



Does the 2010 Water Bond Help Those Who Need It Most?

Since 1960, California voters have authorized more than \$44.3 billion (in 2010 dollars) in general obligation bonds for water-related purposes, with more than half of those funds being approved since 2000. The state legislature recently passed an \$11.1 billion water bond, Proposition 18, to be put before voters in November of 2010.¹ Despite past spending on water projects, many people in the state still do not have access to safe tap water. While bonds have many important funding priorities, we consider the protection of public health and well-being to be critical responsibilities of the state.

■ CLEAN WATER FOR COMMUNITIES

In the San Joaquin Valley alone, more than 320,000 people received contaminated tap water in 2006. Many of these people live in low-income or disadvantaged communities.² The California Department of Public Health identified more than 300 “high priority” drinking water projects in need of funding in 2010 with an estimated cost of \$450 million (Table 1); about half are in disadvantaged communities. These are primarily projects to bring systems into compliance with state or federal drinking water standards.³ Additionally, many communities lack adequate infrastructure to prevent seepage from waste ponds or to treat wastewater prior to release into local streams and rivers. The State Water Resources Control Board identified some 300 wastewater treatment system improvement projects in small, disadvantaged communities that are in need of funding, with an estimated cost exceeding \$1 billion.⁴

Drinking water and wastewater system improvements can be very expensive, and disadvantaged communities often have particular difficulty in funding them. In addition, it is often difficult for small drinking water and wastewater systems to afford improvements because they have few ratepayers among whom to spread the costs. This contributes to small drinking water systems having a far greater-than-average rate of violations of the Safe Drinking Water Act.⁵ In fact, on a per-capita basis, the smallest water systems (serving 25-500 people) exceed contaminant levels mandated by law 30 times more than the average for all system sizes.⁶

Drinking water systems that serve disadvantaged communities often lack both access to much-needed infrastructure financing and the resources to adequately maintain their existing system components. As a result, these [public water systems] face significant challenges in complying with long-standing and new drinking water rules.

—U.S. Environmental Protection Agency, 2007⁷

Table 1: High priority drinking water system needs identified in 2009.⁸

| Category | Costs | Description of Category |
|---------------|----------------------|--|
| A | \$490,000 | Water systems with deficiencies that have resulted in documented waterborne disease outbreak illnesses, or water systems under a court order to correct Safe Drinking Water Act violations and/or water outage problems. |
| B | \$17,911,100 | Water systems that have repeatedly violated the total coliform maximum contaminant level (Total Coliform Rule) due to active sources contaminated with coliform bacteria (fecal, E. coli, or total coliform). |
| C | \$37,906,910 | Water systems which have (1) a surface water supply, or a groundwater under the direct influence of surface water (GWUDI) source, that is not filtered, or not treated; or (2) non-GWUDI well sources that are contaminated with fecal coliform or E. coli. |
| D | \$200,970,275 | Water systems that have (1) surface water sources or GWUDI sources with filtration treatment deficiencies that violate Federal or State treatment requirements; or (2) non-GWUDI wells that are contaminated with fecal coliform or E. coli and are inadequately treated. |
| E | \$40,076,840 | Water systems with water outages or significant water quantity problems caused by source water capacity or water delivery capability that is insufficient to supply current demand. |
| F | \$44,357,162 | Water systems that (1) distribute water containing nitrates/nitrites in excess of the maximum contaminant level (MCL); or (2) distribute water containing perchlorate in excess of the MCL; or (3) water systems that are in violation of the Total Coliform Rule for reasons other than source contamination. |
| G | \$109,326,578 | Water systems that distribute water containing chemical or radiological contamination exceeding a State or Federal primary drinking water standard. |
| Total: | \$451,038,865 | |

Note: These categories of High Priority Needs are defined by the California Department of Public Health. Need is estimated from applications submitted to the California Department of Public Health for financial support, a method that underestimates need because not all systems apply for funding.

■ WILL THE PROPOSED WATER BOND MEET BASIC DRINKING WATER INFRASTRUCTURE NEEDS IN SMALL AND DISADVANTAGED COMMUNITIES?

The bond does not provide sufficient funds to satisfy the needs described above. About 3% of the bond (\$295 million) is allocated to a range of project types in disadvantaged communities that *could* be used for drinking water infrastructure needs, depending on how funds are administered. Additionally, \$80 million is set aside for the Drinking Water State Revolving Fund. Between 2000 and 2006, approximately 25% of Drinking Water State Revolving Fund monies were dispersed to disadvantaged communities nationwide.⁹ Thus, we estimate that at least \$20 million will be available specifically to disadvantaged communities for drinking water system improvements, meeting about 14% of the need, based on the California Department of Public Health's conservative estimate of need.

■ WILL THIS BOND MEET BASIC WASTEWATER INFRASTRUCTURE NEEDS IN SMALL AND DISADVANTAGED COMMUNITIES?

The State Water Resources Control Board identified more than \$1 billion of needed improvements to small, disadvantaged community wastewater projects throughout the state.¹⁰ This is a low estimate of total need as it does not include *all* small, disadvantaged community wastewater projects nor does it include *non-disadvantaged* small wastewater project needs. The bond allocates \$75 million to grants to small community wastewater systems, only meeting up to 7% of the infrastructure needs in small, disadvantaged community wastewater systems.

■ HOW DOES THIS BOND DEFINE THOSE WITH THE MOST NEED?

The term “disadvantaged communities” has been used in past bonds and state drinking water programs to target funding at communities (e.g., public water systems, census tracts, census block groups) with an annual median household income less than 80% of the state average. The proposed water bond expands the types of communities eligible for economic-need-based assistance by adding a new category called “economically distressed areas,” which applies to areas with a higher median household income (less than 85% of the state average). In addition, median household income can be measured at a broader geographic scale (e.g., an entire county), causing funding to be less targeted at those with the most need. For instance, the new category would potentially allow areas with a higher-than-average median household income to receive funding if they are located in a county with an overall low median household income.

ENDNOTES

- 1 At the time of writing, there is some question about whether the bond will be withdrawn from the November 2010 ballot. The Governor has proposed delaying a vote on the bond to a later time, but the Legislature has not pulled the bond from the ballot.
- 2 Community Water Center. Not dated. “The Struggle for Safe Drinking Water in the San Joaquin Valley.”
- 3 California Department of Public Health. 2009. “Safe Drinking Water State Revolving Fund: September 2009 Final SRF Project Priority List.”
- 4 State Water Resources Control Board. 2009. “Potentially Eligible Small, Disadvantaged Community Wastewater Projects.”
- 5 The Safe Drinking Water Act is the primary federal law regulating drinking water quality in the U.S.
- 6 Systems serving 25-500 people have 0.8072 Maximum Contaminant Level (MCL) violations per capita and the average of all systems is 0.0251 MCL violations per capita (<http://www.epa.gov/safewater/smallsystems/pdfs/smallsys.pdf>).
- 7 U.S. Environmental Protection Agency. 2007. “DWSRF 2007 Annual Report.”
- 8 California Department of Public Health. 2009. “Safe Drinking Water State Revolving Fund Final Intended Use Plan SFY 2009-2010.”
- 9 California Department of Public Health. 2009. “Safe Drinking Water State Revolving Fund: September 2009 Final SRF Project Priority List.”
- 9 U.S. Environmental Protection Agency. 2006. “Drinking Water State Revolving Fund: Increasing Impact.”
- 10 SWRCB. 2009. “Potentially Eligible Small, Disadvantaged Community Wastewater Projects.”