency Alta Loop Pipeline Project	\$1,000,000.00	FFY2023	Small	Non-DAC					
City of Sacramento for the Shasta Ground- water Well Project	\$3,452,972.00	FFY2023	Large	Non-DAC					
City of Azusa for Aspan Well Treatment and Rehabilitation	\$2,500,000.00	FFY2023	Medium	Non-DAC					
City of Salinas for the Castroville Seawater Intrusion Project	\$900,000.00	FFY2023	Medium	Non-DAC					

Recipient and Project	Community Grant Amount	Funding Year	Water System Size	Disadvantaged Status	SWRCB Received Funding Application?	Project Number	Applicant	Project Title	Status of SWRCB Application
Soquel Creek Water District for a Water Reliability Improvement Project	\$1,416,000.00	FFY2023	Medium	Non-DAC					
City of Hemet for the Oakland and Santa Fe Water Main Replacement Project	\$1,200,000.00	FFY2023	Medium	SDAC					
Coachella Valley Water District for a Water Consolidation Project	\$3,452,972.00	FFY23	Large	SDAC	Yes	3310001-015C	Coachella Valley Water District	Valley View Mobile Home Park Consolidation Project	Incomplete application
City of Santa Fe Springs for Water Well No. 12 Assessment and Treatment	\$2,200,000.00	FFY2023	Expanded Small	Non-DAC					
Water Replenishment District of Southern California for Five Groundwater Well Projects	\$2,500,000.00	FFY2023	Large	Non-DAC					
City of Pleasanton for a PFAS Treatment and Well Rehabilitation Project	\$2,000,000.00	FFY2023	Medium	Non-DAC	Yes	0110008-001C	City of Pleasanton	Per- and Polyfluoroalkyl (PFAS) Treatment and Wells Rehabilitation Project	Incomplete application
Eastern Municipal Water District for the Well 56 & 57 PFAS Removal Project	\$3,452,972.00	FFY2023	Large	Non-DAC					
City of Pomona for Groundwater Treatment R34	\$1,600,000.00	FFY2023	Large	Non-DAC					
City of Chino for a Treatment Plant Groundwater Wells 4 & 6 Project	\$2,000,000.00	FFY2023	Medium	Non-DAC					
City of Fowler New Well and System Inter-connection for Drought Resiliency Project	\$3,005,200.00	FFY2023	Small	DAC					
City of Inglewood for a Water Main Replacement Project	\$3,452,972.00	FFY2023	Medium	DAC					
Alameda County for Chain of Lakes PFAS Treatment Facility Project	\$959,752	FFY 2024	Large	Non-DAC					
Borrego Water District for Water Infrastructure Replacement Project	\$3,608,800	FFY 2024	Small	SDAC					
Carmichael Water District for Garfield Ave. Transmission Pipeline Replacement Project	\$959,752	FFY 2024	Medium	Non-DAC					

Recipient and Project	Community Grant Amount	Funding Year	Water System Size	Disadvantaged Status	SWRCB Received Funding Application?	Project Number	Applicant	Project Title	Status of SWRCB Application
City of Beverly Hills for Water Resiliency Project	\$959,752	FFY 2024	Medium	Non-DAC					
City of Buena Park for Municipal Water Well Construction	\$1,000,000	FFY 2024	Medium	Non-DAC					
City of California City for Water Infrastructure Replacement Project	\$1,000,000	FFY 2024	Expanded Small	SDAC					
City of Fullerton for Well 7A Construction Project	\$959,752	FFY 2024	Large	Non-DAC					
City of Lindsay for Self-Sustainable and Clean Drinking Water	\$1,750,000	FFY 2024	Expanded Small	SDAC					
City of Loyalton for Main Waterline Replacement	\$2,000,000	FFY 2024	Small	DAC					
City of Oxnard for Water Pipeline Replacement Project	\$959,752	FFY 2024	Large	Non-DAC					
City of Pasadena for Water Treatment Project	\$959,752	FFY 2024	Large	Non-DAC					
City of Riverside for PFAS Treatment Project	\$959,752	FFY 2024	Large	Non-DAC					
City of Sacramento for Groundwater Well #168	\$959,752	FFY 2024	Large	Non-DAC					
City of Sacramento for Groundwater Well #169 - Phase 1	\$959,752	FFY 2024	Large	Non-DAC					
City of Santa Cruz for Newell Creek Pipeline Replacement	\$959,752	FFY 2024	Large	Non-DAC	Yes	4410010-004C	City of Santa Cruz	Newell Creek Pipeline Improvement Project [Felton/Graham Hill]	Under review – included on 24/25 Fundable List
City of Santa Paula for Mesa Tanks Replacement Project	\$959,752	FFY 2024	Medium	DAC					
City of South Gate for Hawkins and South Gate Park Reservoir Wells PFOA Treatment Facilities	\$959,752	FFY 2024	Medium	DAC					
City of St. Helena Water for Treatment Plant SCADA/Microgrid	\$959,752	FFY 2024	Small	Non-DAC					
City of Visalia for Groundwater Basin Project	\$959,752	FFY 2024	Large	Non-DAC					
County of Monterey for San Lucas Clean Drinking Water Project	\$959,752	FFY 2024	Small	DAC					
County of Sacramento for Walnut Grove Water Supply Reliability Project	\$725,600	FFY 2024	Small	Non-DAC					

