



February 11, 2016



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

RE: Support for the Reduced Interest Rate Incentive

Dear Chair Marcus:

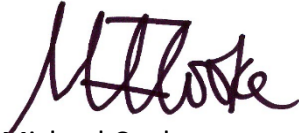
On behalf of the Cities of Modesto, Turlock, Ceres, the Del Puerto Water District (District) and Stanislaus County—partners in the North Valley Regional Recycled Water Program (NVRWP)—I would like to express our support for rescinding the \$800 million cap on 1.0 percent Clean Water State Revolving Fund (CWSRF) financing.

As you are well aware, the NVRWP is a collaborative partnership that we are all proud to be a part of. The proposed NVRWP is being developed as a regional solution to address south of the Delta water supply shortages and reliability concerns by utilizing recycled water for beneficial use. Furthermore, the proposed NVRWP would deliver recycled water produced by the Cities of Modesto, Turlock, and Ceres to the District, a Central Valley Project agricultural water district located primarily in western Stanislaus County.

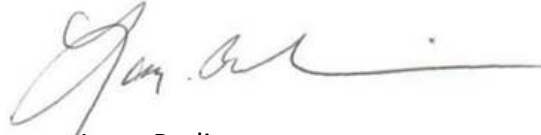
The 1.0 percent CWSRF financing is a major reason the NVRWP will be successful. The special financing rate firmly demonstrated the State Water Resources Control Board's (Water Board) and the Brown Administration's commitment to funding projects that encourage efficient and smart use of California's water. By rescinding the \$800 million cap for applications completed by December 2, 2015, the benefits of the low interest rate can be extended to all the agencies committed to taking advantage of the program.

Thank you for considering this action and we encourage your support. In addition, on behalf of the NVRWP partner agencies, thank you again for the Water Board's feedback and support of our project. If you have any questions or would like additional information, please don't hesitate to contact me.

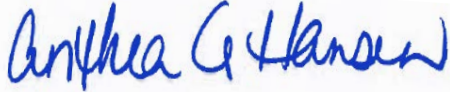
Sincerely,



Michael Cooke
Interim City Manager
City of Turlock



Larry Parlin
Director of Utilities
City of Modesto



Anthea G. Hansen
General Manager
Del Puerto Water District