

Application Information and Instructions (Construction)

Administered by the State Water Resources Control Board (State Water Board), Division of Financial Assistance (Division), the Financial Assistance Application is designed to help determine your eligibility for funding through the ***Drinking Water State Revolving Fund (DWSRF)***

An overview of the financing process and the *Drinking Water State Revolving Fund Policy* can be found on the Division's web site at http://www.waterboards.ca.gov/drinking_water/services/funding/SRF.shtml

To streamline the review process, the application is divided into four packages:

- **General Information**
- **Technical**
- **Environmental**
- **Financial Security**

Instructions for each package are provided below.

Submitting Your Application

You can help the review process by ensuring your application contains accurate and complete information. To avoid delays in the processing of your application, we recommend:

- ✓ Contact the Division as early as possible to coordinate your application with your project's schedule; contact information is provided on the next page.
(NOTE: No action is necessary on your part to be added to the Comprehensive List; the Division will make arrangements for your project to be added to the Comprehensive List)
- ✓ Submit complete packages whenever possible.
(NOTE: Projects are funded based on a complete application. Partial packages may be submitted, but complete packages will be reviewed before incomplete packages; and complete applications will be reviewed and approved for financing first.)
- ✓ Have your legal counsel review the FAQs at http://www.waterboards.ca.gov/drinking_water/services/funding/SRF.shtml regarding the legal opinion we will need from you to approve financing. The Division of Financial Assistance's legal counsel will contact your legal counsel approximately two to four months prior to execution of the financing agreement to discuss the legal opinion needed at closing.
- ✓ Clearly type or print all information.
- ✓ Sign and date the application where indicated.
- ✓ Include all required attachments.

The application and attachments should be submitted electronically. You can apply online via the Financial Assistance Application Submittal Tool (FAAST): <https://faast.waterboards.ca.gov>

To submit a DWSRF Construction Application in FAAST you must complete all the tabs in FAAST and attach the General Package. (Note: Once the DWSRF Construction Application has been uploaded, you must still complete the application by clicking on the "Submit" button.) A project

manager will be assigned once the DWSRF Construction Application is submitted in FFAST. The project manager will help the applicant complete the application process.

To submit additional documents for the same project, **DO NOT** start a new application, instead click on the Submitted Applications link on the Main Menu and choose the project from the list of previously submitted applications. Open the Attachments tab, and then the Post-Submission sub-tab. Choose which document from the Attachment Category drop-down list and then select the file to upload. The project manager will receive an email notification letting them know you have submitted additional information for review.

The following FFAST resources are available online:

[Frequently Asked Questions](#)

[How-to-Videos](#)

[User Manual](#)

If you need assistance you can also contact the FFAST Help Desk, which is staffed Monday through Friday 8am through 5pm, at 1-866-434-1083 or FFAST_ADMIN@waterboards.ca.gov.

If electronic submittal through FFAST creates a hardship, you may contact the DWSRF Program for additional guidance. See contact information below.

CONTACT INFORMATION

If you have general questions regarding the program or need assistance completing the application, contact the DWSRF at

(916) 327-9978

or

DrinkingWaterSRF@waterboards.ca.gov

General Information Package

Section I - Type of Assistance Requested

Check the box to indicate the type of project (planning or construction) needing financial assistance.

Estimated Amount of Assistance Requested – Enter the estimated amount of assistance requested.

Project Title – Enter the title or name of the project.

Section II - Applicant Information

Water System No. – Enter the number of the water system.

Data Universal Numbering System (DUNS) No. – This number is required to receive DWSRF financing. If you don't already have a DUNS number, you can get more information at http://www.whitehouse.gov/sites/default/files/omb/grants/duns_num_guide.pdf.

Applicant Name – Enter the entity that will be the legal signatory to a financing agreement.

Street Address, City, State, Zip – Enter the applicant's physical street address. The Zip+4 code can be found at <https://tools.usps.com/go/ZipLookupAction!input.action>.

Mailing Address, City, State, Zip – Enter the applicant's mailing address, if different from the street address. The Zip+4 code can be found at <https://tools.usps.com/go/ZipLookupAction!input.action>.

Congressional District(s) – Enter the Congressional district(s) where the project will be physically located. If the project will span multiple Congressional Districts (i.e., a pipeline project), list all affected districts. A map of California Congressional Districts can be found at <http://house.gov/representatives/find/>.

State Senate District(s) – Enter the State Senate district(s) where the project will be physically located. Refer to <http://findyourrep.legislature.ca.gov/>.

State Assembly District(s) – Enter the State Assembly district(s) where the project will be physically located. Refer to <http://findyourrep.legislature.ca.gov/>.

County – Enter the County where the project will be physically located.

Federal Tax ID No. – Enter the Federal tax identification number of the applicant.

Authorized Representative Name, Title – Identify the person who has the authority to represent the water system and sign documents pertaining to the funding application. If the water system is owned by a public agency or has a governing board, the application must include a copy of a resolution adopted by the governing body designating its authorized representative and authorizing the submission of a loan application. It is advisable to designate the title of the person authorized to sign rather than a specific person. The funding application must be signed by the authorized representative. If the system does not have a governing board, it must provide documentation supporting the authorization of the authorized representative.

Authorized Representative Phone No. – Enter the authorized representative’s telephone number.

Authorized Representative Email Address – Enter the authorized representative’s email address.

Primary Contact Person Name – Enter the name of the person who is the day-to-day contact for the project. This person should be able to answer general questions about the project and application.

Primary Contact Person Phone No. – Enter the contact person’s telephone number.

Primary Contact Person Email Address – Enter the contact person’s email address.

Project Engineer and License No. – Enter the project engineer’s name and license number. DWSRF staff requests that a qualified engineer will prepare the Engineering Report required as part of the Technical Package.

There are many categories of engineering specialties. However, the engineer you select must be a professional engineer (PE) licensed by the state of California as a civil engineer, who has experience in design of public water systems or drinking water treatment facilities. It is illegal for engineers to undertake assignments they are not qualified to do.

Project Engineer Phone No. – Enter the project engineer’s telephone number.

Project Engineer Email Address – Enter the project engineer’s email address.

Environmental Contact Person Name – Enter the name of the contact person at the environmental firm for the project.

