

Grizzly Flats Community Services District

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February 1, 2019

Jeanine Townsend
Clerk to the Board State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-2000



Dear Honorable Board members,

This letter is in response the "Options for Implementation of a Statewide Low-Income Water Rate Assistance Program" document.

Grizzly Flats Community Services District is a small community water system, located south-east of Placerville, CA. We have about 600 meter connections and serve a population of about 1,200 people. Our District is considered a "disadvantaged community (DAC)". We do not have a rate assistance program because all of our operating revenue comes from water rates that have been developed using Prop 218 requirements. We have a limited customer base, so we depend on all of our customers to pay their share of our water system's expenses so we can continue to operate.

Although, we agree that safe, clean water should be something everyone in California has access to, we can't forget that it takes resources to treat and distribute that water. Small Districts like ours rely solely on water rates to survive and continue to provide that water to everyone in our community. Low-income programs such as the ones proposed are a concern for our District.

We were happy to see that this draft acknowledged the limitations Districts like ours face with not only complying with Prop 218 requirements but shifting an unfair burden of cost to other customers by having a low-income program. In a District our size, that burden could be a substantial one when a majority of our customers would be considered "low-income".

Our other concern is the staff time it would take to administer a program like this. We appreciate that this draft acknowledges that it wouldn't be feasible to ask 3000 individual districts to operate their own standalone rate assistance program. We have only two administrative personnel; a General Manager and an Office Facilitator who are kept very busy with the current work load. We have the same concerns about the

benefit distribution via water bills. Adding this task to our staff would be impossible without hiring additional personnel which would increase our operating expenses and in turn increase our water rates.

We don't support additional personal income tax or a special "Water Tax" to pay for this program as that puts an additional burden on water customers who are not considered "low-income". A tax on bottled water may be acceptable as that is a product consumers choose to buy freely. We do think funding for this program need to be evaluated carefully. Many California residents are weary of funding additional low income programs when the current programs aren't always managed well.

We also feel administration should be kept at the State level and not place an additional burden on other agencies (water systems or other utilities) that are already struggling to keep up with all of the State's current requirements. The simplest seems to be benefit distribution via tax credits and that's what we would support based on the current options. We don't feel the other benefit distribution options are viable.

Thank you for your consideration of this manner.

Sincerely,

A handwritten signature in black ink, appearing to read "Jodi Lauther", with a long, sweeping flourish extending to the right.

Jodi Lauther, General Manager
Grizzly Flats Community Services District