



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901



March 8, 2012

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Dear Ms. Townsend:

Thank you for the opportunity to comment on the proposed adoption of the California Intended Use Plan (IUP) for the Clean Water State Revolving Fund (CWSRF) for Federal fiscal Year (FFY) 2012.

EPA's comments address the contents of the draft CWSRF IUP as referenced and are listed as follows:

1. **III. PROGRAM CAPABILITIES, Financial Outlook, page 6:** The IUP should identify the estimated CWSRF funds available (i.e., dollar amount) for financing new projects in SFY 2012.
2. **III. PROGRAM CAPABILITIES, Overall Funding Approach, 5. Implementation of Federal Requirements, page 11:** The IUP should mention that many federal requirements apply in an amount equal to the capitalization grant. These requirements are:
 - Single Audit Act (OMB A-133)
 - Disadvantaged Business Enterprise compliance (DBE)
 - Federal crosscutting authorities (environmental and others)
 - Federal Funding Accountability and Transparency Act (FFATA) reporting

To help EPA Region 9 review a state's IUP for content and accuracy, the Region developed an IUP checklist. This checklist identifies both the old and the new CWSRF policies and requirements that should be incorporated in the IUP. I have enclosed a copy of the Region 9 IUP Checklist as a reference when developing a CWSRF IUP.

If you have questions about these comments or document please call me at 415-972-3450.

Sincerely,

Juanita Licata
California SRF Project Officer

Region 9 SRF Intended Use Plan Checklist

2011-
2012

Programmatic			
Item	Y/N	Follow-up?	Comments
1. Short term goals			
2. Long term goals			
3. Any Important program changes noted			
4. Agreement to enter data into CBR/PBR and NIMS			
5. Description of public notice process and actions taken to address public comments			
6. Fund transfers if authorized			
7. Disadvantaged community program: definitions of disadvantaged community, description of affordability criteria and prioritization			
Financial			
Item	Y/N	Follow-up?	Comments
8. Criteria and methods for distribution of funds (Priority setting criteria)			
9. Bypass procedures			
10. Sources and uses			
11. Identify the types of assistance provided and the terms (example principle forgiveness, extended term financing)			
12. State match sources			
13. Identification of overmatch if applicable			
14. Anticipated Cash Draw ratio (proportionality) or statement of match drawdown then federal			
15. Estimated disbursement schedule			
16. Identification of any intended transfers between funds			
17. Identification and explanation of any cross collateralization			
18. Loan interest rate			
19. Fees charged if applicable and uses of fees			
20. Overview of program financial status and management			

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21. Leveraging plan if applicable			
22. Binding commitment schedule			
23. Grant payment schedule (quarterly)			
CWSRF Specific			
24. Fundable list which lists projects <i>expected</i> to receive funding in the FY including all source of funds (capitalization grants, repayments, interest etc)	Y/N	Follow-up?	Comments
25. Fundable list includes community name			
26. Fundable list includes project rank (212)			
27. Fundable list includes project description			
28. Fundable list includes permit number			
29. Fundable list includes type of assistance			
30. Fundable list includes funding level			
31. Fundable list includes additional subsidy and calls out disadvantaged or fix it first projects if known			
32. Fundable list includes GPR projects and type if known			
33. Fundable list includes Equivalency projects for reporting purposes (Crosscutter review, FFATA, etc). Loans that total an amount = to the federal cap grant			
DWSRF Specific			
Item			
34. Fundable list which lists projects <i>expected</i> to receive funding in the FY including all source of funds (capitalization grants, repayments, interest etc)			
35. Fundable list includes name of system			
36. Fundable list includes priority rank			
37. Fundable list includes description			
38. Fundable list includes terms of financial assistance			
39. Fundable list includes population			
40. Fundable list includes funding level			
41. Fundable list includes additional subsidy projects and calls out disadvantaged or fix it first projects if known			

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42. Fundable list includes GPR projects and type if known			
43. Fundable list includes Equivalency projects for reporting purposes (Crosscutter review, FFATA, etc). Loans that total an amount = to the federal cap grant			
44. IUP includes set asides taken and authority to be banked if applicable			
45. IUP includes uses of the set aside funds and expected timeline of expenditure			
46. IUP includes expected outcomes of the set aside funds			

Note: The Intended Use Plan Checklist is intended to certify compliance with the following:

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| <ul style="list-style-type: none"> Programmatic guidance of IUP requirements Statutory and regulatory compliance Demonstrate environmental outcomes Sustainability - \$\$ to complete priority projects Incorporation of prior PER, Single Audit and Annual Independent Audit findings Demonstrate appropriate accounting and management of equipment purchased | <ul style="list-style-type: none"> Compliance with Operating Agreement Consistency between the workplan/IUP/Annual Reports |
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