



Victor Valley Wastewater Reclamation Authority

A Joint Powers Authority and Public Agency of the State of California

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March 13, 2014

Felicia Marcus, Chair and Members
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814



Via electronic mail: commentletters@waterboards.ca.gov

SUBJECT: Response #2:
Resolution to Provide Financial Incentives in Response to the Governor's Drought Proclamation for Near-Term Recycled Water Projects—Agenda item #3, Board Meeting of March 18, 2014

Chair Marcus and Members:

The Victor Valley Wastewater Reclamation Authority (VWVRA) is pleased to provide comments on the proposed resolution to provide funding incentives for the Clean Water State Revolving Fund (CWSRF) program directed to incentivize near term recycled water projects. VWVRA is developing two subregional water reclamation plants each one initially capable of supplying two million gallons per day of recycled water to the surrounding community.

The proposed resolution **excludes** projects that submitted a complete CWSRF prior to March 18, 2014. The VWVRA requests that the resolution allow projects that have completed the loan application but have not yet issued the construction bid for their project to be eligible for the low interest loan program. The Authority is concerned that it may not have the financial resources or political will, to construct both projects concurrently. If only one project is constructed the community which is not selected will be forced to consider growth limitations. The "High Desert" region leads San Bernardino County in unemployment. Infrastructure investment is a tool the community can utilize to pursue its goals and ensure the sustainability of its resources.

We support adoption of the proposed resolution, which will assist in moving recycled water projects forward more quickly to provide much needed water supply benefits. In addition to the financing terms, we ask the Board to exercise flexibility to address other loan terms and conditions that may constitute barriers to project applicants. These include:

- Allow projects that have completed the CWSRF loan application but have not yet issued the construction bid for their project(s) to be eligible for the low interest loan program.

We appreciate the State Water Board moving forward to incentivize new recycled water projects that will provide reliable, sustainable and drought-proof water supplies for our community.

Sincerely,

Logan R. Olds
General Manager