



June 21, 2016

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

Re: Comments regarding SWRCB Draft Drinking Water Fee Regulations

Dear Ms. Townsend:

The City of Sacramento Department of Utilities is the public agency responsible for providing water service to the City of Sacramento (Sacramento), serving a total of 136,000 customer accounts and approximately 475,000 residents. We appreciate the opportunity to comment on the State Water Resources Control Board's (SWRCB) draft Drinking Water Fee Regulations released for public comment on April 29, 2016 (Draft Fee Regulations).

Sacramento recognizes that the final Fee Regulations must ensure that the Drinking Water Program has adequate funding. However, Sacramento is concerned that the Draft Fee Regulations are not equitable among all fee payers as they would dramatically increase large water system annual fees when compared to the fees that we have been paying under fee-for-service, while significantly decreasing fees for all small water systems to levels substantially less than that those previously established by the Legislature. Sacramento instead supports the "Water Community Option" alternative fee schedule as outlined in the letter submitted by the Association of California Water Agencies (ACWA) and supported by the California Municipal Utilities Association (CMUA). This alternative approach would adequately fund the program, reduce the current disparity between small and large water systems and acknowledge the infrastructure investments and economies-of-scale achieved with our larger system.

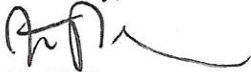
Sacramento supports the SWRCB's efforts to increase accountability in the drinking water program such as the inclusion of several activities in the California Water Boards' Annual Performance Report. We also support CMUA's recommendation for the SWRCB to establish performance metrics for turnaround time on the processing of variances and waivers and turnaround time on requests from systems for other compliance activities. Additionally, we support CMUA's request that the Division of Drinking Water retain and enhance the Program's ability to provide an accounting of staff time and resource allocations including an annual accounting of hours spent in service to each water system, which would be sent to us with our system's annual invoice. This process would benefit both the SWRCB and our water system as it would allow the SWRCB to assess the Program's activities and effectiveness moving forward and provide us with the information needed to assess level of service.

City of Sacramento Department of Utilities
916-808-1400
1395 35th Avenue
Sacramento, CA 95822

Additionally, Sacramento appreciates the SWRCB maximizing the Public Water System Supervision Grant (PWSS Grant) and the Drinking Water State Revolving Fund State Program Management Set-Aside (PWSS SRF Set-Aside) in the draft FY 2016-2017 Intended Use Plan and we urge the SWRCB to continue utilizing the maximum level of federal funding available to the state on an annual basis for drinking water program activities, rather than divert those funds to other programs and consequently require the regulated community to pay additional drinking water fees.

Thank you for the opportunity to comment on the Draft Fee Regulations. Sacramento encourages the SWRCB and its staff to continue to work with public water systems and their representatives on this important issue. If you have any questions regarding this matter, please contact Noelle Mattock, Policy and Legislation Specialist at (916) 808-1635 or via email at nmattock@cityofsacramento.org.

Sincerely,



Jim Peifer
Policy and Legislation Manager