



March 31, 2021

The Honorable Susan Rubio
State Capitol, Room 4052
Sacramento, CA 95814

Dear Senator Rubio:

Subject: Support for SB426 Municipal Separate Storm Sewer Systems: Financial Capability Analysis

The San Gabriel Valley Water Association (the "Association") is submitting this letter in support of SB426 which will create financial capability assessment (FCA) guidelines for municipal storm sewer system permittees. The Association is a voluntary organization representing municipal utilities, investor-owned utilities, water districts, and mutual water companies in the San Gabriel Valley. Together, we provide water to two-million of the state's residents. Our municipal members are subject to the National Pollutant Discharge Elimination System (NPDES) permits, and MS4 permits by the Los Angeles Regional Water Quality Control Board. These laws also affect our ability to conserve water captured from storms as well as in the management of dry-season discharges essential for maintaining safe drinking water. SGVWA understands the varying ability of applicants to meet associated costs of complying with the permitting requirements and strongly supports consistent financial capability assessment guidelines when considering local costs.

SB426 is a bill that will require the State Water Resources Control Board and regional boards to continue using available regulatory tools to foster collaboration with permittees while requiring the creation of FCA guidelines. While some MS4 permittees may have sufficient resources to designate a staff member to the task or hire the services of an external contractor, municipalities representing Disadvantaged Communities (DACs) may struggle to do so, and their ability to meet federal requirements without unintended financial consequences must be evaluated.

SB426 will not alter or waive water quality standards but does offer alternative compliance pathways for permittees and schedules of compliance for disadvantaged communities.

San Gabriel Valley water suppliers in cooperation with the Los Angeles County Department of Public Works, already capture about 90% of the stormwater from the San Gabriel and Rio Hondo Rivers. Capturing and cleaning the 10% that runs off of the region's streets and roofs is an expensive and complex endeavor. Given the magnitude of costs for complying with stringent standards, municipalities in Los Angeles County are currently less than 10% of the way toward completing stormwater pollution reduction goals. To do so under current conditions would entail sacrificing already strained basic municipal services that help the most vulnerable members of our communities such as seniors, the disabled and children.

Members of the San Gabriel Valley Water Association include the 31 cities, several with significant portions represented by disadvantaged or severely disadvantaged communities. SB426 intends to help such poorer communities. If enacted, SB 426 will empower more disadvantaged municipalities to take action in meeting their NPDES targets without the fear of unnecessary fines and third party litigation, and with the understanding that the SWRCB and regional boards are working with them to comply by supporting their good faith efforts.

Sincerely yours,

Greg Galindo
San Gabriel Valley Water Association
President