



May 22, 2017

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

VIA EMAIL: commentletters@waterboards.ca.gov

Subject: Comment Letter – June 20, 2017 Board Meeting – FFY 2017 CWSRF IUP

Ms. Townsend,

The Bay Area Clean Water Agencies (BACWA) appreciates the opportunity to comment on the Fiscal year 2017 Clean Water State Revolving Fund Intended Use Plan and Revised Guidelines for Proposition 1. BACWA is a joint powers agency whose members own and operate publicly-owned treatment works (POTWs) and sanitary sewer systems that collectively provide sanitary services to over 7.1 million people in the nine-county San Francisco Bay Area. BACWA members are public agencies, governed by elected officials and managed by professionals who protect the environment and public health. BACWA supports a Recycled Water Committee with participants from both the water and wastewater sectors, who are interested in increasing recycled water in our Region.

BACWA would like to take this opportunity to address how the State Water Board may allocate funding for agencies who have applied for financial assistance from the State Water Board, and have been assigned to Group 3. BACWA recommends the Division of Financial Assistance consider the following when considering projects for funding:

1. Maintain the Geographic Distribution split in the June 2015 Water Recycling Funding Program (WRFP) Guidelines
 - i. A minimum of 40 percent of the funds to projects within, Los Angeles County, Orange County, Riverside County, San Bernardino County, San Diego County and Ventura County.
 - ii. A minimum of 40 percent of the funds distributed to projects within the remaining counties.
 - iii. The remaining 20 percent will be distributed to water recycling projects located in any California county.
2. For those projects that have submitted a complete application for WRFP funding, allow the projects to begin construction prior to issuance of a funding agreement without jeopardizing reimbursement for construction costs.

BACWA understands that DFA may be considering how projects are prioritized. BACWA recommends the following:

1. Prioritize multi-benefit projects that reduce the demand on potable water supplies, assist communities in meeting new requirements for urban water conservation, assist local agencies in meeting new requirements under the Sustainable Groundwater Management Act (SGMA), improve water quality and enhance local surface water and groundwater supplies, reduce greenhouse gas emissions, provide environmental enhancement, and other beneficial uses.
2. Prioritize projects that are ready to proceed (i.e., those with completed plans, specifications, and environmental documentation). This prioritization would result in the State advancing towards reaching its water recycling goals sooner.
3. Do not include project yield as a criteria for prioritization of projects. No matter the size of the project, the project proponents recognize its merits for their communities and are willing to invest in them. A comparably small project can provide significant benefits to the community it serves. To encourage more recycled water production throughout the State and to keep advancing towards the State's water recycling goals, we recommend that the State recognize each project for the benefits that it provides in its region.

BACWA recently surveyed our members on their current and planned recycled water production, and preliminary results of the survey show that Bay Area agencies are currently in various stages of planning projects to more than double our Region's recycled water capacity. These results demonstrate the community's enthusiasm for increasing recycled water, now and into the future. However, many of these projects will not move forward without funding assistance. Because of this obvious demand, BACWA recommends that the Board issue new bonds sufficient to fund all Category 1, 2, and 3 recycled water projects. Many of these projects address urgent needs of communities throughout the state. Many of them are ready to proceed. Delaying the projects represent a delay in the benefits that they provide to their region and to the State.

Please do not hesitate to contact Leah Walker, vice-Chair of BACWA's Recycled Water Committee, at lwalker@ci.petaluma.ca.us, if you would like to discuss these comments further.

Respectfully Submitted,

David R. Williams

David R. Williams
Executive Director
Bay Area Clean Water Agencies

BACWA State Water Board funding priorities

May 22, 2017

Page 3 of 3

cc: BACWA Board

Rhodora Biagtan, BACWA Recycled Water Committee Co-Chair

Leah Walker, BACWA Recycled Water Committee Co-Chair