

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2026-0003**

**TO AMEND THE EXPEDITED DRINKING WATER GRANT FUNDING
PROGRAM GUIDELINES**

WHEREAS:

1. The State Water Resources Control Board (State Water Board) adopted the Expedited Drinking Water Grant (EDWG) Guidelines (Guidelines) on March 8, 2023, for the EDWG funding program to provide an expedited process by which public agency applicants and public utility applicants regulated by the California Public Utilities Commission with qualifying high priority drinking water projects can receive State grant funding.
2. On August 19, 2025, the State Water Board adopted the State Fiscal Year 2025 – 26 Drinking Water State Revolving Fund (DWSRF) Intended Use Plan (IUP), which grants the Deputy Director of the Division of Financial Assistance (DFA) the authority to administer a portion of the grant funds and base and general supplemental DWSRF principal forgiveness funds through the EDWG Funding Program.
3. DFA staff have developed amended Guidelines to incorporate federal and additional state funding sources, add community water systems served by mutual water companies as eligible applicants, remove the \$15 million maximum project limit, and align the eligible funding limits and criteria with the DWSRF Policy and IUP.
4. On November 19, 2025, the draft amended Guidelines were posted on the State Water Board's website for public review and comment, and the comment period closed on December 19, 2025.
5. DFA staff have considered all the comments and made appropriate revisions in preparing the amended Guidelines for State Water Board consideration.
6. The amended Guidelines support the Human Right to Water, and are consistent with State Water Board [Resolution No. 2016-0010](#), by providing funding for critical drinking water infrastructure projects.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Adopts the attached amended Guidelines.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on January 21, 2026.

AYE: Chair E. Joaquin Esquivel
Vice Chair Dorene D'Adamo
Board Member Sean Maguire
Board Member Laurel Firestone
Board Member Nichole Morgan

NAY: None

ABSENT: None

ABSTAIN: None

Courtney Tyler
Courtney Tyler
Clerk to the Board

EXPEDITED DRINKING WATER GRANT FUNDING PROGRAM GUIDELINES

Drinking Water State Revolving Fund – Principal Forgiveness

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

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

California Budget Act of 2021 and Budget Act of 2022,
General Fund Appropriations

Safe and Affordable Drinking Water Fund

Budget Act of 2024 Greenhouse Gas Reduction Fund

Safe Drinking Water, Wildfire Prevention, Drought Preparedness,
and Clean Air Bond Act of 2024 (Proposition 4)

Originally Adopted by the State Water Board March 8, 2023

Amended by the State Water Board on January 21, 2026



TABLE OF CONTENTS

1. PURPOSE AND OVERVIEW.....	3
2. HUMAN RIGHT TO WATER.....	3
3. FUNDING.....	4
3.1. Drinking Water State Revolving Fund Principal Forgiveness	4
3.2. Proposition 1	4
3.3. Proposition 68	4
3.4. Safe and Affordable Drinking Water Fund	5
3.5. General Fund Infrastructure Appropriations	5
3.6. Budget Act of 2024 Greenhouse Gas Reduction Fund	5
3.7. Proposition 4	5
4. ELIGIBILITY REQUIREMENTS	5
4.1. Eligible Funding Applicants	6
4.2. Eligible Projects	6
4.3. Funding Prioritization	6
4.4. Other Considerations	7
5. GRANT/PRINCIPAL FORGIVENESS AMOUNTS	8
5.1. Maximum Funding Amounts	8
6. PROJECT SELECTION PROCESS.....	8
6.1. Project Proposal.....	8
6.2. Completeness and Eligibility Review	9
6.3. Preliminary Funding Award Notification	10
6.4. Funding Agreement	10
7. REIMBURSEMENT OF COSTS	11
7.1. Eligible Project Costs	11
7.2. Advance Payment.....	12
8. GENERAL PROGRAM REQUIREMENTS.....	12
8.1. CEQA Compliance.....	12
8.2. Project Manager Notifications	13
8.3. Reporting	13
8.4. Confidentiality	14
8.5. Disputes	14
APPENDIX A: ACRONYMS, ABBREVIATIONS, AND DEFINITIONS	15
APPENDIX B: PROJECT PROPOSAL FORM	16
APPENDIX C: TECHNICAL, MANAGERIAL, AND FINANCIAL CAPACITY	17