Environmental Contact Person Phone No. – Enter the environmental firm’s contact person phone number.

Environmental Contact Person Email Address – Enter the environmental firm’s contact person email address.

Legal Counsel Name – Enter the name of the applicant’s legal counsel.

Legal Counsel Phone No. – Enter the legal counsel’s telephone number.

Legal Counsel Email Address – Enter the legal counsel’s email address.

Davis-Bacon Contact Person Name – Enter the name of the Davis-Bacon contact person.

Davis-Bacon Contact Person Phone No. – Enter the Davis-Bacon contact person’s telephone number.

Davis-Bacon Contact Person Email Address – Enter the Davis-Bacon contact person’s email address.

Section III - Project Information and Proposed Schedules

1. **Project Description** – Provide a brief description of the project.
2. **Compliance Related** – Check the applicable box and explain the compliance issue(s) associated with this project if necessary.
3. **Water Supply Permit No.** – Attach a copy of your water supply permit and any active enforcement orders (label as **Attachment G1**).
4. **Population** – Estimate the population served on an average daily basis by the water system and briefly describe how the population was determined. In addition to the population served by the entire water system, please include the population specifically benefitting from this project. If estimating a population served, the estimation shall be determined using one of the following methods:
 - i. Utilize the most recent U.S. census data, or most recent special census data certified by the California Department of Finance for the service area served by the water system (<http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml#none>):
 1. For community water systems, the estimation should consider the permanent population of the community.
 2. Seasonal community systems should use the average population served by the system during the peak period in which the system is in operation.
 3. Non-community water systems should use the average daily population served during the periods that the system is in operation.
 4. Wholesalers or entities that deliver water to another water system should contact their respective State Water Board, Division of Drinking Water District Office to help calculate the appropriate number of population served.
 - ii. Multiply the number of service connections served by the water system by 3.3 to determine the total population served; or
 - iii. Determine the total number of dwelling units or efficiency dwelling units as defined in the Uniform Building Code (Title 24, California Code of Regulations), the number of mobile home park spaces and the number of individual business, commercial, industrial and institutional billing units served by the water system and multiply this total by 2.8 to arrive at the total population served by the water system.
5. **Connections** – Provide the total number of active service connections that are currently and directly served by the water system. This includes all domestic, residential, industrial, commercial, and other connections. Complete the breakdown of residential, commercial/industrial, and other service connections. Also, briefly describe how the number of service connections was determined and indicate the number of active service connections specifically benefitting from this project.
 - Wholesalers, or entities that deliver water to another water system, should contact the State Water Board's Division of Drinking Water District Office for help to determine the appropriate number of service connections.

Non-community water systems do not need to fill out this section and should indicate “not applicable” on the form.

6. **Estimated Application Schedule** – Provide an estimated or actual date for the following:
 - General Information Package
 - Technical Package
 - Environmental Package
 - Financial Security Package
7. **Consultation with Other Agencies** – Provide the following:
 - Name of other Federal and State agencies involved in this project (e.g. planning, CEQA/NEPA consultation, funding, etc.)
 - Contact information for the named agencies
 - Estimated dates for resolution of any issues
8. **Partnering Agencies** – Provide the name and contact information of all other agencies that will participate in the permitting/review of this project or are served by this project.

Section IV – Managerial Information

1. **Classification of Water System** – Check the box that represents your type of system. If you are unsure of the classification of your system, refer to the system’s domestic water supply permit or refer to the *Decision Tree for Classification of Water Systems* flow chart located at http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/publicwatersystems/DecisionTreeforClassifyingWaterSystems_Detailed_08-2012.pdf.
2. **Ownership of the Water System** – Check the box(es) that corresponds to the ownership of your water system. Non-community water systems are only eligible for DWSRF funding if they qualify as a non-profit entity. Non-profit owners of non-community water systems must include the appropriate IRS non-profit ID number and Tax Exempt Status form IRS 501(c). Privately owned systems must include a copy of the fictitious name statement. Corporations must provide a copy of their Articles of Incorporation (label as **Attachment G2**).

The following is a list of ownership documentation for the different types of for-profit or non-profit private water systems, Please submit copies of all of the ownership documentation that corresponds to the water system’s ownership type.

Limited Liability Corporation	Partnership
IRS K-1 Corporation Documentation. Articles of Organization Bylaws/Executed Operating Agreement(s)	Partnership Agreement(s) IRS K-1 Corporation Documentation (if applicable). Majority owner's last three years of personal tax returns.
For-Profit Corporation	Non-Profit Corporation
Articles of Incorporation Bylaws/Executed Operating Agreement(s) Filing documents for Fictitious Business Name (DBA)	Articles of Incorporation Bylaws/Executed Operating Agreements IRS Tax Exempt Determination IRS 501 C Filing documents for Fictitious Business Name (DBA)
Sole Proprietorship	Other
Fictitious Name Certificate Schedule "E" or "C" of tax returns	Grant deeds, quitclaim deeds, etc. on land

3. **Municipalities** – If the Applicant is a Municipality, indicate if the Applicant is a Charter City.
4. **Corporations** – If your water system is a Corporation (i.e. incorporated mutual water company), Limited Liability Company, or Limited Partnership, list your water system's California Secretary of State Entity Number as well as your water system's filing status with the California Secretary of State. Information relating to a Corporation's, Limited Liability's, Limited Partnership's or Incorporated Mutual's filing with the Secretary of State can be found at the following website: <http://kepler.sos.ca.gov/>.
5. **Does the California Public Utility Commission (CPUC) regulate your system?** – Indicate whether your water system is regulated by the CPUC. A list of all matters relating to your water system that are currently pending before the CPUC must be provided with your application for DWSRF funding (label as **Attachment G3**). Water systems regulated by the CPUC must obtain CPUC approval to enter into a funding agreement for DWSRF financing.
6. **Names, titles and duties of key officers** – Provide the name, title, and duties of key officers of the water system. If there are more than three individuals, submit an organization chart showing the names, titles, and the reporting relationship of all key persons involved with the operation of the water system (label as **Attachment G4**). The organization chart does not need to describe all personnel employed by the system, only those persons that have primary responsibilities for making decisions that affect the operation of the water system.
7. **Is there any pending litigation?** – Indicate if there is any litigation pending relative to the operation of the water system or the proposed project. If yes, submit a description of the litigation and the potential costs (label as **Attachment G5**).

