SAFER Drinking Water Advisory Group Meeting #3

November 18, 2021
9am-4pm
Language Interpretation through Zoom

- Click Interpretation icon in your Meeting/Webinar controls
- Navigate to Language Channels
- Select Spanish
- Mute Original Audio

For technical assistance, email: SAFER@waterboards.ca.gov

Interpretación de idiomas en Zoom

- Seleccione el icono de interpretación desde los controles de la pantalla
- En el menú de opciones, seleccione el idioma español (Spanish)
- Seleccione la opción para silenciar el audio original (Mute Original Audio)

Si necesita ayuda técnica, envíe un mensaje electrónico a: SAFER@waterboards.ca.gov
Ways to Participate

Watch ONLY
Visit video.calepa.ca.gov

Submit a Comment
Email SAFER@waterboards.ca.gov with subject “AGM Public Comment,” and follow instructions in return email to join the meeting.

Technical or Language Assistance
Email SAFER@waterboards.ca.gov
Water Boards' Mission

Preserve, enhance, and restore the quality of California’s water resources and drinking water for the protection of the environment, public health, and all beneficial uses, and to ensure proper water resource allocation and efficient use, for the benefit of present and future generations.
Meeting Guidelines

• Join by video (if possible)
• Take breaks as needed
• Mute yourself when not speaking
• Speak slowly
• safer@waterboards.ca.gov
Agenda

- Discuss SAFER Community Engagement Strategy
- Discuss Direct Operations & Maintenance Funding
- Lunch
- Discuss Drinking Water Infrastructure Funding
- Review SAFER Updates
- Public Comment
- Next Steps
Introductions and Warmer

• Your name
• Your affiliation
• Your location
• What is your favorite fall or winter activity?
Discussion Session #1: Proposed SAFER Outreach and Engagement Strategy

Sesión de discusión #1: Estrategia del Programa SAFER para Informar e Involucrar a la Comunidad
BREAK/ DESCANSO

Be back at 11:14 / Regresaremos a la 11:14
Discussion Session #2
Direct Operations & Maintenance (O&M) Funding

Sesión de discusión #2
Fondos para Operaciones y Mantenimiento (O&M)
Lunch/ Descanso para comer

Be back at 1:20 / Regresaremos a la 1:20
<table>
<thead>
<tr>
<th>Allocation (Millions)</th>
<th>Project Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>$650</td>
<td>Wastewater projects</td>
</tr>
<tr>
<td></td>
<td>*priority to septic-to-sewer conversions</td>
</tr>
<tr>
<td>$650</td>
<td>Drinking water projects</td>
</tr>
<tr>
<td></td>
<td>*priority to disadvantaged communities (DACs)</td>
</tr>
<tr>
<td>$30-100</td>
<td>Per-and polyfluoroalkyl substances (PFAS) support for water systems</td>
</tr>
<tr>
<td>$150-350</td>
<td>Groundwater cleanup and water recycling projects</td>
</tr>
<tr>
<td>$20</td>
<td>Mexico border rivers</td>
</tr>
<tr>
<td>$</td>
<td>Other project-specific/directed allocations</td>
</tr>
</tbody>
</table>
Drinking Water Allocation Outline

• Budget Act of 2021 – Drinking Water Allocation
• Definitions/Acronyms
• Existing Grant Criteria in Drinking Water State Revolving Fund (DWSRF) Intended Use Plan (IUP)
  o Category A-C and/or Consolidation Projects
  o Category D- F Projects
• Potential Changes
• Stay Informed
Budget Act of 2021 – Drinking Water Allocation

- Up to 5% for Administrative Costs
  - Leaves $617.5 M for grants
- Up to 10% for Technical Assistance (TA) and Capacity Building in DACs
- Must be Encumbered by June 30, 2024
- Must be Liquidated by June 30, 2026
- Resolution No. 2021-0030, August 18, 2021
  - Authorized staff to encumber up to $100 M of allocation
- Remainder to be addressed in separate resolution early 2022
Relevant Definitions/Acronyms

- **Disadvantaged Community (DAC)**: median household income (MHI) < 80% statewide MHI.
- **Severely Disadvantaged Community (SDAC)**: MHI < 60% statewide MHI.
- **Small**: ≤ 3,300 connections or ≤ 10,000 people.
- **Expanded Small**: 3,300 – 6,600 connections or 10,000 – 20,000 people.