1. PURPOSE AND OVERVIEW

This document serves as the Project Solicitation and Evaluation Guidelines (Guidelines) (Public Resources Code, §80010 and Water Code, §79706) for the State Water Resources Control Board's (State Water Board) Expedited Drinking Water Grant (EDWG) program. The funds available for projects will be provided as grants and/or principal forgiveness (PF) only. These Guidelines do not establish a loan program. The State Water Board's Division of Financial Assistance (DFA) administers the program.

This program provides an expedited process by which applicants with qualifying high priority projects can receive grant/PF funding. Application forms, reviews, procedures, and requirements may vary from the Drinking Water State Revolving Fund (DWSRF) funding program to the extent authorized by the Deputy Director of DFA or designee to support reduction of processing times and information submittal requirements.

Applicants that do not qualify for this program may be directed to apply for funding through the process established in the Policy for Implementing the DWSRF (DWSRF Policy) and the DWSRF Intended Use Plan (IUP)¹, or through other funding programs.

Changes to the Guidelines may be necessary due to legislation or changes in State Water Board policy. If substantive changes are necessary, these Guidelines will be amended and subject to a public review process. The Deputy Director of DFA may make non-substantive changes to the Guidelines.

The Deputy Director of DFA may update and amend the Appendices to the Guidelines, and create new Appendices, as necessary.

See Appendix A for a summary of acronyms, abbreviations and definitions used in these Guidelines.

2. HUMAN RIGHT TO WATER

Section 106.3 of the Water Code provides that it is the 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.” The State Water Board has considered the provisions of Section 106.3 of the Water Code in establishing these Guidelines. By establishing this expedited funding program, critical drinking water infrastructure projects will be constructed on a shorter timeline, resulting in many small communities gaining access to safe, clean, affordable, and accessible water much sooner than would occur without this program.

¹ References to the DWSRF IUP and DWSRF Policy in these guidelines mean the DWSRF IUP or IUPs, and DWSRF Policy, respectively, that would apply to the project if the project were funded through the DWSRF Program.

3. FUNDING

The EDWG program utilizes a variety of funding sources for drinking water infrastructure projects, described below. These funding sources may also be administered through the DWSRF Policy and DWSRF IUP or through the Policy for Developing the Fund Expenditure Plan for the Safe and Affordable Drinking Water (SADW) Fund (SADW Policy) and SADW Fund Expenditure Plan (SADW FEP) or as otherwise authorized by the State Water Board. If other funding sources are specified in the DWSRF IUP or are otherwise authorized by the State Water Board for this program, DFA may commit the funds consistent with these Guidelines as authorized.

3.1. Drinking Water State Revolving Fund Principal Forgiveness

The DWSRF program, created under the federal Safe Drinking Water Act (SDWA), 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 SDWA requirements, and (3) assist Public Water Systems (PWSs) most in need on a per household basis. DWSRF PF may be used to fund EDWG projects to the extent provided in the applicable annual DWSRF IUP.² The requirements for DWSRF PF described in the DWSRF IUP apply to EDWG projects funded with DWSRF PF unless these Guidelines set forth different requirements that are permissible under state and federal law and other rules, in which case EDWG program requirements will apply.

3.2. Proposition 1

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

3.3. Proposition 68

Proposition 68, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Senate Bill 5, De León) authorized the sale of general obligation bonds for water projects including surface and groundwater storage, ecosystem and watershed protection and restoration, and drinking water

² This may include DWSRF PF administered under a supplemental DWSRF IUP to the extent authorized by applicable rules. Funding from the Emerging Contaminants in Small or Disadvantaged Communities program may also be used for EDWG projects to the extent allowed by the rules applicable to that funding source.

protection. Section 80140 of Proposition 68 allocated \$220 million for drinking water and clean water grants and loans for PWSs serving disadvantaged communities for infrastructure improvements and related actions to meet safe drinking water standards, to ensure affordable drinking water, or both.