8. **Is the applicant leasing land or major water system facilities?** – Indicate if the applicant is leasing land or **any** major water system facilities. If yes, describe the terms of the lease and submit a copy of the lease agreement (label as **Attachment G6**). If the lease is critical to the location or operation of the proposed project facilities, the term of the lease must be equal to or greater than the loan repayment period of the DWSRF financing.
9. **Include a general map of the service area/boundaries** (label as **Attachment G7**)
10. **[For Construction Projects Only] Does the applicant have a contract with a private firm or another agency?** – Indicate if the applicant has a contract with a private firm or another agency for the operation of the facility to be financed. If yes, indicate the name of the firm or agency and term (in years) of the agreement and submit a copy of the agreement (label as **Attachment G8**).

CERTIFICATION AND SIGNATURE OF AUTHORIZED REPRESENTATIVE

The authorized representative is the person who has the authority to sign and submit the application materials, certify compliance with applicable state and federal laws, execute the financial assistance agreement and amendments, and certify disbursement requests.

- ✓ Print the name and title of the authorized representative.
- ✓ Sign and date the application.

Section VI – Attachments

- ✓ G1 – Water Supply Permit and Enforcement Orders
- ✓ G2 – Ownership Documentation
- ✓ G3 – CPUC Documentation (if applicable)
- ✓ G4 – Organization Chart (if applicable)
- ✓ G5 – Pending Litigation (if applicable)
- ✓ G6 – Lease Agreement (if applicable)
- ✓ G7 – Service Area Map
- ✓ G8 – Operating Agreement (if applicable)

Technical Package (Construction)

Applicant (Entity) Name – Enter the entity that will be the legal signatory to a financing agreement.

Project Title – Enter the title of the project.

Contact Person and Phone – Enter the name and phone number of the day-to-day contact for the project. This person should be able to answer general questions about the project and application.

Section I – Technical Information

1. **Engineering Report** – The Engineering Report must address the elements provided in the outline on page 3 and 4 of the Technical Package (**Attachment T1**).
2. **Technical, Managerial, and Financial (TMF) Assessment** – Federal law states that the DWSRF can only fund water systems that demonstrate that they have adequate TMF capacity to operate a public water system satisfactorily. The mandatory TMF elements listed on the TMF Assessment Form must be submitted (**Attachment T2**). The necessary TMF elements not previously addressed will be listed as financing agreement conditions. If you need assistance in completing the TMF Assessment Form, please contact your District Office.

The State Water Board can provide technical assistance to small water systems serving populations less than 10,000 as well as any disadvantaged community in developing the TMF documents. (A disadvantaged community is defined as the entire service area of a community water system in which the median household income is less than eighty percent (80%) of the statewide median household income.) Upon receiving such a request, engineers from the District Office or a third party contractor hired by the State Water Board will visit the water system and provide “hands-on” technical assistance in developing the necessary documents at no cost to the applicant.

3. **Professional Engineering Services Contract** – Attach a copy of the professional engineering services contract for each engineering consultant contracted for the project (**Attachment T3**). This agreement shall include, but not be limited to, the scope of work, cost, deliverable due dates, and a procedure for accommodating any additional services.
4. **Plans and Specifications** – Attach a copy of the final plans and specifications, which will be used as the basis of the construction contract (**Attachment T4**).
5. **Certifications**
 - a) **Certification for Compliance with Water Metering Form** – Water Code sections 525 through 529.7 prohibit water purveyors, both agricultural and urban, from receiving State funds if metering requirements are not met. If you are an urban water supplier (i.e., supply to more than 3,000 customers or supplying more than 3,000 acre-feet annually), you must comply with this requirement. Please consult with your legal counsel and review sections 525 through 529.7 of the Water Code before completing this certification (**Attachment T5a**).
 - b) **Reserved** – This is a placeholder. No attachment required.

Section II – Water Rights, Water Conservation and Urban Water Management

1. **Describe the nature of the water rights applicable to your water source** – Attach water rights documentation related to your water source associated to the project (**Attachment T6**). If you have questions regarding whether a petition is required you may contact Patricia Fernandez with the Division of Water Rights at (916) 319-9241 or pfernandez@waterboards.ca.gov.
2. **Water Diversion Reporting** – Check (✓) the box indicating if you are a water diverter in compliance with Water Code Section 5103. For information see: http://www.waterboards.ca.gov/waterrights/water_issues/programs/diversion_use/

Prior to the State Water Board’s approval of the project, specific water conservation and urban water management requirements must be achieved.

3. **Water Conservation** – Check (✓) the box indicating if you are a retail water supplier in compliance with the State Water Board’s emergency drought regulations at Section 863-865 of title 23 of the California Code of Regulations.
4. **Urban Water Suppliers** – Urban Water Suppliers (defined as a water supplier, either publicly or privately owned, that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre-feet of potable water annually at retail for municipal purposes) must fulfill one of the following:
 - Water Conservation Program (**Attachment T7**)
 - Proof that you signed the “Memorandum of Understanding Regarding Urban Water Conservation in California” (**Attachment T8**)
 - Proof that you submitted an Urban Water Management Plan (UWMP) to the Department of Water Resources (DWR) per Water Code Section 10653 (**Attachment T9**)

Section III – Summary of Attachments

- ✓ T1 – **Engineering Report**
- ✓ T2 – **TMF Assessment Form**
- ✓ T3 – **Contract for Professional Engineering Services**
- ✓ T4 – **Plans and Specifications**
- ✓ T5a – **Certification for Compliance with Water Metering Form**
- ✓ T6 – **Water Rights Documentation** (if applicable)
- ✓ T7 – **Water Conservation Program** (if applicable)
- ✓ T8 – **Memorandum of Understanding** (if applicable)
- ✓ T9 – **Urban Water Management Plan** (if applicable)

Environmental Package (Construction)

Detailed information, including statutes and guidelines on the California Environmental Quality Act (CEQA), can be obtained at <http://resources.ca.gov/ceqa/>. A CEQA Process Flowchart that shows interaction points between lead and responsible agencies can be found at http://www.waterboards.ca.gov/water_issues/programs/grants_loans/docs/environmental_review/ceqa_process_flow_chart.pdf.

