# State Water Board Division of Drinking Water CWA Conference

Cindy Forbes, Deputy Director Division of Drinking Water State Water Resources Control Board

# **Presentation Objectives**

- Drinking Water Program
- SWS Compliance Issues
- Types of Problems
- Strategic Plan to Resolve SWS Problems
- Consolidation Authority



# **Drinking Water Program**

Type of System	Approximate #
COMMUNITY	3,000
Large (>3,300 people)	700
Small (>15 connections, <3,300 people)	2,300
NON-COMMUNITY	4,500
Non-transient	1,500
Transient	3,000
TOTAL	7,500

Type of System	Population	% of CA population
Large Water System >1000 connections	37 million	98%
Small Water System <1000 connections	400,000	1%

- Technical Issues
- Managerial issues
- Financial Issues







#### Technical Challenges

- Lack of basic information on quantity of water needed and usage;
- Old, leaking distribution systems;
- Lack of engineering support to assess alternatives and design solutions;
- Proposed solution has environmental impacts or need permits from other agencies.









#### Managerial Challenges

- Managerial
  - Lack of clear ownership of water system;
  - Lack of clear water rights;
  - No water system operator.









#### Financial Challenges

- Historic low water rates resulting in limited budget, deferred maintenance, lack of reserves, and inability to afford operations and maintenance costs;
- Water rates that are, or will be, too high to be affordable to residents, especially if treatment is needed for contaminant removal.
- Privately-owned water systems, including mobile home parks, are not eligible for grants under the SRF, only loans.



SWRCB is not able to provide funding for operations and maintenance costs

- Water rates are a key element to maintaining compliance
- Rates must be sufficient to cover:
  - Operations and maintenance costs, increasing with increased treatment needs;
  - Future infrastructure replacement
  - Small water systems have less customers to spread costs- too limited rate base
  - Operator expertise needed for new treatment facilities





## Affordable Safe Drinking Water (ASDW) proposal

- (1) Small Systems Contract Assistance:
- The concept is to provide contract assistance to small disadvantaged communities whose drinking water does not meet standards.
- Contract assistance would provide economies of scale and other managerial benefits.
- The Administration shared language on this concept with CWA and other stakeholders in late 2015.
- A funding source is needed to provide operations and maintenance (O&M) funding.

#### **Small Systems Contract Assistance:**

SB 552 (Wolk) Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services.

Authorizes the State Water Board to require public water systems that serve disadvantaged communities and that consistently fail to provide an adequate and affordable source of safe drinking water, to obtain administrative and managerial services from an Administrator selected by the State Water Board. Also modified the trailer bill language that authorizes the State Water Board to order water system consolidation or extension of service.

### Affordable Safe Drinking Water (ASDW) proposal

- 2) Ensure Sustainable Systems (aka "Stopthe-Bleeding"):
- The concept is to prevent proliferation of new public water systems in cases where a reasonable alternative is present.
  - The Administration shared language on this concept with CWA and other stakeholders in late 2015.
- Most provisions in the language were incorporated into <u>SB 1263</u> (Wieckowski) with CWA's support.

#### New Authority -SB88 Consolidation

- Section 116682(a) Where a public water system, or state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water, the SWRCB may order consolidation with a receiving water system as provided in this section and Section 116684. The consolidation may be physical or operational.
- Funding for the receiving water system must be available.

 NOTE: Applies only to water systems in disadvantaged communities (SB 88 definition)

# Incentives for Consolidations

- DWSRF IUP includes up to \$5 million in loan funding with a 0% interest rate for any infrastructure that the receiving system wants in addition to the funding needed to consolidate the DAC system.
- SB88 provides liability relief for both voluntary and mandatory consolidations.

# **Mandatory Consolidations**

SWRCB must find all of the following beforehand:

- The subsumed system consistently fails to provide safe drinking water;
- All reasonable efforts to negotiate consolidation or extension of service were made;
- Consolidating, or extending service, is technically and economically feasible;
- There is no pending local agency formation commission process that is likely to resolve the problem in a reasonable amount of time;
- Water rights and water contract concerns have been adequately addressed;
- Consolidating or extending service is determined to be the most efficient and costeffective means for providing an adequate supply of safe drinking water; and
- The capacity of the proposed interconnection needed to accomplish the consolidation is limited to serve the existing additional customers.

Consultation with local and state agencies along with outreach to customers within the affected service areas must occur before ordering the consolidation or extension of service.

# Mandatory Consolidations

#### > 2015

- Soults MWC/City of Tulare—High NO3 Water; new distribution system needed
- Pratt MWC/City of Tulare—Order issued; water delivery started June 1, 2015

#### > 2016

- City of Madera/Madera County—Emergency Intertie in place
- City of Bakersfield/Lakeside School—High As
- City of Bakersfield/Old River MWC—High Uranium
- City of Merced/Black Rascal Water Company—Inadequate source capacity