3.4. Safe and Affordable Drinking Water Fund

Senate Bill 200 (Ch. 120, Stats. 2019) established the SADW Fund to address funding gaps and to provide funding solutions to water systems, especially those serving disadvantaged communities, to address both their short- and long-term drinking water needs.

3.5. General Fund Infrastructure Appropriations

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. These funds have been committed to projects. Projects funded through the EDWG program may continue to be administered through these Guidelines.

3.6. Budget Act of 2024 Greenhouse Gas Reduction Fund

The Budget Act of 2024 (Senate Bill 108) appropriated \$224.9 million to the State Water Board in Item 3940-102-3228 from the Greenhouse Gas Reduction Fund (GGRF). The State Water Board authorized up to \$151 million of these funds for drinking water projects, with priority to disadvantaged communities.

3.7. Proposition 4

Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Senate Bill 867, Allen) authorized the sale of \$10 billion in general obligation bonds for water and other projects. Section 91011 of the Public Resources Code allocated \$610 million, upon appropriation by the Legislature, for grants or loans that improve water quality or provide clean, safe, and reliable drinking water. Prop 4 funds may be administered through these Guidelines if allowed by the applicable laws.

4. ELIGIBILITY REQUIREMENTS

Applicants applying to the EDWG program must meet all relevant eligibility criteria to be considered for funding.

4.1. Eligible Funding Applicants

Eligible applicants must be eligible for grant/PF funding according to the DWSRF IUP, and must be one of the following:

- Community water systems owned by public agencies, e.g., cities, counties, special districts, Joint Powers Authorities (JPAs), or other political subdivisions of the state;
- Community water systems owned by public utilities (as defined in Public Utilities Code §216) incorporated in California and in good standing with the Secretary of State that are subject to regulation by the California Public Utilities Commission (CPUC);
- Community water systems owned by mutual water companies that are organized and operating in accordance with California law and in good standing with the Secretary of State; or
- Non-transient, noncommunity water systems owned by public school districts.

4.2. Eligible Projects

Projects that are eligible to receive funds through the EDWG program:

- a. Must be eligible for grant/PF funding³ according to the DWSRF Policy and the DWSRF IUP⁴, except as modified herein;
- b. Must consist of the construction of capital assets, as defined in Government Code §16727(a);
- c. Must not be comprised solely of the planning activities associated with an eventual construction project; and
- d. Projects proposed by a public utility shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors.

4.3. Funding Prioritization

In its evaluation of applications, the State Water Board will apply the prioritization criteria set forth in the current DWSRF IUP, supplemented by the requirements of these Guidelines and the applicable funding sources. Additionally, and in coordination with the DWSRF IUP criteria, the following factors will also be considered:

³ Additional restrictions may apply depending on the funding source. For example, projects benefiting non-DACs may be eligible to receive grant funds from SADW if the project reduces greenhouse gas emissions. Projects benefiting non-DACs cannot receive grant funds from Proposition 1 or Proposition 68.

⁴ Projects authorized under a supplemental IUP (i.e., Emerging Contaminant, Lead Service Line Replacement) may be processed under the EDWG program if other applicable rules allow.

- a. **Human Right to Water** – the project supports and advances the State's policy on the human right to water, including any resolutions or policies adopted by the State Water Board.
- b. **Regulatory Priority** – the project has been identified as a high priority by the applicable state or federal regulatory agency (i.e., Division of Drinking Water (DDW), the United States Environmental Protection Agency).
- c. **Drought Related** – the project is needed to address acute drinking water shortages in domestic water supplies; prevent a potential acute drinking water shortage; increase drought resilience; or meet the requirements of Senate Bill 552 (Stats. 2021, ch. 245).
- d. **Timeliness for Project Completion** – the project's schedule is reasonable and meets appropriation deadlines.
- e. **Status of Environmental Review** – the project qualifies for a California Environmental Quality Act (CEQA) exemption or the environmental review process is complete or nearly complete.

4.4. Other Considerations

Additional eligibility considerations are discussed in further detail below.