- **Eligible Non-Transient Non-Community (NTNC)** serves solely the following:
  - Public K-12 school;
  - Not-for-profit K-12 private school, daycare facility, labor camp, elder care facility, health care facility
Planning Grants

• No proposed changes to existing criteria.
• Small DACs may receive up to 100% planning grant.
• No cap on planning grant.
• Planning funds are counted toward total per project grant caps.*

* Current project caps:
• Per connection basis
• Apply to total grants for 5-year period (planning, TA & construction).
## Existing Grant Criteria in DWSRF IUP
### Category A-C and/or Consolidation Projects

<table>
<thead>
<tr>
<th>Type of Community Served by CWS</th>
<th>Residential Water Rates as a Percentage of MHI</th>
<th>Percentage of Total Eligible Project Cost</th>
<th>Maximum Amount Per Connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small DAC, Small SDAC or Eligible NTNC That Serves a Small DAC</td>
<td>N/A</td>
<td>up to 100%</td>
<td>$60,000</td>
</tr>
<tr>
<td>Expanded Small DAC/SDAC or Small Non-DAC</td>
<td></td>
<td>up to 75%</td>
<td></td>
</tr>
</tbody>
</table>
Potential changes to consider:

1) Make Expanded Small DACs & Small Non-DACs eligible for 75-100%?

2) Add new eligible category of "Medium DAC"?
   • 6,600 - 33,000 connections or 20,000 – 100,000 people?
   • Also 100% grant, regardless of rates?
   • Set maximum grant per project of $20M?
## Existing Grant Criteria in DWSRF IUP

**Category D-F Projects**

<table>
<thead>
<tr>
<th>Type of Community Served by CWS</th>
<th>Residential Water Rates as a Percentage of MHI</th>
<th>Percentage of Total Eligible Project Cost</th>
<th>Maximum Amount Per Connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small SDAC or Eligible NTNC That Serves a Small DAC</td>
<td>N/A</td>
<td>up to 90%</td>
<td>$45,000</td>
</tr>
<tr>
<td>Small DAC</td>
<td>&gt;=1.5%</td>
<td>up to 75%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>&lt;1.5%</td>
<td>Not Eligible for PF, Grant or Combination Thereof</td>
<td></td>
</tr>
<tr>
<td>Expanded Small SDAC</td>
<td>&gt;=1.5%</td>
<td>up to 50%</td>
<td>$45,000</td>
</tr>
<tr>
<td></td>
<td>&lt;1.5%</td>
<td>Not Eligible for PF, Grant or Combination Thereof</td>
<td></td>
</tr>
<tr>
<td>Expanded Small DAC</td>
<td>&gt;=1.5%</td>
<td>up to 25%</td>
<td>$45,000</td>
</tr>
<tr>
<td></td>
<td>&lt;1.5%</td>
<td>Not Eligible for PF, Grant or Combination Thereof</td>
<td></td>
</tr>
</tbody>
</table>
Potential changes to consider:

1) Small SDACs and eligible NTNCs:
   • Increase to 90%-100% grant?

2) Small DACs:
   • Eligible with rates >1.5% of MHI regardless of water rates?
   • Increase to 75%-100% grant?

3) Expanded Small DAC/SDACs with rates >1.5% MHI:
   • Increase to 25% or 50%-100% grant?
**Tentative Next Steps**

**December 2021:** Public Workshop

**February 2022:** Board Adoption of Proposed Criteria

**Stay Informed**

- Subscribe for email updates at: [www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html](http://www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html)
  - Click on “Financial Assistance”
  - Check box titled “Drinking Water State Revolving Fund”

- Updated information on the Drinking Water Infrastructure Appropriation will be in the “What’s New” section on the DWSRF Program webpage: [https://www.waterboards.ca.gov/drinking_water/services/funding/SRF.html](https://www.waterboards.ca.gov/drinking_water/services/funding/SRF.html)
BREAK/ DESCANSO

Be back at 3:15 / Regresaremos a la 3:15
FY 2021-22 Available Funds for the SAFER Program

- $617.5 M DW Infrastructure
- $28.5 M PFAS
- $985 M Arrearages
- $25.3 M Other General Fund
- $239.5 M Drinking Water Bonds
- $95.7 M DWSRF Principal Forgiveness
- $9.5 M Drought Emergencies
- $127.7 M SADW Fund
- $239.5 M Drinking Water Bonds

Total Available Funds: $1.2 B
### Proposed Priorities (focus on small DACs and low-income households)

<table>
<thead>
<tr>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency funding needs</td>
</tr>
<tr>
<td>Water systems that are consistently out of compliance with primary drinking water standards</td>
</tr>
<tr>
<td>Accelerate consolidations and regional-scale planning for consolidations</td>
</tr>
<tr>
<td>Expedite planning through use of technical assistance</td>
</tr>
<tr>
<td>Interim solutions and planning for long-term solutions for state smalls and domestic wells</td>
</tr>
<tr>
<td>Ensure assistance is distributed consistent with the State Water Board’s Racial Equity Resolution.</td>
</tr>
</tbody>
</table>
## FY 2021-22 Proposed Targets (in millions)

