



*A Nonprofit Housing and Community Development Organization*



Jeanine Townsend, Clerk to the Board  
State Water Resources Control Board  
1001 I Street, 24th Floor  
Sacramento, CA 95814  
via email to: [commentletters@waterboards.ca.gov](mailto:commentletters@waterboards.ca.gov)

Re: 2017 Draft DWSRF IUP

June 5, 2017

Dear Clerk and Members of the Board:

Thank you for the opportunity to comment on the 2017 DWSRF IUP. Self-Help Enterprises (SHE) has logged over forty years assisting small, rural communities to access funding to improve drinking water and wastewater systems, and we are pleased at the evolution of the funding programs offered by the State of California and the State Water Resources Control Board. We believe that high-quality, affordable infrastructure is essential to preserving and improving the quality of life for disadvantaged rural communities. The 2017 DWSRF IUP is a testament to the State's commitment to provide such essential infrastructure to those who need it most, pursuant to the State's policy that safe drinking water is a human right.

We are pleased with the Board's continued commitment to and promotion of consolidation and regional projects. We support the increased consolidation incentives which are often a necessary tool to facilitate projects between small communities and larger water suppliers who may have funding needs but struggle to qualify for affordable financing. Consolidation projects are a proven way to improve economies of scale and reduce vulnerability, particularly in small rural communities.

We strongly support the proposed fee-in-lieu of interest for the Safe Drinking Water Small Community Emergency Grant (DWSCEG) and commend the Board for its proactive approach to addressing the funding needs of small communities beyond the life of Proposition 1.

We are pleased with the identified short-term and long-term DWSRF goals. Specifically we appreciate the Board's continued commitment to address risks to public health and improve information exchange by establishing goals to prioritize available DWSRF funding for Public Water Systems (PWSs) serving fewer than 10,000 population and ensuring funding is available for the Human Right to Water (HRTW) portal.

We support the continued grant funding for DACs and SDACs detailed on Tables 13 – 18 (pages 41 – 46) and the additional funding opportunities for Expanded Small Water Systems (ESWS) as set out in Table 16 and 17 on page 43 of the SFY 2017-18 IUP.

Similarly, we support the Board's strategic goals for the combined Clean Water and Drinking Water Capacity Development Strategy and are pleased that the Board sees the value in

strengthening existing and fostering new relationships with federal, state, local governmental agencies, as well as community-based non-profits and drinking water organizations. During the recent drought, this type of collaboration resulted in a number of successful water projects. For example, the Board collaborated with the Department of Water Resources, United States Department of Agriculture, local non-profits and in some cases Rotary Clubs to respond to the drought impacts in East Porterville, Monson, and Highland Acres (also known as Okieville).

We appreciate the Board's desire to continue reduced interest rates, extended term financing, principal forgiveness/grants for small Disadvantaged Communities (DACs) and Severely Disadvantaged Communities (SDACs).

We appreciate the Board's commitment to advancing California's Climate Change leadership by continuing to fund green projects and innovative projects, and its efforts to make water conservation a way of life by prioritizing funding for installation or replacement of water meters.

In addition, we have the following recommendations:

1. Ensure planning funding is available for communities that are served by individual domestic wells, even when there are no existing water systems in the area. Set-aside funding was previously used to create the Legal Entity Formation Assistance (LEFA) Program. The LEFA program made funding available to assist private-well communities to form a legal entity eligible for funding through SDWSRF, so they could act to solve a public health problem related to drinking water quality or quantity. LEFA has helped many communities served by individual domestic wells conduct the necessary pre-planning activities (water testing, community outreach, source water options evaluation and formation of a legal entity) necessary to access funding and address serious water quality and water supply issues. LEFA was a successful pilot project that should continue.
2. Promote the use of green energy projects by requiring that an evaluation of the use of green energy is included in the scope of feasibility studies. Requiring such analysis can help reduce high operation and maintenance (O&M) costs and enable communities to adopt affordable water rates.

*Alpaugh and Lanare examples highlight the benefits of evaluating green energy options:*

- At the request of community residents and district Board members, the Alpaugh Community Services District directed their consulting engineer to evaluate the use of solar energy after partial design of their planned arsenic treatment plant projected O&M costs that were considered unaffordable to the disadvantaged community ratepayers. The quick evaluation, which entailed obtaining quotes from various solar contractors and review of land acreage owned by the District, projected that monthly water rates would increase by about \$10 instead of \$20. We believe this reduction in the projected rate increase made the difference in a successful Proposition 218 rate change process, which ultimately allowed the project to go forward. (The project's SDWSRF construction funding application is currently pending at the SWRCB and construction is expected to commence in 2018.)
- The Lanare Community Services District owns land within the community which could have supported the installation of solar panels or other green energy alternatives to help power their arsenic treatment plant. Unfortunately, an evaluation of the use of green energy was not included in the scope of work of

the feasibility study and therefore was never even considered. Due to unaffordable O&M costs, the plant was shut down after less than a year of operation. In hindsight, it seems clear that the shutdown may have been avoidable if measures such as green energy had been implemented to reduce energy costs.

3. Ensure rapid review and approval of completed funding applications by taking steps to reduce the 9-month target review period to 4 months.
4. On Tables 14 and 15 of the SFY 2017-18 IUP we recommend that 100% PF/grant consideration be given to DAC communities with significant populations of unemployed, farmworkers, elderly and/or dependent on Social Security income, which could be achieved by waiving the requirement for rates to be above 1.5% of MHI in these specific categories.
5. On Consolidation and Regionalization projects:  
We recommend that all participating DAC/SDAC entities (including residents on individual wells and Non-Community Water Systems [NCWS]) be eligible to benefit from the same funding terms as the consolidated or regional water project in which they are included.

We commend the Board for its thoughtful use of funds and its commitment to helping California's most disadvantaged residents obtain access to safe and affordable drinking water sources and essential water infrastructure.

Thank you again for the opportunity to comment. If you have any questions, please feel free to contact Paul Boyer of our Community Development Department at 559-802-1681 / [paulb@selfhelpenterprises.org](mailto:paulb@selfhelpenterprises.org) or Maria Herrera at 559-802-1676 / [mariah@selfhelpenterprises.org](mailto:mariah@selfhelpenterprises.org).

Sincerely,



Thomas J. Collishaw  
President/Chief Executive Officer