

Drinking Water State Revolving Fund Proposed Updates for SFY 2024-25

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ACWA
Panel Discussions



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FFY 2024 Capitalization Grants

\$ million	Loan	PF	Set-Asides	Total Cap Grant
Base Program	\$12	\$24	\$13	\$50
General Supplemental (appropriated by BIL)	\$62	\$122	\$64	\$248
“Any Eligible Project” subtotal (FFY 2023 for comparison)	\$74 (\$71)	\$146 (\$138)	\$77 (\$73)	\$298 (\$281)
Emerging Contaminants (appropriated by BIL)	\$0	\$61	\$21	\$82

DWSRF Lending Capacity

- Lending capacity remains at \$300 Million;
 - Sustainable long-term capacity calculation
 - Used to determine Fundable List development
 - Rollover projects or grant/PF eligible applicants are not affected

	SFY 19-20	20-21	21-22	22-23	23-24
No. of Agreements	8	11	13	3	5
Loan \$, millions	\$125	\$257	\$846	\$19	\$125

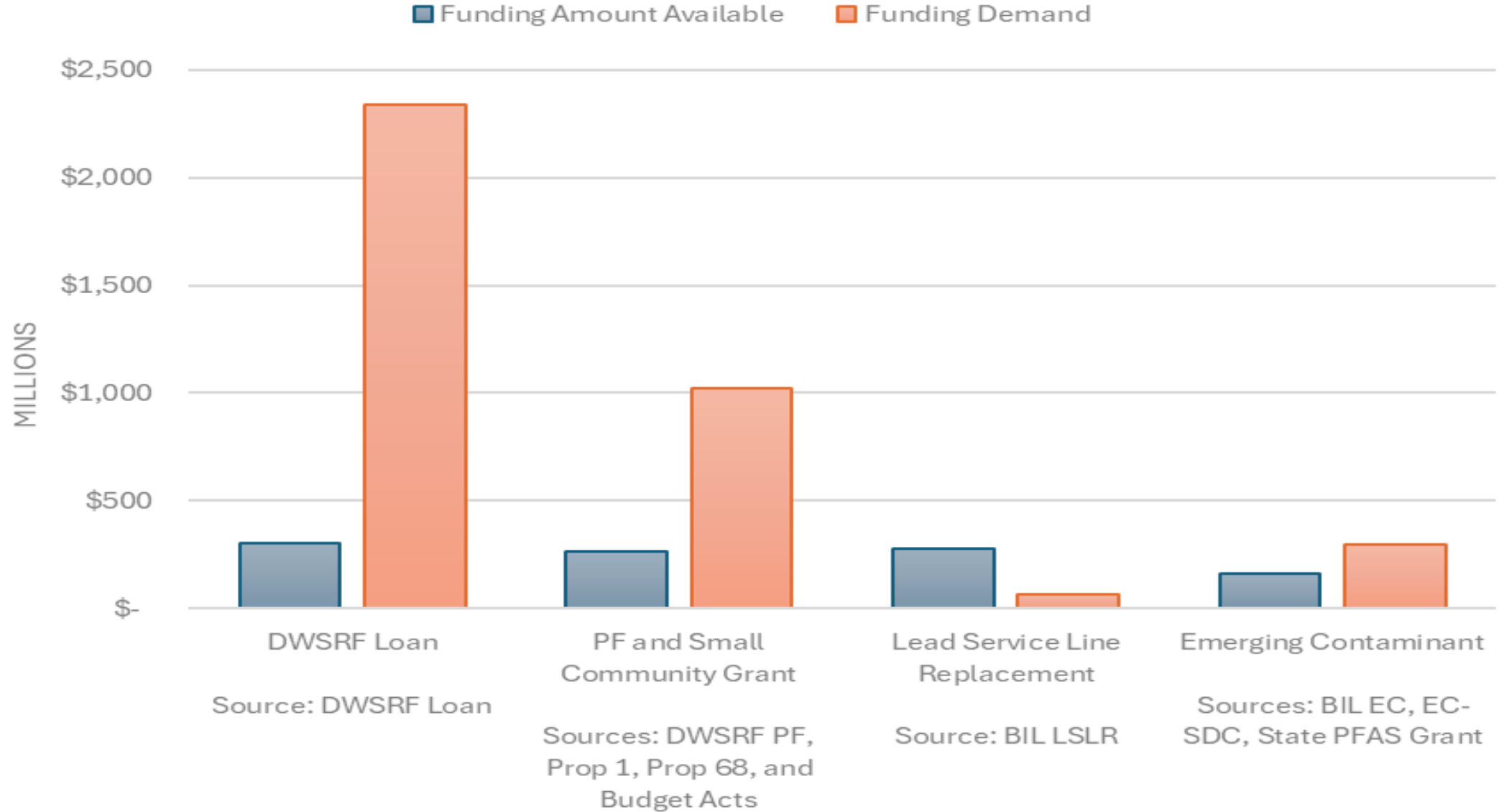
Average annual loans of \$275 million per year (5-year average)

