



San Francisco Water Power Sewer

Services of the San Francisco Public Utilities Commission

(6/21/16) Board Meeting--Item 4
Clean Water State Revolving Fund (CWSRF)
Deadline: 6/16/16 by 12:00 noon

San Francisco, CA 94102

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F 415.554.3161

TTY 415.554.3488

June 15, 2016

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



RE: Comment Letter – June 21, 2016 Board Meeting – 2016 CWSRF IUP

Dear Ms. Townsend:

The San Francisco Public Utilities Commission (SFPUC) appreciates the opportunity to review and comment on the draft Policy for Implementing the Clean Water State Revolving Fund (CWSRF Policy). While SFPUC understands the importance of prioritizing projects in accordance with CWSRF Policy, we urge the Division of Financial Assistance to fund projects that are ready to be constructed, thereby maximizing the use of available funds. CWSRF priority classes are predominantly based on noncompliance with water quality permits, however throughout California there are well-managed, aging systems that remain in compliance but require critical upgrades. Using CWSRF loans to finance projects that can readily accept and repay funds will ensure the long-term growth and viability of the CWSRF program.

San Francisco has been a long time partner with the State Water Resources Control Board (SWRCB) on the State Revolving Fund (SRF). The SRF program administered by the SWRCB was instrumental in providing financial support for our facilities which were constructed under the San Francisco Clean Water Program Master Plan between 1989 and 1997, and recent changes to the Clean Water State Revolving Fund (CWSRF) encouraged us to re-examine the benefits of participating in the program.

Despite high income levels within San Francisco, SFPUC does serve low income/disadvantaged communities, and must maintain our commitment to ratepayer affordability. Earlier this year, we were fortunate to receive a \$7.4M CWSRF loan for our Lake Merced Green Infrastructure Project. We look forward to continuing to work with the Division of Financial Assistance (DFA) to identify low-cost financing options for our 20-year, multi-billion dollar Sewer System Improvement Program.

Edwin M. Lee
Mayor

Francesca Viotor
President

Anson Moran
Vice President

Ann Moller Caen
Commissioner

Vince Courtney
Commissioner

Ike Kwon
Commissioner

Harlan L. Kelly, Jr.
General Manager



The SFPUC appreciates the opportunity to provide written comments on this important program. If you have any questions regarding our comments, please contact Alexandra Gunnell at agunnell@swater.org or by phone at (415) 551-4505.

Sincerely,

A handwritten signature in blue ink, appearing to be 'M. Carlin', with the initials 'MPC' written below it.

Michael P. Carlin, Deputy General Manager

cc: Tommy T. Moala, Assistant General Manager, Wastewater Enterprise
Kathryn How, Assistant General Manager, Infrastructure
Eric L. Sandler, CFO and Assistant General Manager, Business and
Financial Services