



A Nonprofit Housing and Community Development Organization

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State Water Resources Control Board
Division of Financial Assistance
1001 I Street, 16th Floor
Sacramento, CA 95814

Submitted via email to: gwquality.funding@waterboards.ca.gov

RE: Groundwater Quality Funding Programs – Proposition 1 Groundwater Sustainability Program (Assembly Bill 1471, Chapter 10) and Site Cleanup Subaccount Program (Senate Bill 445, Hill 2014)

To Whom It May Concern:

Thank you for the opportunity to provide comments on the Groundwater Quality Funding Programs: Proposition 1 Groundwater Sustainability Program and the Site Cleanup Subaccount Program (SCAP).

Self-Help Enterprises has assisted small rural, low-income communities located in San Joaquin Valley counties to access funding for safe drinking water and wastewater needs for over 40 years. These Disadvantaged Communities (DACs) and Severely Disadvantaged Communities (SDACs) are home to hundreds of thousands of impoverished rural residents whose ability to pay for basic water service is limited.

The creation of these two funding programs provides a special opportunity for disadvantaged communities, who currently lack basic access to safe, clean and reliable sources of drinking water to access new funding to address their needs. Additionally, the State Water Board has an extraordinary opportunity to advance California's AB 685 (Eng) the Human Right to Water Act of 2012, by adequately considering the Human Right to Water when developing guidelines and project selection criteria for these two programs.

Below is a summary of our comments and recommendations for each of the programs:

Proposition 1 Groundwater Sustainability Program

Eligible Project Examples

Considering persistent and ongoing contamination issues, combined with what we've learned from the impacts of the drought on communities relying on single (approximately 96 communities out of the 354 identified within the Tulare Lake Basin alone) or inadequate sources of water, or on individual wells we strongly recommend that the State Water Board fund (whenever possible) projects that seek to both replace unsafe or unreliable sources of water *and* enhance local water reliability over the long term. For example, projects that include 1) new water sources such as the drilling of a new well(s) and/or consolidation into an existing public water system; 2) the construction of recharge basins to improve

local water supply and compliance of drinking water standards; and/or 3) installation of water meters to promote water conservation.

These projects, along with example projects described below, would promote a more holistic approach to solving rural community water supply issues and sustainability that would, hopefully, prevent in the future some of the issues we are working to resolve today.

Additional project examples include:

- 1) Plan and construct recharge Basins adjacent to Disadvantaged and Severely Disadvantaged Communities relying on single, contaminated or inadequate sources of water, e.g. Sultana, Seville and East Orosi or on individual wells like East Porterville, Monson, Highland Acres (Okieville) and Orange Center. SHE has observed nitrate contamination decreasing from above the MCL to ND in wells after ponding basins we installed. SHE has also observed private wells regaining water levels within two days of canal water flowing through the community. Intentionally locating irrigation and/or recharge infrastructure with water contamination and supply in mind would positively impact water in rural communities.
- 2) Proper destruction of water wells, where there is a concern that old wells will be a conduit to groundwater contamination and in communities implementing drought solutions, e.g. communities and private homeowners needing to abandon their existing wells because they will be connecting to a new source (new well or to a public water system).
- 3) Funding to establish well abandonment programs across Counties or other jurisdictions, including outreach and investigation to identify old wells whose locations are unknown.
- 4) Wastewater collection/treatment projects for communities relying on individual failing septic systems, including the abandonment of old septic systems when homes connect to a new collection system.
- 5) DACs that need to upgrade and enhance wastewater treatment process to remove nitrates.
- 6) Point-of-Use Projects in communities without access safe water.
- 7) Pilot projects such as innovative water treatment technologies and alternative wastewater treatment processes, recharge basins adjacent to SDACs and DACs with groundwater quality and quantity challenges.

