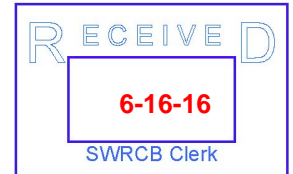




San Diego County Water Authority

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(858) 522-6600 FAX (858) 522-6568 www.sdcwa.org



June 16, 2016

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Santa Fe Irrigation District

South Bay Irrigation District

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OTHER REPRESENTATIVE

County of San Diego

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

Subject: Comment Letter – June 21, 2016 Board Meeting – 2016 DWSRF IUP

Dear Chair Marcus and Members of the Board:

Thank you for the opportunity to comment on the State of California's Drinking Water State Revolving Fund (DWSRF) draft Intended Use Plan for fiscal year 2016-17. The Water Authority is the wholesale water supplier for the San Diego region, with 24 member agencies that provide water to 3.2 million residents in San Diego County. The county is made up of diverse communities, including disadvantaged communities and those reliant on small water systems that would benefit from financial assistance available through the DWSRF.

The draft Intended Use Plan establishes a priority system for ranking proposed projects into five categories based on public health risks due to water quality violations and insufficient supply. Projects rank highest within the categories if they benefit disadvantaged communities (DACs) or result in consolidations to DACs. We support prioritizing projects that protect public health and supply reliability, and benefit disadvantaged communities. However, the priority system should be more proactive in its ranking system by prioritizing projects designed to prevent water quantity and quality problems before there is an immediate health risk or lack of water.

In the San Diego region, there are communities that would like to consolidate but lack the necessary financial means. The Water Authority recommends the proposed priority system be expanded to include consolidations of small water systems into a primary category, under Category C or D. This change would support communities that choose to voluntarily consolidate to ensure long term reliability when faced with impending shortages of supply and/or future water quality impacts. Consolidations should not be limited to only DACs in order to be inclusive of communities with small water systems that just miss the eligibility requirement for DACs, but struggle financially to consolidate or extend services. Projects that benefit disadvantaged communities should

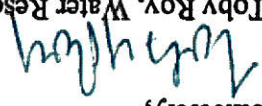
A public agency providing a safe and reliable water supply to the San Diego region

Ms. Jeanine Townsend
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continue to be included as "Other Factors" to assign higher rank within individual categories. In addition, we encourage you to include annexation fees as an eligible DWSRF project cost for consolidations and extensions of service. Annexation fees are used by retail and wholesale water suppliers to cover costs of providing new service to annexed territories. Payment of these fees is the responsibility of the annexing territory and can be cost-prohibitive. Including consolidations as a primary category and annexation fees as eligible project costs would help remove financial barriers for consolidations, and prevent future system failures due to lack of supply or poor water quality.

We appreciate your consideration of our comments on the draft Intended Use Plan for fiscal year 2016-17. Please contact me with any questions at (858) 522-6743.

Sincerely,



Toby Roy, Water Resources Manager
Water Resources Department