Applicant (Entity) Name – Enter the entity that will be the legal signatory to a financing agreement.

Project Title – Enter the title of the project.

Project Number – Enter the assigned DWSRF project number (if known).

Contact Person and Phone – Enter the name and phone number of the day-to-day contact for the project. This person should be able to answer general questions about the project and application.

Lead Agency – Indicate if the applicant or any other public agency was the acting lead agency during the preparation of the environmental document(s) pursuant to CEQA for this project. Provide the lead agency name.

I. CEQA Status

Place a check (✓) in the box that describes the status of the CEQA process for the project. Please note the CEQA process must be complete to submit an application for construction funds. (An exception may be applied if the State Water Board is confirmed as the CEQA lead agency and the project will be exempt.)

❖ **CEQA process not complete**

- *If the CEQA lead agency has been determined to be the State Water Board **and** the applicant has confirmed with an Environmental Review Unit representative, then an exemption can be applied to the project.*
- *Proceed to Section II below (CEQA Documents).*

❖ **Complete**

- *Proceed to Section II below (CEQA Documents).*

❖ **Complete, but more than 5 years from the date the Environmental Package was submitted.**

- *Applicant must provide an updated CEQA document (subsequent, supplemental or addendum) that evaluates the current environmental status of the project.*
- *Proceed to Section II below (CEQA Documents).*

II. CEQA Documents – Complete this section **ONLY** if the CEQA process is complete. All CEQA documents and notices must be circulated at the Governor’s Office of Planning and Research, State Clearinghouse (OPR).

- ❖ Identify the State Clearinghouse Number (SCH#) issued when the document was publically circulated at OPR.
- ❖ Place a check (✓) in the box(es) that describe(s) the project and submit the required attachments for each section applicable to the project.

Example: If the project is covered under a CEQA Negative Declaration (Column B), submit the following attachments:

- ✓ *Evaluation Form for Federal Environmental Coordination*
- ✓ *Final Initial Study/Negative Declaration (IS/ND)*
- ✓ *Comments and Responses*
- ✓ *Resolution/Minutes Approving the CEQA Document(s)*
- ✓ *Notice of Determination filed with the County Clerk’s office and with OPR, and Department of Fish and Wildlife CEQA Filing Fee Receipt*

Please submit one copy of all applicable CEQA documents.

III. CEQA Exemption Information

- ❖ Provide a detailed project description **only** if an exemption has been filed with the Governor’s Office of Planning and Research, State Clearinghouse.
- ❖ Place a check (✓) in the appropriate box(es) that describes the project’s reason(s) for CEQA exemption.
- ❖ **UNUSUAL CIRCUMSTANCES**
Indicate if the project involves any of the listed unusual circumstances. For “yes” answers, discuss the possibility of significant environmental impact resulting from the unusual circumstance (use attachments if necessary).

IV. Evaluation Form for Federal Environmental Coordination

In general, unless otherwise stated in the Intended Use Plan, federal cross-cutting requirements will apply to all projects.

1. Clean Air Act

Air Basin Name - Identify the air basin name.

Local Air District for Project Area – Enter the name of the local air district for the project area.

For DWSRF financed projects, we recommend including a general conformity section in the CEQA documents so that another public review process will not be needed, should a

conformity determination be required. The applicant should check with its local air quality management district and review the California Air Resources Board's air emissions map for information on the State Implementation Plan. The applicant should also check the United States Environmental Protection Agency (USEPA), Green Book, for Currently Designated Nonattainment Areas for All Critical Pollutants.

Indicate if the project is subject to a State Implementation Plan (SIP) conformity determination, and complete the chart with estimated project construction and operational air emissions data, with respect to the federal *de minimis* levels (in tons per year). Also submit supporting calculations and any air quality maintenance plans or additional supporting documents you utilize to compile the data.

2. Coastal Zone Management Act

Projects proposing construction in the Coastal Zone will require consultation with either the California Coastal Commission (or the designated local agency with a Local Coastal Program), or the San Francisco Bay Conservation and Development Commission (for projects located in the San Francisco Bay area). The applicant must submit a copy of the approved Coastal Development permit to the State Water Board to satisfy this requirement.

For more information on Coastal Zone Management Act requirements refer to the following agencies' websites:

- United States Coastal Zone Boundaries through the NMFS website at <http://coastalmanagement.noaa.gov/mystate/docs/StateCZBoundaries.pdf>
- California Coastal Commission website at <http://www.coastal.ca.gov/ccatc.html>; and/or
- San Francisco Bay Conservation and Development Commission website at <http://www.bcdc.ca.gov/>.

Indicate if any portion of the project site is located within the coastal zone, and describe the project location with respect to coastal areas and the status of the coastal zone permit, and provide a copy of the coastal zone permit or coastal exemption.

3. Endangered Species Act (ESA)

The United States Department of the Interior, Fish and Wildlife Service (USFWS) and the United States Department of Commerce National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS) must be consulted for any project that will have the potential to adversely impact a federal special-status species. The USEPA delegated the State Water Board to act as the non-federal lead for initiating informal Section 7 ESA consultation with the USFWS. The State Water Board will coordinate with the USEPA for projects requiring formal Section 7 ESA consultation with the USFWS and projects that will impact federal special-status fish species under the NMFS jurisdiction. The USFWS and NMFS must provide written concurrence prior to a DWSRF financing agreement. USFWS and NMFS comments may include conservation measures, for which the applicant's DWSRF financing agreement will be conditioned to ensure compliance.

For further information on the federal ESA go to <http://www.fws.gov/endangered/laws-policies/index.html> and <http://www.nmfs.noaa.gov/pr/laws/esa/>. Note that compliance with both the state and federal ESAs is required of projects having the potential to impact state and federal special-status species. Although overlap exists between the state and federal ESAs,

there might be additional or more restrictive state requirements. For further information on the California ESA, refer to the California Department of Fish and Wildlife website at <https://www.wildlife.ca.gov/Conservation/CESA>.

Indicate if the project involves any direct effects from construction activities or indirect effects that may affect federal and state listed threatened or endangered species that are known, or have a potential, to occur on-site, in the surrounding area or in the service area, and provide the additional information and requested documents, i.e. species list and biological assessment.

