

SAN ANDREAS SANITARY DISTRICT

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Hugh Logan
District Manager

June 6, 2016

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



Subject: Comment Letter- June 21, 2016 Board Meeting- 2016 CWSRF IUP

Board,

On behalf of the San Andreas Sanitary District (SASD), I thank the Board for giving consideration to disadvantaged communities in the updated Intended Use Plan. We support the Board's efforts to allow greater project grants for disadvantaged communities.

The SASD is a small community located in Calaveras County, along the foothills of the Sierra. Our District has 749 residential ratepayers and 159 commercial ratepayers, with an overall population of 2,800. While our staff are innovative and cost-conscious, we face similar obstacles to infrastructure funding as other small communities; namely low incomes and few residents to share the cost of projects.

The District operates and maintains a Class 3 wastewater facility with an average dry weather flow of 0.25 MGD. In 2009, the District received a combination of grants and loans to construct an advanced activated sludge plant with tertiary filters in order to meet new requirements for ammonia removal. This project necessitated the increase of sewer rates to cover the loan component. Currently, sewer rates are \$69/month, approximately 2% of median household income (MHI of \$42,388, American Community Survey, December 2014) just to cover current O&M expenses and debt service.

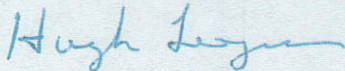
Because the other infrastructure at the facility is aging and at end of useful life, planning is underway to replace these systems in order to maintain adequate treatment and permit compliance. Even at 50% loan forgiveness, our District is not in position to fund these necessary projects without further increase in sewer rates. With our community's

income already stretched to 2% of MHI, it's a tough sell to increase rates for more debt service and our fear is that critical projects could be delayed until complete failures occur.

We strongly support efforts of the State Board to authorize a higher grant percentage for small, disadvantaged communities. A sliding scale towards 100% seems to make good sense based on the size of the project and the community's ability to participate. In the end, the projects implemented at our District will greatly benefit the wider community and watershed.

Please feel free to contact me with any questions you might have, or if you require additional information.

Sincerely,

A handwritten signature in blue ink that reads "Hugh Logan". The signature is cursive and fluid.

Hugh Logan, District Manager

cc: Jennifer.Toney@waterboards.ca.gov