Current DWSRF Loan Financing Demand

Application Status	No. Applications	Requested Funding, \$ millions	Estimated Funding, \$ millions
Projects Subject to Ranking (Requesting Placement on the Fundable List)	45	\$1,919	\$328
Rollovers from SFY 2023-24 IUP	8	\$423	\$423
Totals	53	\$2,342	\$751

Note: Difference from last year's IUP shown in parentheses.

Available Funding vs. Demand



Draft Fundable List (Repayable Loan Projects)

Summary	Projected Number of Projects	Rollover Project Loan (in millions)	Estimated DWSRF Loan (in millions)	Estimated Total Loan Amount (in millions)
Planning Projects	0	\$0	\$0	\$0
Small Water System Construction	5	\$24.7 (2)	\$15.1 (3)	\$39.8
Medium Water System Construction	11	\$114 (4)	\$102.3 (7)	\$216.4
Large Water System Construction	8	\$284.7 (2)	\$210.9 (6)	\$495.6
Total	24	\$423.5	\$328.3	\$751.8

DWSRF Loan Program-Proposed Changes

- \$50 million maximum for each new project on the DWSRF Fundable List (this maximum does not apply to rollover projects)
- \$100 million for the combined projects on the Fundable List per entity

PFAS and Emerging Contaminants

- BIL EC Funds available to DWSRF eligible projects which address emerging contaminants, with a focus on Per- and Polyfluoroalkyl Substances (PFAS)
 - Approximately \$61 million PF available from FFY2024 BIL EC
 - Per US EPA's Contaminant Candidate List (CCL)
 - Examples: PFAS, 1,2,3-TCP, Manganese, 1,4-Dioxane
 - All available EC funds will be provided as PF regardless of size or MHI

Non-DAC Systems That Serve a Population Over 25,000 can receive the lower of 50% of EC eligible cost or \$10M in PF (proposed increase from \$5M)

Build America Buy America (BABA)

- New federal requirement expanding domestic sourcing requirements
- Includes construction materials and manufactured goods in addition to the existing American Iron and Steel (AIS) requirements
- Required for equivalency projects and all EC funded projects
 - most Loan Projects will be equivalency
- EPA Adjustment Period Waiver expired November 2023-Updated waiver only available for projects being funded with FFY 2022 and 2023 Cap grants.
- Only FFY 2024 DWSRF Cap grant is available for New Projects on the SFY 2024-25 Fundable List (→No BABA waiver)

Schedule

Item	Estimated Date
Draft IUP Posted for 30-Day Public Comment	May xx, 2024
Board Workshop/Webinar	June xx, 2024
Deadline to Submit Written Comments	June xx, 2024, (Noon)
Board Meeting for Adoption of IUPs	July xx, 2024

PART II - FINANCIAL ASSISTANCE APPLICATION SUBMITTAL TOOL (FAAST)

- Web-based interface accessible 24 hours a day.
- Most funding programs at the State Water Board use FAAST
- Requires a FAAST account to apply for funding
- Web Address: <https://faast.waterboards.ca.gov/>
- Help Desk
 - FAAST_Admin@waterboards.ca.gov or 1-866-434-1083
 - Available Monday – Friday from 8AM – 5PM.



Questions