4. Environmental Justice

Identify and address any disproportionately high and adverse human health or environmental effects of the project's activities on minority and low-income populations. USEPA has defined environmental justice as "the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies."

Fair Treatment means that no group of people should bear a disproportionate burden of environmental harms and risks, including those resulting from the negative consequences of industrial, governmental, and commercial operations or programs and policies.

Meaningful Involvement means that: 1) potentially affected community members have an appropriate opportunity to participate in decisions about a proposed activity that will affect their environment and/or health; 2) the public's contribution can influence the agency's decision; 3) the concerns of all participants involved will be considered in the decision-making process; and 4) the decision-makers seek out and facilitate the involvement of those potentially affected.

The term "environmental justice concern" is used to indicate the actual or potential lack of fair treatment or meaningful involvement of minority, low-income, or indigenous populations, or tribes in the development, implementation, and enforcement of environmental laws, regulations, and policies.

Indicate if the project involves an activity that is likely to be of particular interest to or have a particular impact upon minority, low-income, or indigenous populations or tribes, as identified by the Lead Agency.

Your project may involve an "environmental justice concern" if the project could:

- a) Create new disproportionate impacts on minority, low-income, or indigenous populations;
- b) Exacerbate existing disproportionate impacts on minority, low-income, or indigenous populations; or
- c) Present opportunities to address existing disproportionate impacts on minority, low-income, or indigenous populations that are addressable through the project.

No - Provide an explanation.

Yes - Place a check (✓) in the box(es) that describe the impact of the project and provide a brief explanation for your answer(s).

5. Farmland Protection Policy Act

Projects involving impacts to farmland designated as prime and unique, local and statewide importance, or under a Williamson Act Contract, will require consultation with the United States Department of Agriculture, Natural Resources Conservation Service and/or California Department of Conservation. For more information on the Farmland Protection Policy Act go to <http://www.nrcs.usda.gov/programs/fppa>, and regarding the Williamson Act Contract go to <http://www.consrv.ca.gov/dlrp/lca>.

Indicate if any portion of the project is located on important farmland, and provide information on the acreage that would be converted from important farmland to other uses. Also indicate if any portion of the project boundaries is under a Williamson Act Contract and specify the amount of coverage affected. If the project area will be within a portion of protected farmland under the Williamson Act, please be sure to complete the consultations with appropriate federal, state and local agencies and provide necessary documents to the State Water Board.

6. Flood Plain Management – Executive Order 11988

Each agency shall take action to reduce the risk of flood loss, to minimize the impact of floods on human safety, health and welfare, and to restore and preserve the natural and beneficial values served by floodplains in carrying out its responsibilities. Before taking an action, each agency shall determine whether the proposed action will occur in a designated floodplain. The generally established standard for risk is the flooding level that is expected to occur every 100 years. If an agency determines or proposes to conduct, support, or allow an action to be located in a floodplain, the agency shall consider alternatives to avoid adverse effects and incompatible development in the floodplains.

For further information regarding Floodplain Management requirements, please consult the United States Department of Homeland Security, Federal Emergency Management Agency website at <http://www.fema.gov>, as well as the USEPA floodplain management Executive Order 11988 at <http://www.epa.gov/owow/wetlands/regs/eo11988.html>.

Indicate if any portion of the project located within a 100-year floodplain as depicted on a floodplain map or otherwise designated by the Federal Emergency Management Agency, and provide the additional information and requested documentation.

7. National Historic Preservation Act (NHPA)

Section 106 of the National Historic Preservation Act requires Federal agencies to take into account the effects of their undertakings on historic properties. The Section 106 process seeks to accommodate historic preservation concerns with the needs of Federal undertakings through consultation among the agency official and other parties with an interest in the effects of the undertaking on historic properties, commencing at the early stages of project planning. Historic properties are properties that are included in the National Register of Historic Places or that meet the criteria for the National Register. Historic properties include buildings, structures, objects, and archaeological sites that are 50 years old or older. The Section 106 reports must be prepared by a qualified researcher that meets the Secretary of the Interior's Professional Qualifications Standards (http://www.nps.gov/history/local-law/arch_stnds_9.htm).

In addition, CEQA requires state, local, and other agencies subject to the jurisdiction of California to evaluate the environmental effects of the agency actions, including impacts to

cultural and historic resources. CEQA law states that “a project that may cause a substantial adverse change in the significance of a historical resource is a project that may have a significant effect on the environment” (21084.1).

The Governor’s November 2005 Tribal Consultation Guidelines (http://opr.ca.gov/docs/09_14_05_Updated_Guidelines_922.pdf) states that [applicants] must conduct a record search through the appropriate regional California Historical Resources Information System (CHRIS) (http://ohp.parks.ca.gov/pages/1068/files/ic_roster.pdf) center to determine whether any listed cultural places are present in the project area, and contact the Native American tribes affiliated with a project area from a list available from the Native American Heritage Commission (NAHC) (<http://www.nahc.ca.gov/>).

The NAHC can be contacted at:

Address: 1550 Harbor Blvd., Suite 100
West Sacramento, CA 95691
Telephone: (916) 373-3710
Email: nahc@nahc.ca.gov

Identify the area of potential effects (APE), including construction areas, staging areas, and depth of any excavation. Attach a copy of the Cultural Resources Report prepared by a qualified professional, a Section 106 SHPO consultation letter, and a current records search extending to a half-mile beyond the project APE. Provide maps showing all cultural resources sites and surveys drawn in relation to the project area, and records of Native American consultation from a list provided by the NAHC.

8. Magnuson-Stevens Fishery Conservation and Management Act

The Magnuson-Stevens Fishery Conservation and Management Act, as amended, is designed to manage and conserve national fishery resources. Essential Fish Habitat (EFH) consultations are only required for actions that may adversely affect EFH. The applicant needs to determine whether the proposed project may adversely affect EFH. NMFS is responsible for publishing maps and other information on the locations of designated EFH, and can provide information on ways to promote conservation of EFHs to facilitate this assessment. If a project may adversely affect a designated EFH, the applicant must complete an EFH consultation.