4.4.1. Phased Projects

Drinking water infrastructure projects can be complex and in some cases are most effectively carried out in phases. A phased project is one in which one phase of the project must be completed before the next phase begins (e.g., a well is drilled and pump tested before being developed with permanent equipment), or where two or more phases can be conducted independently, but each phase must be completed to successfully accomplish overall project goals (e.g., development of a new production well to increase the receiving water system's source capacity, and consolidation of a small water system).

Multiple project phases may be included in one funding agreement if it is administratively expedient to do so and the phases have similar, relatively short-term schedules for completion. Individual or multiple project phases may be funded separately if the information from one phase is needed to accurately describe the scope and budget of the subsequent phase, if one phase is on a significantly different schedule than another, or if the overall project is sufficiently complex that phasing the project with separate funding agreements is in the best interest of the state to maintain adequate fiscal and regulatory oversight. The maximum funding amounts specified in these Guidelines may apply to the overall project, at DFA's discretion.

4.4.2. Multiple Projects

The State Water Board may enter into a single funding agreement with an applicant for multiple projects, if it is administratively expedient to do so, or may

have separate funding agreements for individual projects (e.g., if the projects have significantly different timelines for completion; or legal issues may hold up one project, but not another). In either case, each individual project must meet all the eligibility requirements under this program.

5. GRANT/PRINCIPAL FORGIVENESS AMOUNTS

Grant/PF funding for eligible projects will be awarded based on the criteria, maximums, and funding decision processes set forth in the DWSRF IUP, unless otherwise indicated in these Guidelines.

5.1. Maximum Funding Amounts

The grant/PF limits are the same as set forth in the DWSRF IUP that would apply to the project if it were funded under the DWSRF IUP.

6. PROJECT SELECTION PROCESS

Projects are selected for the EDWG program either by DFA staff identifying eligible projects with existing DWSRF construction applications submitted via the Financial Assistance Application Submittal Tool (FAAST), or projects that are receiving planning funds or technical assistance or through project proposals. DFA may announce deadlines or allow open submission for project proposals as long as funding is available and doing so is consistent with the purposes of the DWSRF and EDWG programs. DFA staff may conduct workshops to address questions and provide general assistance to applicants.

Applications will be evaluated based on the eligibility requirements and criteria set forth in the DWSRF IUP and discussed in these Guidelines. Applicants and/or projects that are not selected for funding under these Guidelines may be directed to other funding programs.

6.1. Project Proposal

The project proposal form is referenced as Appendix B and will be posted on DFA's website. This is a more streamlined application compared with the DWSRF application. Applicants with existing partial DWSRF applications may not need to submit a project proposal form. Generally, applicants will be required to submit the information specified in the applicable form(s), such as the following:

- a. General information about the applicant (e.g., contact information, entity type) and the water system (e.g., population, number of service connections) that is necessary to determine eligibility
- b. Explanation of the problem that the project will address

- c. Engineering report, technical memo, or similar document that includes a description of alternatives considered (additional guidance is provided with the project proposal form)
- d. Project scope, schedule, and budget
- e. Organizational documents

Other documents may be provided if available (e.g., feasibility studies, environmental documents, financial documents, documentation demonstrating that the applicant owns the water system and has the access/property rights required for the project, required CPUC reports and approvals, and required documents for private entities, if applicable). Technical assistance may be provided to assist with the preparation of the application.

It is **highly** recommended that applicants review both the sample funding agreement and the form of opinion of counsel (posted on the [EDWG Program Page](#)) with their own attorney prior to submission of their project proposal to ensure that they will be able to comply with the required terms, including the cross-cutting state laws (e.g., nondiscrimination, drug-free workplace, competitive bid, etc.), applicable federal laws for DWSRF funding (e.g., American Iron and Steel, Disadvantaged Business Enterprise, Davis Bacon, etc.) and will be able to make the representations and warranties (e.g., long-term property rights, solvency, no relevant litigation, etc.). If the applicant is unable to comply with all terms, representations, and warranties in the sample funding agreement the project may be directed to other funding programs. Notwithstanding the foregoing, the State Water Board may revise the standard funding agreement terms and conditions to reflect changes in state or federal law or make other necessary revisions.