<table>
<thead>
<tr>
<th>Water System Category</th>
<th>Solution Type</th>
<th>Interim Water Supplies and Emergencies</th>
<th>Technical Assistance (includes Planning)</th>
<th>Administrator</th>
<th>Planning</th>
<th>Direct O&amp;M Support</th>
<th>Construction</th>
<th>SUBTOTAL BY WATER SYSTEM CATEGORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems Out of Compliance or At-Risk</td>
<td></td>
<td>$10</td>
<td>$30</td>
<td>$5</td>
<td>$3</td>
<td>$7</td>
<td>$15</td>
<td>$70</td>
</tr>
<tr>
<td>State Smalls/Domestic Wells</td>
<td></td>
<td>$30.3</td>
<td>$10</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$5</td>
<td>$45.3</td>
</tr>
<tr>
<td><strong>SUBTOTAL BY SOLUTION TYPE</strong></td>
<td></td>
<td>$40.3</td>
<td>$40</td>
<td>$5</td>
<td>$3</td>
<td>$7</td>
<td>$20</td>
<td></td>
</tr>
</tbody>
</table>

| TOTAL |                          | $40.3                                   | $40                                      | $5            | $3       | $7                | $20         | $115.3                            |

<table>
<thead>
<tr>
<th>Other Program Needs</th>
<th>Pilot Projects</th>
<th>Contracts</th>
<th>Staff Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0</td>
<td>$1.5</td>
<td>$13.2</td>
</tr>
</tbody>
</table>

| GRAND TOTAL | | | | |
|-------------|----------------|-----------|-------------|
|             | $0             | $1.5      | $13.2       |

<table>
<thead>
<tr>
<th>GRAND TOTAL</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0</td>
<td>$1.5</td>
<td>$13.2</td>
</tr>
<tr>
<td></td>
<td>$130</td>
<td>$130</td>
<td>$130</td>
</tr>
</tbody>
</table>
Summary of Comments and Plan Revisions

• New funding from Budget Act of 2021 and subsequent trailer bills. Additionally noted new authorities.

• Funding target adjustments

• Added clarity around use of SADW Funds to address funding gaps and to expedite priority project

• Added information on O&M Pilot and O&M support eligibility

• Added information on cost-sharing approach to supplement CV-SALTS well sampling efforts with SAFER funding
Summary of Comments and Plan Revisions, cont.

• Addition of a subsection to consider funding of domestic well testing for contaminants of emerging concern/other contaminants without maximum contaminant levels

• Discussion of data to be tracked in FY 2021-22 around cost effectiveness and administrative efficiency

• Addition of basic information related to racial equity and environmental justice for projects where funding was committed from the larger SAFER Program in FY 2020-21
Concurrent Targeted Policy Amendments

• New consolidation authorities (effective January 1, 2022) for at-risk DAC water systems, or for a DAC that is substantially reliant on at-risk domestic wells

• New eligible recipient type for SADW funding:
  • “Technical Assistance Provider”, which is defined as a person, including a privately owned public utility, whom the State Water Board has determined is competent to assist a water system by providing administrative, technical, operational, legal, or managerial services

• New advance payment authorities
Advisory Group: Questions?

Raise Hand on Zoom
Go to “Participants” window and click “Raise Hand” icon

Raise Hand on Phone
Press *9 on your keypad
SAFER Program Updates

Metrics & Progress
Audit
Arrearages – Water Debt Relief
Affordability Threshold
Drought Response

Process Improvements
Wastewater Infrastructure Funding
Racial Equity Resolution
Point of Use
Legislative Updates
Advisory Group: Questions?

Raise Hand on Zoom
Go to “Participants” window and click “Raise Hand” icon

Raise Hand on Phone
Press *9 on your keypad
BREAK/ DESCANSO

Be back at 3:xx / Regresaremos a la 3:xx
Public Comments will begin after the break
Resume in 15 minutes

Public Comment: How to Participate

1. Submit Comment
   Email SAFER@waterboards.ca.gov with the subject “AGM Public Comment.”

2. Join Zoom
   Follow instructions in the return email to join Zoom.

3. Wait to be called on
   Unmute (phone callers, press *6 to unmute).
   You will have 3 minutes to speak

Technical or Language Assistance
   Email SAFER@waterboards.ca.gov
Work with us!

Please note:
In response to increases in COVID-19 cases, California Department of Human Resources (CalHR) is implementing COVID-19 testing of all unvaccinated state employees working on site as an additional health and safety standard to protect the state workforce and the public it serves. Any employee seeking exemption from COVID-19 testing must provide evidence of vaccination.
Adjourn / Cierre de la Reunión

Thank you! / ¡Gracias a todos!

safer@waterboards.ca.gov
916-445-5615