The State Water Board will coordinate with the USEPA to request an EFH consultation from the NMFS. NMFS is required to respond informally or in writing. NMFS comments may include conservation measures, for which the applicant’s DWSRF financing agreement will be conditioned to ensure compliance. For more information, see the brochure at http://www.nmfs.noaa.gov/sfa/reg_svcs/Council%20stuff/council%20orientation/2007/2007TrainingCD/TabT-EFH/EFH_CH_Handout_Final_3107.pdf.

Indicate if the project involves any direct effects from construction activities or indirect effects that may adversely affect EFH, and provide the additional information and requested documents.

9. Migratory Bird Treaty Act (MBTA)

The MBTA restricts the killing, taking, collecting and selling or purchasing of native bird species or their parts, nests, or eggs. The MBTA, along with subsequent amendments to this act, provides legal protection for almost all breeding bird species occurring in the United States and must be addressed under CEQA. In the CEQA document, each agency must make a finding that a project will comply with the MBTA. For further information, please consult the Migratory Bird Program through the USFWS website at <http://www.fws.gov/laws/lawsdigest/migtrea.html>.

Indicate if the project will affect protected migratory birds that are known, or have a potential, to occur on-site, in the surrounding area, or in the service area, and provide a list of all protected migratory bird species that have the potential to occur in the project area, including their migration schedules and past sightings within the project area.

10. Protection of Wetlands

Projects, regardless of funding, must get approval for any temporary or permanent disturbance to federal and state waters, wetlands, and vernal pools. The 404 permitting process through the United States Army Corps of Engineers (USACE) can be lengthy, and may ultimately require project alterations to avoid wetlands and waters of the United States. Applicants must consult with the USACE early in the planning process if any portion of the project site contains wetlands, or other federal waters. The USACE Wetland Delineation Manual is available at <http://www.fws.gov/wetlands/Data/Mapper.html>. California Department of Fish and Wildlife (CDFW) determines whether or not an activity may adversely affect fish and wildlife resources, and a Fish and Game code 1600 Streambed Alteration Agreement may need to be prepared. For more information on Fish and Game codes please go to <https://www.wildlife.ca.gov/Conservation/LSA>. Also note that the State and Regional Water Boards are involved in providing approvals through the Clean Water Act Section 401 Water Quality Certification Program and/or Waste Discharge Requirements. For more information, please go to http://www.waterboards.ca.gov/water_issues/programs/cwa401/index.shtml.

Indicate if any portion of the project boundaries contain areas that should be evaluated for wetland delineation or require a permit from the United States Army Corps of Engineers, State and Regional Water Boards, and/or California Department of Fish and Game.

11. Safe Drinking Water Act, Sole Source Aquifer Protection

Projects must comply with the Safe Drinking Water Act and document whether or not a project has the potential to contaminate a sole source aquifer. For projects impacting a listed sole source aquifer, the applicant must identify an alternative project location, or develop adequate mitigating measures in consultation with the USEPA. For more information, please go to the Sole Source Aquifer Program website at <http://epa.gov/region09/water/groundwater/ssa.html>.

Indicate if the project is located in an area designated by the USEPA, Region 9, as a Sole Source Aquifer, and identify the sole source aquifer (e.g., Santa Margarita Aquifer, Scott's Valley, the Fresno County Aquifer, the Campo/Cottonwood Creek Aquifer or the Ocotillo-Coyote Wells Aquifer) that will be affected. The Lead Agency shall be held responsible for providing an alternate project location and/or appropriate mitigation measures, if a sole source aquifer were to be significantly impacted by a project.

12. Wild and Scenic Rivers Act

There are construction restrictions or prohibitions for projects near or in a designated “wild and scenic river.” A listing of designated “wild and scenic rivers” can be obtained at <http://www.rivers.gov/california.php>. Watershed information can be obtained through the “Watershed Browser” at <http://www.conservation.ca.gov/dlrp/watershedportal/watershedbrowser/Pages/WatershedBrowser.aspx>.

Indicate if a portion of the project is located within a wild and scenic river. If the project is located within a wild and scenic river watershed, provide a map identifying the watershed where the project is located.

13. National Forest Lands

Identify if any of the proposed project site is located within any National Forest Lands. A Special Uses Permit may be required for the proposed project. More information on Special Use Permits can be obtained through http://www.fs.fed.us/specialuses/special_about.shtml

14. Clean Water Act (Section 404) and Rivers and Harbors Act (Section 10)

Section 404 requires a permit before dredged or fill material may be discharged into waters of the United States, unless the activity is identified as exempt. *The following link provides further information:*

<http://www.usace.army.mil/Missions/CivilWorks/RegulatoryProgramandPermits.aspx>

Section 10 of the Rivers and Harbors Act requires authorization from the Secretary of the Army, acting through USACE, for the construction of any structure in or over any navigable water of the United States. Structures or work outside the limits defined for navigable waters of the United States require a Section 10 Certification if the structure or work affects the course, location, or condition of the water body. The following link provides further information, <http://www.usace.army.mil/Missions/CivilWorks/RegulatoryProgramandPermits.aspx>

Identify if the project will require a Section 404 Permit or Section 10 Certification from the United States Army Corps of Engineers (USACE).

Attachments

- ✓ Section IV – **Evaluation Form for Federal Environmental Coordination Review:** Please fill out completely.
- ✓ E1 – **Initial Study/Negative Declaration (IS/ND):** Provide the final copy.
- ✓ E2 – **Initial Study/Mitigated Negative Declaration (IS/MND):** Provide the final copy.
- ✓ E3– **Environmental Impact Report (EIR):** Provide the final copy.
- ✓ E4 – **Comments and Responses:** Provide all comments and responses.
- ✓ E5 – **Statement of Overriding Consideration (SOC):** If the project has a significant unavoidable impact, the applicant must adopt an SOC.
- ✓ E6 – **Mitigation Monitoring and Reporting Plan/Program (MMRP):** Applicant must adopt an MMRP for all projects with an IS/MND and EIR CEQA documents.
- ✓ E7 – **Resolution/Minutes Approving the CEQA Documents:** All CEQA documents (including Addendum, Supplemental and Subsequent) must be adopted/certified by the governing body of the applicant agency seeking funds from the DWSRF Program. If the applicant is not the lead CEQA agency, then the applicant must adopt/certify the relevant CEQA documents to be able to receive fronds from DWSRF Program.
- ✓ E8 – **Notice of Exemption:** A copy must be filed and date stamped by the local County Clerk’s office and the Governor’s Office of Planning and Research, State Clearinghouse.
- ✓ E9 – **Notice of Determination:** A copy must be filed and date stamped by the local County Clerk’s office and the Governor’s Office of Planning and Research, State Clearinghouse.