6.2. Completeness and Eligibility Review

All project proposals will undergo completeness and eligibility reviews for the required items listed in the application materials. If a project proposal is determined to be incomplete or ineligible, it may not be reviewed or considered for funding.

DFA will consult with the local DDW district office to ensure that the project is consistent with State Water Board policies, permits and orders. DDW will assist DFA in reviewing the scope, schedule, and budget of each application that is submitted and determined eligible for funding. The level of involvement and review by the DDW will depend on the scope of the proposed project. DDW will inform the applicant of any requirements (e.g., Safe Drinking Water Act, California Waterworks Standards) that may require consideration in the applicant's project.

DFA staff may identify projects recommended for funding. The Deputy Director of DFA makes the final decision as to which applicants may receive a preliminary funding award.

6.3. Preliminary Funding Award Notification

DFA may notify invited applicants of preliminary funding awards via email, or by letter, and will post approved project lists on the State Water Board website. Award notifications may identify draft terms and conditions, including conditions precedent, that will be applicable to the funding agreement. The notification may include deadline(s) for deliverables that need to be completed to receive a funding agreement, such as:

- a. Adopted-authorized representative resolution
- b. Technical, Managerial, and Financial (TMF) Assessment Form (see Appendix C)
- c. Self-Certification Form
- d. Complete Environmental Package including all required attachments (if the environmental review process is complete) or the CEQA Planning Exemption Certification Form (if the environmental review process is not yet complete).

DFA may request additional information or documentation. The Deputy Director of DFA may withdraw a preliminary funding award if the applicant is non-responsive to inquiries or requests for information or documentation, or if DFA has exhausted reasonable efforts to resolve issues that prevent the execution of a funding agreement. The emergence of unique legal issues or other project or funding challenges may also result in DFA withdrawing preliminary funding awards. To the extent possible, such projects will be directed to other funding sources.

6.4. Funding Agreement

Following notification of preliminary funding awards and completion of the deliverables identified in the award notification and any other requirements, or the receipt of a complete EDWG application, the State Water Board may issue funding agreements to recipients. Funding agreements will not be effective until signed by the recipient's authorized representative and the State Water Board, and must be accompanied by a satisfactory legal opinion of the recipient's counsel (see form of opinion of counsel posted on the [EDWG Program Page](#)). The Deputy Director of DFA or designee is authorized to execute funding agreements and amendments thereto on behalf of the State Water Board for eligible projects with approved applications, for routine, non-controversial projects consistent with these Guidelines.

The funding agreement will require the recipient to provide complete technical, financial, and environmental information for review, to the extent not already provided, before the Division provides approval to proceed with activities such as solicitation of construction bids, selecting a construction contractor, and commencement of construction of the project. Property rights, permits, and approvals necessary for the project generally must be obtained prior to DFA's final budget approval.

7. REIMBURSEMENT OF COSTS

Only work performed within the terms and conditions of an executed funding agreement that meets the applicable requirements, which may depend on the funding source, will be eligible for reimbursement.

Recipients may request reimbursement of planning/design, environmental, and other eligible non-construction costs (including eligible costs incurred prior to execution and after the established eligible work start date) upon execution of the funding agreement, except that recipients should not purchase any equipment or land, or other property rights for the project without written approval from the project manager. Compliance with any conditions required by the State Water Board, and completion of the recipient's environmental application package and the State Water Board's environmental review, will be conditions precedent to reimbursement of certain purchases and will be required before any construction costs are incurred. No activities requiring CEQA review, including construction, may proceed unless and until the State Water Board completes its own CEQA review process and notifies the recipient of approval to proceed. (See Sections 8.1 and 8.2 of these Guidelines)

DFA may also include conditions that must be satisfied prior to bid solicitation, disbursement of construction funds, completion of construction or final disbursement, such as documentation demonstrating that necessary elements of TMF have been addressed, adopted water rates sufficient to operate and maintain (O&M) the water system and the project, or submission of a permit amendment application to the local DDW district office (if applicable).

