



February 11, 2016

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



SUBJECT: Resolution to Amend and Clarify the Reduced Interest Rate Incentive for Recycled Water Projects Funded Through the CWSRF

Dear Chair Marcus and Members of the Board:

Our associations are pleased to support the proposed resolution to rescind the \$800 million cap on one percent financing for recycled water projects. Resolution No. 2014-0015 provided valuable financial incentives in response to the Governor's drought proclamation for near-term recycled water projects funded through the Clean Water State Revolving Fund. Passage of the proposed resolution will serve the goals that prompted the Board's 2014 action by facilitating additional recycled water development by agencies that acted in a timely manner to submit their applications.

As the staff report notes, this action would provide nearly \$1 billion in funding for projects which had submitted complete applications by December 2, 2015. These recycled water projects, which range from San Diego to the Central Valley to the Bay Area, will provide 150,000 acre feet of new sustainable water supplies and help to ensure economic vitality for industrial, commercial, municipal, and agricultural users. This is an investment that California should make in order to meet current and future water supply needs.

Thank you again for all of your work to advance water recycling and help secure financial resources to develop these needed supplies. We are available to provide information to the Board and your staff as needed.

Sincerely,

Gary W. Darling, General Manager
of Delta Diablo, Lead Agency for the
Western Recycled Water Coalition

Roberta L. Larson
Executive Director
California Association of Sanitation Agencies

Jennifer West
Managing Director
WaterReuse California

David Bolland
Special Projects Manager
Association of California Water Agencies