Financial Security Package (Construction)

Applicant (Entity) Name – Enter the entity that will be the legal signatory to a financing agreement.

Project Title – Enter the title of the project.

Contact Person and Phone – Enter the name and phone number of the day-to-day contact for the project. This person should be able to answer general questions about the project and application.

1. Amount of Assistance Requested

Estimate the project costs to be funded with State Water Board DWSRF funds. This amount should match the Amount of Assistance Requested in Section 1 of the General Information Package.

2. Term Requested

Indicate the financing term you are requesting: 20-year or 30-year. A 30-year term is only available to disadvantaged communities.

3. Other Project Funding Sources

Describe how the total project will be financed.

- ✓ Enter the name(s) and type(s) of all funding sources.
- ✓ Enter the amount of funds you expect to receive from each source.
- ✓ Check the appropriate box to indicate whether the other sources of financing have been applied for, approved by the funding agency, or received by the applicant.

Example: DWSRF financing \$1,000,000
USDA grant \$ 500,000
Applicant Agency portion \$ 250,000

4. Current Year Median Household Income

Enter the estimated Median Household Income (MHI) for the proposed project service area, using the most recent income survey. If an income survey is not available, MHI estimates may be found at the Census Bureau website at

<http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml#none>. Enter “Median Household Income in the Past 12 Months” and the municipality name into the Quick Search box. If you cannot locate data for your community, you may contact the DWSRF at DrinkingWaterSRF@waterboards.ca.gov for additional assistance.

5a and 5b. Current Year Estimated Population Served

- a. Enter the estimated population of the proposed project service area.
- b. Place a check (✓) in the box if less than 50% of residences are permanently occupied.

6. Average current monthly residential water bill

Determine the average current monthly residential water bill. Do not include industrial and commercial users. If the water system uses a tiered water rate, the charge should reflect what a typical residential user pays. The bill should reflect direct water charges plus any other fees or charges that support the water service such as parcel fees, standby charges, water taxes, and surcharges. Applicants must include the methodology and calculation used for determining the average residential rate.

7. Average monthly residential water bill for the prior three years

Determine the average current monthly residential water bill for the prior three years. Do not include industrial and commercial users. If the water system uses a “tiered” water rate, the charge should reflect what a typical residential user paid. The average water bill should reflect direct water charges plus any other charges that support the water service such as parcel fees, standby charges, water taxes, and surcharges. Applicants must include the methodology and calculation used for determining the average residential bill. Applicants must also give an explanation for any changes in the average water bill for the prior three years.

Attach the water rate structure covering the past three years for all consumers including commercial and industrial users (**label as Attachment F1**).

8. Average projected increase to the monthly residential water bill as a result of funding request

Calculate the projected increase to the monthly residential water bill as a result of the amount of funding requested. Estimate the portion of the eligible project cost that will be passed on to the consumers (this should be consistent with the Engineering Report). In calculating this projected cost, all related costs of the eligible project (do not include any ineligible project costs), including operation and maintenance costs, should be included. Construction financing has a 20-year repayment term. For example, during the calendar year 2014, the interest rate for conventional DWSRF financing is 2.085 percent; however, the interest rate will change January 1, 2015. Small water systems that serve a disadvantaged or severely disadvantaged community may assume a zero percent interest rate. All other water systems that serve a disadvantaged or non-disadvantaged community may assume the conventional DWSRF rate posted at http://www.waterboards.ca.gov/drinking_water/services/funding/SRF.shtml. If you are not certain whether your community qualifies as “disadvantaged” or “severely disadvantaged” then use the higher rate. Do not include anticipated increases in the water bill that are not related to the eligible portion of the DWSRF project (this will be included in the next item.) No DWSRF principal forgiveness or grant funding should be assumed; however, grant funds from other agencies can be included in the calculation.

NOTE: The DWSRF Policy defines “disadvantaged” as a community whose Median Household Income (MHI) is equal or less than 80% of the statewide MHI, and “severely disadvantaged” as a community whose MHI is equal to or less than 60% of the statewide MHI. As part of the application review, the State Water Board will determine the MHI for a water system.

The methodology and calculations for determining the cost impact of the financing should be shown on the Construction application. Add a separate page if necessary. The State Water

Board will assume that project costs will affect residential and nonresidential water charges in a proportional manner to current costs. If this is not the case, please describe the reason for shifting the cost burden.

9. Discussion of Material Events, Material Obligation Conditions, and Any Debt Limit

Identify any current, prior, or pending material events such as bankruptcy, defaults, litigation, grand jury findings, unscheduled draws on reserve funds, substitution of insurers or their failure to perform, unscheduled draws on credit enhancements, actions taken in anticipation of filing Chapter 9, rating changes, relevant conditions in material obligations, and any local debt limit.

10. Water Rate Study

Indicate whether a water rate study has ever been performed on your water system as well as the date of the study and subsequent findings. If you respond yes, please describe the findings and actions taken by the water system’s governing body.

11. Projected monthly residential water bill for the next 3 years

Provide the total overall projected residential water bill for the next three years. Do not include the increase calculated in number 7 above. Include any ineligible project costs as well as non-project related water system costs that will be imposed on the residential users during the next three years. The methodology and calculations should be shown.

12. 5 Year revenue/expenditure projection

Attach a projected cost breakdown of the revenue and expenditure of the water system for the next five years (label as **Attachment F2**). See table below for example.

