STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2026-0034

AUTHORIZING THE EXECUTIVE DIRECTOR OR DESIGNEE TO EXECUTE A $25 MILLION DOLLAR LOAN AGREEMENT WITH THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK CONSISTING OF UP TO $10 MILLION FOR CLEAN WATER STATE REVOLVING FUND STATE MATCH AND $15 MILLION FOR DRINKING WATER STATE REVOLVING FUND STATE MATCH

WHEREAS:

1. Capitalization grants from the United States Environmental Protection Agency (U.S. EPA) are deposited into the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) and used by the State Water Resources Control Board (State Water Board) to provide low-interest loans and principal forgiveness to local municipalities for the eligible costs of planning, designing and constructing wastewater, water recycling, drinking water, and other eligible projects.

2. As a condition of CWSRF and DWSRF capitalization grant awards from the U.S. EPA, the State Water Board must provide matching funds equal to 20 percent of each capitalization grant (State Match).

3. The U.S. EPA requires that the State Water Board make timely and expeditious use of capitalization grant awards and associated State Match.

4. The DWSRF needs additional State Match for the 2026 base program capitalization grant, and the CWSRF and DWSRF will need additional State Match for the 2027 capitalization grants.

5. The State Water Board currently has no General Fund or general obligation bond appropriations or local match funding to meet the current or near-term State Match needs of the CWSRF or DWSRF.

6. State and federal law allows the State Water Board to use interest earnings of the CWSRF and DWSRF to secure and repay a short-term financing to obtain State Match.

7. The California Infrastructure and Economic Development Bank (IBank) previously assisted the State Water Board with obtaining State Match for the DWSRF in 2014 and 2016 and for the CWSRF in 2021 using this type of financing transaction, and is able to assist the State Water Board with State Match for the CWSRF and the DWSRF.

8. The State Water Board seeks to maximize all available funding sources and minimize the costs of obtaining State Match, and a short-term financing with the IBank is the most economical option available to the State Water Board.

9. The CWSRF and DWSRF currently contain sufficient interest earnings to secure and repay a short-term financing with the IBank to obtain up to $10 million in CWSRF State Match and $15 million in DWSRF State Match, for a total principal amount of $25 million.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Authorizes the Executive Director or designee to execute a loan agreement with the IBank for $25 million dollars consisting of up to $10 million in CWSRF State Match and up to $15 million in DWSRF State Match.

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 September 1, 2026.

AYE:	Chair E. Joaquin Esquivel Vice Chair Dorene D'Adamo Board Member Sean Maguire Board Member Nichole Morgan Board Member Jared Blumenfeld
NAY:	None
ABSENT:	None
ABSTAIN:	None

Courtney Tyler

Courtney Tyler
Clerk to the Board