Recipient and Project	Community Grant Amount	Funding Year	Water System Size	Disadvantaged Status	SWRCB Received Funding Application?	Project Number	Applicant	Project Title	Status of SWRCB Application
East County AWP Joint Powers Authority for Water District Cybersecurity and Information Technology Project	\$690,898	FFY 2024	Large	Non-DAC					
East Orange County Water District for Advanced Metering Infrastructure Project	\$1,000,000	FFY 2024	Large	Non-DAC					
Eastern Municipal Water District for Cactus II Feeder Phase 2 Project	\$959,752	FFY 2024	Large	Non-DAC					
Eastern Municipal Water District for Water Booster Plant Improvements	\$2,300,000	FFY 2024	Large	Non-DAC					
Elsinore Valley Municipal Water District for Water Treatment Facility	\$4,700,000	FFY 2024	Large	Non-DAC	Yes	3310012-019C	Elsinore Valley Municipal Water District	Canyon Lake Water Treatment Plan Phase 1 Improvements (PFAS)	Under review – included on 24/25 Fundable List and EC Fundable List
Fallbrook Public Utility District for Primary Pipeline Replacement	\$250,000	FFY 2024	Large	Non-DAC					
Georgetown Divide Public Utility District for Water Reliability and Storage Tank Construction	\$1,250,000	FFY 2024	Small	Non-DAC					
Los Angeles County Public Works for Regional Water Resilience Project	\$350,000	FFY 2024	Large	Non-DAC					
Monte Vista Water District for State Street Pipeline Replacement Project (Phase II)	\$959,757	FFY 2024	Medium	DAC					
Sweetwater Authority for National City Wells Iron and Manganese Removal System Project	\$959,752	FFY 2024	Large	DAC					
North Tahoe Public Utility District for Water Improvement Project	\$1,250,000	FFY 2024	Small	Non-DAC	Yes	3110001-001C	North Tahoe PUD	Kings Beach Grid and Brockway Water System Improvements	Incomplete application
Olivenhain Municipal Water District for San Diego to Valley Brackish Groundwater Desalination Project	\$959,752	FFY 2024	Medium	Non-DAC					
Orange County Water District for PFAS Treatment Plants Project	\$1,750,000	FFY 2024	Small	Non-DAC	Yes	3010068-001C	Orange County Water District	East Orange CWD PFAS Water Treatment Plant	Under review – included on EC Fundable List

Recipient and Project	Community Grant Amount	Funding Year	Water System Size	Disadvantaged Status	SWRCB Received Funding Application?	Project Number	Applicant	Project Title	Status of SWRCB Application
Rancho California Water District for Water Infrastructure Construction	\$1,000,000	FFY 2024	Large	Non-DAC					
San Juan Water District Reservoir Replacement	\$1,250,000	FFY 2024	Medium	Non-DAC	Yes	3410021-002C	San Juan Water District	Kokila Reservoir Replacement	Under review – included on 24/25 Fundable List
San Lorenzo Valley Water District for Tank Replacement Project	\$959,752	FFY 2024	Medium	Non-DAC	Yes	4410014-003C	San Lorenzo Valley Water District	Probation Tank Replacement	Incomplete application
Santa Clarita Valley Water Agency for PFAS Treatment and Disinfection Facilities	\$2,100,000	FFY 2024	Large	Non-DAC	Yes	1910240-001C	Santa Clarita Valley Water Agency	T&U Wells PFAS Treatment, Saugus 1&2 Wells VOC Treatment & Disinfection Facility Improvement Project	Under review – included on EC Fundable List
Santa Margarita Water District for Ranch Water North Open Space Well PFAS Treatment Facility	\$959,752	FFY 2024	Large	Non-DAC					
Serrano Water District for Pump Station Upgrades	\$750,000	FFY 2024	Small						
South Tahoe Public Utility District for Critical Water Infrastructure Replacements	\$1,000,000	FFY 2024	Large	Non-DAC					
Valley Center Municipal Water District for Pipeline Replacement	\$715,000	FFY 2024	Medium	Non-DAC	Yes	3710026-004C	Valley Center Municipal Water District	2023 Water Facilities Replacement Project	Under review – included on 24/25 Fundable List
West Valley Water District for Bunker Hills Wells Project	\$959,757	FFY 2024	Medium	Non-DAC					
City of San Diego for Pure Water San Phase 2 Demonstration Facility	\$600,000	FFY 2024	Large	Non-DAC					
County of San Joaquin for Lincoln Village Maintenance District Water System Improvements-Phase 1	\$2,000,000	FFY 2024	Small						

Notes:

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1. Funding for projects identified through Congressionally directed spending will be administered by EPA. Eighteen of these projects have submitted an application to the State Water Board for DWSRF or complementary funding and are identified in this table. Having been selected for Congressionally directed spending does not guarantee eligibility for California's DWSRF Program or complementary funding sources.