EXPENSES AND SOURCE OF FUNDS	YEAR				
	2014	2015	2016	2017	2018
EXPENSES					
Annual operation and maintenance expenses					
-salaries and benefit	\$100,000	\$120,000	\$150,000	\$170,000	\$190,000
-repairs and maintenance	\$5,000	\$6,000	\$7,000	\$8,000	\$9,000
TOTAL EXPENDITURES	\$105,000	\$126,000	\$157,000	\$178,000	\$199,000
REVENUES					
DWSRF Financing	\$500,000				
Cash Revenues (Water rates)	\$120,000	\$150,000	\$190,000	\$220,000	\$250,000
TOTAL REVENUES	\$620,000	\$150,000	\$190,000	\$220,000	\$250,000
NET INCOME	\$515,000	\$24,000	\$33,000	\$42,000	\$51,000

13. Identify and describe the dedicated revenue source

Describe and give the actual name of the funding source that the applicant plans to use for loan repayment/obligation satisfaction. DWSRF applicants are required to have a “dedicated” source of funds for loan repayment/obligation satisfaction. Prior to execution of the funding agreement, the applicant must submit a resolution or ordinance adopted by the governing board establishing the dedicated fund source and pledging it to satisfaction of the DWSRF obligation.

14. Security

Identify what the applicant proposes to use as security for the DWSRF obligation, for example, assessments, stock, or property. If security is in the form of real property, provide an estimate of the value, how the value was determined, and whether the property is already pledged as security for another debt obligation.

ATTACHMENTS

- ✓ **F1- Water Rate Structure (3 years):** See guidance in item 6 above.
- ✓ **F2 – Revenue/Expenditure Projection (5 years):** See guidance in item 11 above.
- ✓ **F3 – Tax Questionnaire: To be completed and submitted with an application for all projects (except for privately owned entities).** The Tax Questionnaire provides basic information about project costs, accounting, and who will own and operate the project. The applicant’s response to the Tax Questionnaire and Reimbursement Resolution (F4 below) are reviewed by the State Water Board’s DWSRF tax attorney (DWSRF tax attorney) to determine whether the applicant is eligible to receive funds from tax-exempt revenue bond sales. After reviewing these documents, you may be required to sign a Tax Certificate which will be forwarded to you for signature by your Authorized Representative.
- ✓ **F4 – Reimbursement Resolution:** All applicants that are publicly owned entities are required to submit an adopted Reimbursement Resolution for review by the DWSRF tax attorney. The language may not vary from the language provided in the template. The Reimbursement Resolution should be a stand-alone resolution.
- ✓ **F5 – Audited Financial Statements:** Provide COMPLETE audited financial statements; or federal tax returns if applicant/water system is not required to complete audited financial statements; for the most recent three years. Refer to the schedule below:

Application Date	Required Financial Statements
January 1 st through June 30 th	Most recent three years, including last Fiscal Year. Example: <i>Application on March 1, 2014, requires Financial Statements for Fiscal Years 2010/11; 2011/12; and 2012/13</i>
July 1 st through December 31 st	Most recent three years prior to current Fiscal Year. Example: <i>Application on September 1, 2013, requires Financial Statements for Fiscal Years 2009/10; 2010/11; and 2011/12</i>

Identify any restricted funds and the reason for the restrictions as well as all sources of security to be pledged. If using real property, provide at least two appraisals of the value, how the value was determined, and whether the property is currently pledged as security on any other debt.

- ✓ **F6a – Authorizing Resolution/Ordinance (for use by publicly owned entities):** This resolution or ordinance designates the Authorized Representative(s) for the project, who will have the authority to sign and submit the DWSRF application materials, certify compliance with applicable state and federal laws, execute the financial assistance agreement and amendments, and certify disbursement requests.

- ❖ To minimize the potential for problems, use the exact language in the template resolution.
 - ❖ Enter the title of the Authorized Representative, NOT a person's name.
 - ❖ Do not modify the words financing or financial assistance to other terms such as “loan”, “grant”, or “principal forgiveness”. Use of these terms will create legal complications; the terms “financing” and “financial assistance” are broad enough to be applicable to all of the above.
 - ❖ It is not necessary to specify the requested amount of financing. If you do specify an amount, to allow some flexibility, please specify the maximum anticipated amount of financing as follows: “Financial assistance shall not exceed \$_____.”
- ✓ **F6b – Corporate Resolution to Apply, Borrow and Grant Security (for use by corporations):** This resolution designates the Authorized Representative(s) for the project, who will have the authority to sign and submit the DWSRF application materials, certify compliance with applicable state and federal laws, execute the financial assistance agreement and amendments, certify disbursement requests, grant security interest, and authorize State Water Resources Control Board to perform any acts necessary to perfect security.
- ❖ To minimize the potential for problems, use the exact language in the template resolution.
 - ❖ Enter the title of the Authorized Representative, NOT a person's name.
- ✓ **F6c –Other Entity Type:** If you are a limited partnership, general partnership, trust, or sole proprietor please contact the Division of Financial Assistance for guidance on the documentation required for designating an Authorized Representative.
- ✓ **F7 – Rate Adoption Resolution:** This is your most recent water rate adoption resolution.
- ✓ **F8 – Pledged Revenues and Fund(s) Resolution:** Federal law requires applicants to establish a dedicated source of revenue for repayment. An example of a PRF resolution is located in Appendix G of the DWSRF Policy. All publicly owned entities must submit a draft PRF resolution with their application. Once DFA has reviewed and approved a draft PRF resolution, a final adopted PRF resolution will be required. A reserve fund will be required.
- ✓ **F9 – Related Debt:** Submit a schedule of all debt secured by the PRFs, along with a copy of each relevant debt document (e.g., loans, bond indentures, installment sale agreements, etc.) If there are any pending debts, provide draft or estimated information. This schedule will be an exhibit to the DWSRF financing agreement and will rank related debt according to priority in relation to the proposed DWSRF debt (senior, parity, or subordinate). If the applicant has no other debt (except other DWSRF debt), the Authorized Representative must provide a letter stating this. In most cases, the DWSRF debt will be on priority with related debt.
- ✓ **F10 – Agreement for operation of the facility (if applicable)**

- ✓ F11 – **New Special Tax, Assessment District, or service charge projections** (if applicable)
- ✓ F12 – **Relevant Service, Management, Operating, or Joint Powers Agreements:** If applicable, provide a copy of any relevant, service, management, operating or joint powers agreements and any amendments (*No template exists*).
- ✓ F13 – **Future Capital Needs:** The applicant should describe any capital improvement plans and the long-term indebtedness needed to fund its future capital improvements. The applicant must provide any formal CIP it has to the Division (*No template exists*).
- ✓ F14 – **Other Material Debt Documents:** Attach complete copies of existing system debt (e.g. other loans, bond indentures, installment sale agreements, etc.)