



June 6, 2019

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



RE: Comment Letter – June 18, 2019 Board Meeting – SFY 2019-20 (FFY 2019) DWSRF IUP

Dear Chair Esquivel and Members of the Board:

The San Francisco Public Utilities Commission (SFPUC) appreciates the opportunity to review and comment on the draft State Fiscal Year 2019-20 Intended Use Plan for the Drinking Water State Revolving Fund (FY19-20 DWSRF IUP). We support the changes implemented by the State Water Resources Control Board (State Water Board) and Staff in recent years that have resulted in more consistency between the DWSRF and Clean Water SRF (CWSRF) programs and we encourage you to continue to optimize program resources by funding projects that are ready to proceed to construction.

Consistent with previous years, the FY19-20 DWSRF IUP reaffirms your commitment to periodically updating the comprehensive and fundable lists throughout the year, facilitating the addition of projects that are ready to proceed to executing a loan agreement. Considering that the DWSRF still accepts applications on a rolling basis, unlike the CWSRF that now has a deadline of December 31st, we commend your efforts to review of applications as they are received. Additionally, the SFPUC recommends prioritizing approval of projects that are shovel ready. Timely processing of applications for projects that are ready to be constructed ensures that funds are drawn, repaid and recycled back into the program expeditiously. Some projects require considerable time to conceive, plan, design, and bid. Encumbering funds too far in advance of construction needs can result in committed funds that will sit idle. We support maximizing SRF program cash flow by financing projects that can readily accept and repay funds.

We look forward to continuing to partner with you to explore opportunities that will ensure long-term stability and growth of California's SRF programs. The SFPUC delivers high-quality drinking water to 2.6 million residents and businesses in the San Francisco Bay Area, as well as 28 wholesale customers in Alameda, Santa Clara, San Mateo and Tuolumne counties. Although San Francisco has a high median income level, the SFPUC also serves water and wastewater customers and maintains critical infrastructure facilities in low income/disadvantaged communities. As we reinvest in our infrastructure, we are committed to working with you under the DWSRF program to address the

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Commissioner
- Harlan L. Kelly, Jr.**
General Manager



critical needs of our water system while maintaining affordability for SFPUC ratepayers.

We appreciate the opportunity to provide written comments on this important program. If you have any questions regarding our comments, please contact Alexandra Gunnell at agunnell@sflower.org or by phone at (415) 551-4505.

Sincerely,



Michael P. Carlin
Deputy General Manager

cc: Eric L. Sandler, CFO and Assistant General Manager, Business Services
Greg Norby, Assistant General Manager, Wastewater Enterprise
Steve Ritchie, Assistant General Manager, Water Enterprise
Kathryn How, Assistant General Manager, Infrastructure
Juliet Ellis, Assistant General Manager, External Affairs