



June 3, 2019

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

Transmittal Via E-mail: commentletters@waterboards.ca.gov

**RE: Comment Letter – June 18, 2019 Board Meeting – SFY 2019-20 (FFY 2019)
DWSRF**

Dear Ms. Townsend:

On behalf of the Rural County Representatives of California (RCRC), I respectfully submit comments regarding the Drinking Water State Revolving Fund (DWSRF) 2019-20 Intended Use Plan (IUP). RCRC is an association of thirty-six rural California counties, and our Board of Directors is comprised of one locally-elected Supervisor from each of our member counties.

The DWSRF policy amendments adopted by the State Water Resources Control Board (SWRCB) on February 5, 2019 have many positive attributes. In particular, we appreciate that small Severely Disadvantaged Communities (Small SDAC) and small Disadvantaged Communities (Small DAC) will be automatically added to the Fundable List at any time these communities start an application. We further appreciate SWRCB's willingness to reimburse construction costs prior to financing approval. Bridge financing helps bring projects to a timely completion.

In the last five years, voters have made significant investments into California's water supply and infrastructure. Proposition 1, the "Water Quality, Supply, and Infrastructure Improvement Act of 2014" and Proposition 68, the "California Outdoor Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018" are \$7.12 billion and \$4 billion general obligation bonds, respectively.

However, we are extremely concerned with the impacts implementation of the new statewide accounting system, "FI\$Cal," has taken away from financing the DWSRF. Overall, Small DACs and Small SDACs will see a reduction in dollars in spite of recent

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

Ms. Jeanine Townsend
SFY 2019-20 (FFY 2019) DWSRF
June 3, 2019
Page 2

momentous investments from voters. FISCAL implementation has siphoned vast amounts of program funding away from needy communities.

Regarding the priority system for funding, we appreciate the rankings policy the SWRCB has adopted. It provides transparency in the absence of a scoring system. We further appreciate that there are set-asides for technical assistance dollars. However, we believe the practice of the SWRCB to fund projects in the construction phase over the planning phase may be short-sighted. At the April 30th and May 20th Workshops, staff noted the preference of funding projects that are “ready to proceed” in the construction phase versus the planning phase. While we appreciate investments into completing construction to get worthy projects across the finish line, we believe it should not always be done at the expense of planning for small and disadvantaged systems. More investment at the planning level is a long-term solution to move projects forward. Without an emphasis in planning or technical assistance, it may take too long to propel safe drinking water projects into the construction phase to protect vulnerable communities. Therefore, we urge the SWRCB to focus on financing Small SDACs and Small DACs in the planning phase to help these projects come into fruition during one of the most challenging phases for local communities, which often lack the staffing and capacity to undertake such a large endeavor alone.

Thank you again for the opportunity to provide these comments on the Drinking Water State Revolving Fund 2019-20 Intended Use Plan. If you have any questions, please contact me at (916) 447-4806 or mwarmerdam@rcrcnet.org.

Sincerely,

A handwritten signature in purple ink that reads "MaryAnn Warmerdam". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

MARY-ANN WARMERDAM
Senior Legislative Advocate