

# **CalMutuals Monthly Newsletter**

July 2015

## **Groundwater Quality Funding Programs Update**

The passage of Prop 1 (Groundwater Sustainability Program) and SB 445 (Site Cleanup Subaccount Program) created two groundwater quality funding (GWQF) programs to be implemented by the State Water Board.

FUNDING OPPORTUNITIES

Pre-applications are now being accepted through the Financial Assistance Application Submittal Tool (FAAST). The State Water Board will review submissions to determine which program, if any, is the most appropriate for your proposed project. Applicants whose Pre-Application is successful will be invited to submit a Final Application, either for Proposition 1 Groundwater Sustainability or the Site Cleanup Subaccount Program, or may be advised to apply for another potential source of funds.

To begin the application process, click here.

# **July 9th Workshop on Drought Water System Consolidation**

CalMutuals hosted a workshop in Bakersfield on July 9th that revealed unintended consequences in past efforts to consolidate struggling water systems in disadvantaged communities.



Attendees representing various mutual water companies statewide heard a presentation by Phoebe Seaton, an attorney with the Leadership Counsel for Justice and Accountability regarding SB 88, legislation she worked on during the first half of 2015. SB 88 grants the State Water Resources Control Board (SWRCB) the power to order consolidations of water systems that have been chronically out of compliance with the Safe Drinking Water Act.

Seaton also addressed SB 552 which is currently making its way through the legislature in an effort to "clean-up" the original SB 88 consolidation bill, mostly by directing consolidation efforts to failing water systems in disadvantaged communities.

Seaton explained that "consolidations are not the answer in all cases." However, the state needs tools to help residents being served water by suppliers that are consistently failing to meet safe drinking water standards, especially in disadvantaged communities. "There are simply not enough state resources to fix every water system (that is failing to meet the Safe Drinking Water Act)," Seaton said, thus the focus on disadvantaged communities.

CalMutuals Executive Director Adán Ortega noted that California's regulatory process is resulting in the increase in the number of water systems across California that are not complying with the Safe Drinking Water Act. "Since 2011, the number of water systems overall that are out of compliance has tripled," Ortega said. "The unfortunate part is that the cost of compliance in some cases is so great that if a community isn't already disadvantaged, the regulations will make them so," he said. "Affordability is less and less a component of The Human Right to Water in California which isn't supposed to discriminate between the poor and everyone else. The Human Right to Water is for everyone." Ortega said.

Representatives of Maher Mutual Water Company, Brock Mutual Water Company, and Nord Road Mutual Water Company, all in the greater Bakersfield area, stated that the Division of Safe Drinking Water ordered them to consolidate with Vaughn Mutual Water Company in 2008, with the promise of state funding in order to comply with the state standard for arsenic. However, earlier this year the four mutual water companies were notified that the SWRCB would not be providing the promised financial assistance because they "were not disadvantaged enough." Ortega explained, "As a result, about 280 homeowners, many elderly and on fixed incomes, are now expected by the State to fund the \$8 million cost of merging with Vaughn Mutual Water Company. The only alternative is to shift the costs to Vaughn Mutual Water Company which has a well maintained system that is in compliance with all safe drinking water quality standards. There is no fairness in this situation."

The greatest unintended consequence of current state efforts to help water suppliers struggling to meet California's ever tougher regulations, is that the process of making the regulations themselves is creating greater numbers of suppliers not in compliance. "The State of California must be mindful in calibrating the regulatory process with available resources to meet tougher standards seeking to eliminate contaminants at the near-molecular level," said CalMutuals Board Chairman and President Jim Byerrum.

Byerrum stated that CalMutuals is doing its best to help its members apply for grants and find help in such situations. "Our sponsorship of AB 656 will allow mutual water companies to help each other with technical assistance and grant-writing if it is signed by the Governor this fall," Byerrum said. If enacted, AB 656 will allow mutual water companies to join with others (including public agencies) to form a joint insurance pool that will generate residuals to fund technical assistance programs for mutual water companies.

"We are very proud of CalMutuals members - such as Oildale Mutual Water Company - which has a record of helping other smaller mutual water companies, in some cases by consolidating them," stated Byerrum. "We don't fear consolidations in areas where they can help, but we feel that the State of California must tackle the regulatory process that is increasing the number of water suppliers that are out of compliance."

For additional information on the workshop or to learn more about this topic, please contact Adán Ortega at 714.449.3397.

#### **Wildfire Checklist for Water Utilities**

With firefighting crews battling 23 fires caused by "dry thunderstorms" - lightning and wind with very little rain — officials are worried that the drought will exacerbate California's fire season. One firefighter has already been killed and Governor Jerry Brown has declared a state of emergency. In addition to the large blazes, thousands of lightning strikes on bone-dry landscape have sparked hundreds of smaller fires across the state.



To help, the EPA has just released a Wildfire Incident Action Checklist for water and wastewater utilities which includes a short list of preparedness, response and recovery actions to take as well as valuable resources on wildfire monitoring, forecasting and planning.

To download the checklist, click here.

### **FREE Water Efficiency Workshop for Small Water Systems**

The State Water Board has announced a free full day (9:00 AM – 4:00 PM) workshop taking place in Fresno on August 20th to help you establish an effective water loss control program for your water system.



#### Workshop topics include:

- The different components of the water balance equation
- How to perform a water audit
- How to address non-revenue water including apparent losses and real losses (leakage)

The workshop will also provide information on water audits and explain how to determine the quantity of Non-Revenue Water (NRW), including assessing the nature of the NRW. Methods to address NRW and dealing with declining revenues related to declining water use will be included.

Presentations and hands-on activities will be based on experiences and data from actual water systems.

To register for this workshop, click here.

