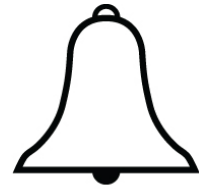


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Santa Margarita Water District

January 30, 2019

Ms. Jeanine Townsend
Clerk to the Board
STATE WATER RESOURCES CONTROL BOARD
P. O. Box 100
Sacramento, California 95812-2000



Via: commentletters@waterboards.ca.gov

Re: COMMENTS - Options for Implementation of a Statewide Low-income Water Rate Assistance Program

Dear Ms. Townsend:

We appreciate the opportunity to comment on Options for Implementation of a Statewide Low-income Water Rate Assistance Program (“LIRA”) as required of the State Water Resources Control Board (“SWRCB”). We concur with the fact that there are Californians who would benefit from assistance in paying their water bill from time to time. We further concur with comments provided by the Community Water Systems Alliance (“CWSA”) of which we are a founding member.

Our concern, for the purpose of these comments, lies with the idea that generating funds for LIRA by placing a tax or a fee on all consumers’ water not the approach to take.

It is clear from the many hearings and discussions held on this subject over the past year, that there are serious Proposition 218 issues facing the application of any tax or fee proposed to be added to customers’ bills for this purpose. These issues will almost certainly elicit legal challenges which will only serve to further delay a solution.

We believe that the local water agencies and municipalities are best suited and positioned to assist customers having difficulty with water charges. If non-investor owned water providers (i.e. most public water agencies and municipalities) were permitted—and required—to create programs to address their low and fixed income customers needing assistance there would be no need for the State to struggle with how to establish the program, administer the program, and ensure that water systems are made whole financially for revenue that would be lost. This kind of locally-focused solution would, of course, require an amendment to Proposition 218, but it would seem that a political solution to the issue would be more appealing and perhaps more achievable than having a tax or fee solution tied up in years of litigation.

We believe that most water agencies and municipalities would be eager to develop a program that addresses the specific needs in their community. Low-income and restricted income customers in a water district or municipality are still customers of that provider; agencies want their customers to be able to have safe, clean water for their homes and families. If the State wishes to ensure that these customers are afforded assistance in paying their water bills, then the State's best role is to require and enforce that a local program be established and enacted locally. With respect, it would be best for the State *not* to attempt to execute a "one size fits all" program that may never come to pass.

Again, thank you for the opportunity to provide comments. If you have questions, comments or further interest in this concept, please feel free to reach out to me at 949-459-6590 or at danf@smwd.com

Sincerely,

SANTA MARGARITA WATER DISTRICT

A handwritten signature in blue ink, appearing to read "Daniel R. Feron". The signature is fluid and cursive, with a long horizontal stroke at the end.

Daniel R. Feron
General Manager