

Clean Water State Revolving Fund (CWSRF) Program Potential CWSRF **Flags** Worksheet

To avoid potential delays later in your CWSRF application process, we recommend you review the following list of questions and statements, and place a check (✓) beside each question or statement where your answer is “yes” or “true”.

If you answer “yes” or “true” to any of the questions or statements on this worksheet, we recommend that you discuss the specifics of your answers with the State Water Board, Division of Financial Assistance, staff at your earliest opportunity so we can identify issues up front that may require supplementary information or additional review time. Although it is not a required application attachment, we recommend you submit this worksheet with your “General Information Package”.

Applicant (Entity) Name: _____

Project Title: _____

Contact Person: _____ **Phone:** (____) _____

✓ if Yes or True	<u>LEGAL</u> Question / Statement
	1. Is there doubt about whether your governing statutes allow you to finance your project through the CWSRF?
	2. Is there existing or pending litigation regarding the source of repayment or implementation of the project?
	3. Are there any existing or pending inquiries or investigations of your agency by outside entities, for example, the Grand Jury?
	4. Was there a significant level of protests during the most recent rate setting process?
	5. Is there an existing or pending rate rollback initiative on an upcoming ballot, or are there any efforts within the community to initiate a rate rollback? Have rates been rolled back in the past due to a voter initiative?
	6. Has there been or is there currently significant disagreement within the community about the project?
	7. Will the project involve a public-private partnership?
	8. Are you a small community or a dependent special district with limited financing experience?
	9. Are you a State agency, a Native American Tribe, or a non-governmental entity?
	10. Are you a Joint Powers Authority or are there agreements with other entities related to the project?
	11. Do you need to purchase or otherwise obtain legal access rights to the project property for the term of the financing to implement the project?

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✓ if Yes or True	<u>TECHNICAL</u> Question / Statement
	1. Do you anticipate that the plans & specifications will be out for bids before receiving an executed financing agreement?
	2. The project bidding is complete, but the specifications did not include the American Iron and Steel, Disadvantaged Business Enterprises, and Davis-Bacon requirements.
	3. Will the project move, reduce, or eliminate an existing discharge to surface water?
	4. Is this a septic-to-sewer project or a regionalization project, or will the project be a joint effort with other agencies?
	5. Is your project a non-point source or estuary project?
	6. Our project is a recycled water project, but the technical report does not address the key components of Appendix B within the Water Recycling Funding Program Guidelines.
	7. Our project is a recycled water project, but the expected deliveries are less than 50 percent of the recycled design capacity at completion of construction.

✓ if Yes or True	<u>ENVIRONMENTAL</u> Question / Statement
	1. The environmental documents were not prepared to meet "federal cross-cutting" requirements.
	2. Will the project impact any cultural resources?
	3. Will the project impact any listed state or federal species?
	4. Will the project require consultations with the United States Fish and Wildlife Service or the National Marine Fisheries Service?
	5. Will the project's air quality emissions (construction and operation) exceed the federal de minimis levels, and require a general conformity determination?
	6. Will the project require a Clean Water Act Section 404 permit and a Section 401 Certification?
	7. Is there any significant controversy related to the project CEQA document?
	8. The date the project CEQA document was approved by our Agency will be more than five years from the expected date the CWSRF financing is approved?

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✓ if Yes or True	<u>FINANCIAL</u> Question / Statement
	1. Are you planning to pledge a repayment source other than wastewater revenues or rates?
	2. Are your annual revenues currently insufficient to cover annual expenses?
	3. Will you be requesting approval of your CWSRF financing before rates, assessments, or other charges used to support repayment are adopted?
	4. Do you have outstanding fines or penalties due to non-compliance with a permit or order?
	5. Do you have existing debt that relies on the same source of revenue as the source you plan to pledge for repayment of the CWSRF financing?
	6. Our existing debt covenants affect our ability to incur new parity debt.
	7. We have had a prior material event such as a bankruptcy, default, unscheduled draw on reserve funds, substitution of insurers on their failure to perform, or unscheduled draw on a credit enhancement.
	8. We have a local debt limit.
	9. We have taken actions in anticipation of filing Chapter 9 bankruptcy.
	10. We have had a rating change within the last 12 months.