7.1. Eligible Project Costs

Allowable costs are those set forth in the DWSRF Policy and DWSRF IUP. In addition, DFA may, at its discretion, include an amount of up to 30% of the total estimated project cost for conditional costs. This amount would be in addition to the contingency line item, and would not be available to the recipient without DFA's written approval. Conditional costs may, if specifically authorized by DFA, be used for limited activities necessary to evaluate or finalize potential scope changes (such as design modifications); however, any change in the written scope of work requires an amendment to the funding agreement. As applicable, CEQA and other environmental requirements must be addressed prior to execution of such an amendment, and recipients are responsible for providing all necessary documentation to the State Water Board to support this review.

For projects receiving grant funds from SADW, additional guidance on allowable costs is set forth in the SADW Fund Policy and the SADW FEP.

7.2. Advance Payment

Proposition 1, Proposition 68, and Proposition 4 authorize up to 25 percent (25%) of a grant for a project to be awarded in advance of actual expenditures (Water Code, §79724, subd. (a)(1), Public Resources Code, §80030, and Public Resources Code, §90130). The State Water Board is also authorized to provide necessary advance payments for projects funded by the SADW Fund (Health and Safety Code, §116766(i)), or by any other funding source to the extent authorized. DFA has established an advance payment program to implement these authorities, and advance payments may be available in accordance with that program and applicable funding source requirements. Advance payments are not available for projects funded solely with DWSRF funds.

8. GENERAL PROGRAM REQUIREMENTS

All applicants that are awarded grant/PF funds through the EDWG program must comply with the terms and conditions set forth in the funding agreement, including the following general program requirements. Before applying, applicants must consider their ability to comply with these requirements.

All requirements, terms, and conditions in the DWSRF Policy and DWSRF IUP that apply to projects based on the funding source selected by DFA will apply under the EDWG program. However, to the extent that applicable funding source requirements allow, the provisions of these Guidelines will supersede inconsistent requirements in the DWSRF Policy and DWSRF IUP. Additionally, the Deputy Director of DFA or designee may waive DWSRF Policy and DWSRF IUP requirements if allowed by the funding source requirements. Additional statutory and regulatory requirements may apply as well, depending on the funding source. Application forms and procedures for environmental review, financial review, and final budget and construction approval, disbursement, and other procedures and requirements may vary from the DWSRF Policy and DWSRF IUP to the extent approved by the Deputy Director of DFA or designee.

8.1. CEQA Compliance

Recipients are responsible for complying with all applicable laws and regulations for their projects, including CEQA. State Water Board selection of a project for funding does not indicate that the consideration of mitigation measures that would reduce or eliminate adverse environmental effects of that project is adequate. No construction may proceed unless and until the State Water Board completes its own CEQA findings if applicable, gives authorization to proceed with construction, and provides final budget approval. The State Water Board may enter into a funding agreement to begin funding planning/design activities for a project, but such an award will not constitute approval of the construction scope element of the funding agreement or be a guarantee of construction funding. **The State Water Board expressly withholds approval of any construction project or construction element of a**

project and the release of funds associated with that construction project or that construction element of a project pending completion of the CEQA process, including the State Water Board completing its own environmental review and making findings under CEQA if applicable. Any funds in the award or the funding agreement linked to the construction element of a project are for encumbrance purposes only and will be reviewed after the State Water Board makes any necessary CEQA findings. The appropriate environmental review under CEQA must be complete before the State Water Board determines whether to approve funding for construction of the project or for any site acquisition (purchase of land, etc.) associated with the project.

When the lead agency's CEQA review process is complete, the lead agency must file a CEQA notice of determination or notice of exemption for the project with the County Clerk and the State Clearinghouse.

8.2. Project Manager Notifications

Recipients will be required to obtain approvals from the Project Manager prior to soliciting for construction bids; purchasing necessary equipment, land or other property rights for the project; and/or any construction activities. The Project Manager will verify that the recipient has complied with all applicable conditions before giving such approval. Proceeding with the bid solicitation process, equipment procurement, purchase of land or other property rights, and/or construction prior to receiving such authorization from the Project Manager may render the project ineligible for funding and may be grounds for immediate termination of the agreement.

