



March 22, 2017

The Honorable Ed Hernandez, O.D.  
California State Senate  
State Capitol, Room 2080  
Sacramento, CA 95814

**RE: SB 589 Municipal Separate Storm Sewer Systems: Financial Capability Analysis –  
Notice of Support**

Dear Senator Ed Hernandez:

The City of Azusa strongly supports your legislation, Senate Bill 589 (SB 589), which codifies U.S. Environmental Protection Agency's (EPA) 2014 Financial Capability Analysis allowing the state's Water Quality Control Boards and permittees to consider alternative compliance pathways when communities are addressing the integrated utilities of drinking water, sanitary sewer, flood control, and stormwater programs.

A U.S. Conference of Mayors (USCM) report entitled "*Public Water Costs per Household: Assessing Financial Impact of EPA Affordability Criteria for California Cities*" found that integrated water quality requirements of drinking water, sanitary sewer, flood control, and storm water programs require significant investments which often compete with other public services. The study reviewed over 30 California cities (a majority in Los Angeles County) using EPA's affordability criteria under the Clean Water Act and found that many communities are paying greater than 4.5% of Medium Household Income on water costs. This creates what EPA considers a "high burden" on the average household. Based on the USCM report, the City of Azusa is one of thirteen cities that reported combined water, sewer and flood control cost per household exceeding 4.5% for 10 to 20% of all households. The City of Azusa's average annual public water cost per household is \$730.18.

Since this study was completed prior to the implementation of the most recent Municipal Separate Storm Sewer System (MS4) permit adopted by the Los Angeles Regional Water Quality Control Board, some of the strongest water quality guidelines in the county, the financial burdens cities are facing is likely much higher.

In order to comply with the requirements of the MS4 permit, the City of Azusa joined with several other cities, the County of Los Angeles and the LA County Flood Control District in forming the Rio Hondo/San Gabriel River Watershed Enhanced Watershed Management Group (Group). The Group has spent approximately \$800,000 preparing an Enhanced Watershed Management Plan (EWMP) to comply with the MS4 Permit requirements. The Group's EWMP calls for the implementation of \$1.4 billion worth of stormwater improvements by 2028. The City's share of this cost is \$340 Million. The estimated on-going maintenance cost is \$2.2 Million a year. By way of comparison the City's entire annual operating budget is \$37 Million. The City spends approximately \$2.3 Million annually for library and recreation services. To incur an on-going expense of \$2.2 Million a year without a corresponding offset in revenues would decimate programs and services that are essential to the health and well-being of our community.

It is not that the City is against clean water or doesn't support environmental policies that reduce and/or eliminate pollutants that can foul our water. The City is against compliance at any cost especially when it adversely impacts the quality of life in the community. While SB 589 does not alter or waive water quality standards or increase pollution, the bill offers options for MS4 permittees and particularly disadvantaged communities to achieve compliance without imposing an unrealistic financial hardship that could jeopardize a community's quality of life.

For the reasons cited above, the City of Azusa applauds you for introducing SB 589 and pledges its support for this much needed legislation.

Sincerely,



Joseph Romero Rocha  
Mayor

cc: Azusa City Council  
Honorable Blanca E. Rubio, State Assemblymember  
Members, Senate Environmental Quality Committee  
Joe A. Gonsalves & Son  
Jennifer Quan, League of California Cities