



Via Email to commentletters@waterboards.ca.gov

May 19, 2017

Ms. Felicia Marcus, Chair
Members of the State Water Resources Control Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

ATTN: Jeanine Townsend, Clerk to the Board

SUBJECT: COMMENT LETTER – JUNE 20, 2017 BOARD MEETING – FFY 2017
CLEAN WATER STATE REVOLVING FUND INTENDED USE PLAN

Dear Chair Marcus and Members of the Board:

Delta Diablo appreciates the opportunity to comment on the draft Fiscal Year 2017 Clean Water State Revolving Fund (CWSRF) Intended Use Plan (IUP). Delta Diablo provides water resource recovery services for the City of Antioch, the City of Pittsburg, and the unincorporated community of Bay Point. We have been fortunate to have secured CWSRF loans for a number of our projects, including wastewater treatment and conveyance rehabilitation and improvement projects, as well as recycled water projects. With some segments of our service area being characterized as disadvantaged communities, the low-interest loans through the CWSRF have helped us to provide services to our communities that otherwise may not have been implemented without significant rate increases.

We are aware of the tremendous workload for the Division of Financial Assistance staff due to the favorable financing terms and program popularity. We appreciate all the efforts on behalf of the State Water Resources Control Board (SWRCB) and staff to get money out the door to the projects completing applications, and encourage the SWRCB to continue to maximize these efforts as much as possible to continue to fund ready-to-proceed projects.

The IUP and past annual reports seems to show that much of the annual CWSRF administrative allowance has been set aside for a potential future use. With such high application demand that exceeds staffing resources, it appears that now would be the ideal time to tap those funds and add temporary, contract, or permanent staff to process applications.

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We also greatly appreciate how the SWRCB has authorized the sale of bonds to increase funds for the program. This has allowed financing for projects large and small. With a lack of increased federal funds to date, the State's supplement to the federal capitalization grant has been and likely will remain a critical source for financing public clean water infrastructure projects. We support the SWRCB seeking additional authority and sale of bonds to add funds to the program, as all indications are that infrastructure funding needs are only increasing.

As a water resource recovery agency, we are pursuing innovative and sustainable projects that will benefit our communities and help meet many goals of the State. This includes wastewater projects that will produce renewable energy and reduce greenhouse gas emissions. We appreciate how the SWRCB has implemented the Green Project Reserve, and strongly support continued funding for these types of projects, including leveraging state funds with federal funds to ensure such projects can secure necessary financing to be planned, designed and constructed.

Thank you again for your efforts and those of the Division of Financial Assistance staff in helping to make the CWSRF such a successful program. It is relied on by public agencies to build the necessary infrastructure that not only protects our environment but also improves it through innovative wastewater resource recovery solutions.

Sincerely,



Michael Bakaldin
Interim General Manager

MB/JS:dcj

cc: District File CORP.15-03-CORRES
Chron File