The Project Manager may conduct site visits and inspections to verify that the project is proceeding in accordance with the funding agreement. The Project Manager may document such field visits with photographs or notes, which may be included in DFA's project file.

8.3. Reporting

Every recipient is required to submit quarterly progress reports to DFA that detail activities that have occurred during the applicable reporting period. Reporting is required even if no project related activities took place during the reporting period. Additional reporting requirements specific to GGRF expenditures may be applicable to projects that receive SADW funds or Budget Act of 2024 funds, as described in the SADW Fund Policy and the SADW FEP.

At the conclusion of the project, the recipient must submit a Project Completion Report, which must include a description of the project, a description of the problem the project sought to address, and a summary of compliance with applicable funding agreement conditions.

8.4. Confidentiality

Any privacy rights, as well as other confidentiality protections afforded by law with respect to the application materials that are submitted will be waived once submitted to the State Water Board. The locations of all projects awarded funding must be reported to the State Water Board and made available to the public. The State Water Board may report project locations to the public through internet-accessible databases. The State Water Board uses Global Positioning System (GPS) coordinates for project locations.

8.5. Disputes

An applicant or recipient may appeal a staff decision within 30 days. Disputes will be reviewed and resolved pursuant to the procedure set forth in the DWSRF Policy.

Where a funding agreement has been executed, the dispute and remedies provisions of that funding agreement will control, and the dispute provisions of this section are inapplicable. Recipients must continue with the responsibilities under the funding agreement during any dispute. The Deputy Director of DFA may terminate a funding agreement where there is a violation of a material provision of the agreement by the recipient, or for other reasons stated in the funding agreement.

APPENDIX A: ACRONYMS, ABBREVIATIONS, AND DEFINITIONS

ACRONYMS AND ABBREVIATIONS

CEQA	California Environmental Quality Act
DAC	Disadvantaged Community
DDW	Division of Drinking Water
DFA	Division of Financial Assistance
DWSRF	Drinking Water State Revolving Fund
DWSRF Policy	Policy for Implementing the DWSRF
EDWG	Expedited Drinking Water Grant
FAAST	Financial Assistance Application Submittal Tool
GGRF	Greenhouse Gas Reduction Fund
Guidelines	Project Solicitation and Evaluation Guidelines
IUP	Intended Use Plan
JPA	Joint Powers Authority
Non-DAC	Non-Disadvantaged Community
O&M	Operation and Maintenance
PF	Principal Forgiveness
PWS	Public Water System
SADW	Safe and Affordable Drinking Water
SADW FEP	SADW Fund Expenditure Plan
SADW Fund Policy	Policy for Developing the Fund Expenditure Plan for the SADW Fund
SDWA	Safe Drinking Water Act of 1996
State Water Board	State Water Resources Control Board
TMF	Technical, Managerial, and Financial

DEFINITIONS

Unless otherwise defined in these Guidelines, the definitions in the DWSRF Policy and the DWSRF IUP apply to funding provided under the EDWG program. Additional definitions in the SADW Fund Policy and the SADW FEP are applicable to projects that receive SADW funds.

APPENDIX B: PROJECT PROPOSAL FORM

The Project Proposal Form is posted on the [EDWG Program Page](#).

APPENDIX C: TECHNICAL, MANAGERIAL, AND FINANCIAL CAPACITY

The federal SDWA requires states to incorporate TMF capacity into PWS operations. This requirement helps ensure that PWSs have long-term sustainability and are able to maintain compliance with all applicable drinking water laws and regulations.

Generally, applicants will be required to submit the appropriate TMF assessment form attached as an appendix to the DWSRF Policy prior to receiving a funding agreement. DFA will review and comment on the TMF assessment and will determine if all TMF elements have been satisfactorily addressed by the applicant. The applicant will be required to address the mandatory elements of TMF prior to receiving construction authorization. Recipients will be required to address the necessary elements of TMF prior to completion of construction or prior to the final disbursement. Exceptions or variations may be approved on a case-by-case basis as described in the DWSRF Policy or DWSRF IUP.

Technical assistance may be provided to ensure TMF elements will be addressed.