Project Ranking

- 1) Rank higher projects that provide access to safe and reliable water for SDACs without adequate sources that rely on single sources, or are completely out of water.
- 2) Rank higher recharge projects that are adjacent to DACs and within the 43 high priority basins identified by Department of Water Resources.
- 3) Rank higher projects that promote shared solutions and/or address multiple benefits, e.g. projects that result in water system consolidations that enable people to stop drinking contaminated groundwater and increase water supply reliability.

Applicant Eligibility

We recommend that Counties (regardless of whether they operate the existing water or wastewater system) and other eligible entities be granted the opportunity to apply on behalf of:

- 1) communities without legal entities, e.g. communities of private wells or on individual septic systems;
- 2) multiple communities, e.g. regional application to address multiple needs throughout the County/planning areas.

Grant and Loan Split

DACs and SDACs need help to ensure their future ability to operate and maintain their water systems. For these reasons, we recommend that the SWRCB provide:

- 1) 100% grant funding to SDACs
- 2) 100% Project grant funding, if a DAC has rates that are at least 1.5% of MHI, the DAC has less than 1,000 connections (2,000 if a consolidated area) and the DAC meets at least one of the criteria for an "Economically Distressed Area."

Explanation: Studies have shown that residents of small rural communities earn less income than their urban counterparts (even those who are customers of small water systems), and that they have less after-tax income available to meet basic needs. Additionally, studies commissioned by the American Water Works Association show that MHI is a weak predictor of actual poverty situations. Using the median income for a community assumes that the income distribution below the 50th percentile is consistent everywhere. This is not the case; two communities with identical median income levels can have drastically different poverty rates. We recommend that 1.5% of area MHI continue to be used as the benchmark for these communities, and that special considerations are made to ensure affordable water service now and into the future.

Funding Cap

To ensure that as many projects as possible can benefit from this funding source, we recommend that the SWRCB establish a funding cap for grants. By doing so, SWRCB can meet the needs of more communities across the state, rather than allowing the bulk of the money to fund just a few huge urban projects. We suggest a grant limit of \$10 million per project. This amount should be sufficient to fully fund most DAC projects and also make a significant contribution toward larger projects. We also suggest that the SWRC Board be given the discretion to override this limit on a case-by-case basis as needs are demonstrated.

Technical Assistance

In order to ensure DACs are able to access these funds, there is a strong need for a robust and comprehensive Technical Assistance Program. The Technical assistance program should include the following:

- 1) Application development
- 2) Preliminary engineering and planning
- 3) CEQA/NEPA
- 4) Legal consultation
- 5) Outreach, education and facilitation of solutions between multiple communities and or water interests

Up to 1.5% (or \$12 million) should be designated to the Technical Assistance Program. Technical Assistance should be prioritized for DACs.

Site Cleanup Subaccount Program (SCAP)

Project Examples

- 1) Well Abandonments in communities implementing drought solutions, e.g. communities needing to abandon their existing wells because they will be connecting to a new sources.
- 2) Projects for communities relying on individual failing septic systems
- 3) Point-of-Use water projects for communities whose groundwater source is contaminated by anthropogenic sources, either on a permanent or interim basis
- 4) Pilot projects to evaluate innovative treatment technologies

Project Ranking

Prioritize projects that deliver access to safe and reliable water for Severely Disadvantaged Communities without adequate sources, (relying on single sources or backup sources with known contamination) or completely out of water due to drought, including communities with clusters of individual private wells, state smalls and communities seeking to establish or consolidate into existing community water systems.

Co-fund projects internally and with other funding agencies to ensure SDAC and DACs obtain all the necessary funding needed to address their needs and ensure affordable water/wastewater rates.

Additionally, SWRCB should assist local communities in helping identify responsible parties or prove inability to locate responsible party/ies with the ability to pay. These services may include technical assistance, legal support, research, water sampling and analysis, and documentation. These support services could be provided by third-party consultants contracted by SWRCB, or via small grants for planning and investigation purposes.

Thank you for this opportunity to comment on these especially important programs that will have such a great impact on impoverished small communities throughout the State.

Sincerely,



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