

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

March 15, 2022

FROM

BRENDON BIGGS, Director, Department of Public Works – Special Districts

SUBJECT

California Water and Wastewater Arrearage Payment Program (Sanitation Districts)

RECOMMENDATION(S)

Acting as the governing body of County Service Area 42 – Oro Grande, County Service Area 53B – Fawnskin, County Service Area 64 – Spring Valley Lake, ~~County Service Area 70 BL – Bloomington~~, County Service Area 70 GH – Glen Helen, County Service Area 70 S-3 – Lytle Creek, ~~County Service Area 70 S-7 – Lenwood/Barstow~~, County Service Area 70 SP-2 – ~~High Country~~ Oak Hills, County Service Area 79 – Green Valley Lake, and County Service Area 82 – Trona:

1. Authorize the submission of California Water and Wastewater Arrearage Payment Program applications to the State Water Resources Control Board for wastewater arrearages incurred and outstanding by customers of the respective County Service Areas during the period of March 4, 2020 through June 15, 2021.
2. Authorize the Director of the Department of Public Works – Special Districts or the Assistant Director of the Department of Public Works – Special Districts to sign and submit the California Water and Wastewater Arrearage Payment Program applications and other necessary documents, subject to review by County Counsel.
3. Direct the Director of the Department of Public Works – Special Districts to transmit all documents in relation to the California Water and Wastewater Arrearage Payment Program applications to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Brendon Biggs, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

Focus on Recovery and Resiliency Following Major Emergency Responses such as the December 2, 2015 Terrorist Attack (SB Strong) and the Global COVID-19 Pandemic.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). If the California Water and Wastewater Arrearage Payment Program (Program) applications are successful, the Department of Public Works – Special Districts (Department) will return to the Board of Supervisors (Board) for acceptance of the Program funds and approval of related budget adjustments as necessary. Funding received will be used to credit customer accounts identified as having unpaid bills during the COVID-19 pandemic for billing periods between March 4, 2020 through June 15, 2021. The Program does not require any local matching funds.

The Department is still analyzing financial information for completion of the Program applications, which are due to the State Water Resources Control Board (SWRCB) by April 1, 2022. At present, the Department estimates that the aggregate amount of revenue requested for the aforementioned County Services Areas will be approximately \$470,000.

BACKGROUND INFORMATION

SWRCB provides funding through the Program to permit recovery of revenues lost due to the State of California declared state of emergency and the resulting COVID-19 stay-at-home orders. The State recognized that the COVID-19 pandemic has made it difficult for many Californians to pay their bills due to job loss and other hardships. As a result, community water and wastewater systems that provide services to customers have been financially impacted. In response, the SWRCB created a \$985 million Program to provide relief to community water and wastewater systems for unpaid bills related to the pandemic. The Program initially prioritized residential and commercial drinking water arrearages and related revenue loss accrued between March 4, 2020 through June 15, 2021. All remaining funding would be applied towards wastewater arrearages for this same time period.

The Department operates and manages several water and wastewater systems throughout unincorporated areas of San Bernardino County, which were financially impacted by the COVID-19 pandemic and would benefit under the Program. On August 17, 2021, an arrearages survey for community water systems was requested by SWRCB that asked all water systems to collect information to help implement the first phase of the Program. The Department completed the survey and submitted to SWRCB. The information collected reflected COVID-19 related residential and commercial customer debt and COVID-19 related revenue loss accrued between March 4, 2020 through June 15, 2021. The Department subsequently submitted Program applications for residential and commercial water arrearages. The applications were successfully accepted and approved for funding by SWRCB on January 25, 2022. Funding in the amount of \$237,901.31 was received on February 17, 2022 and the Department immediately began crediting customer accounts.

SWRCB now estimates that \$600 million of the original \$985 million remains for the Program and is available for wastewater customer debt and COVID-19 related revenue loss. Accordingly, on February 1, 2022, SWRCB initiated the next round of Program applications specific to residential and commercial wastewater arrearages and related revenue loss accrued from March 4, 2020 through June 15, 2021. As previously mentioned, applications for wastewater arrearages are due by April 1, 2022. The Department is in the process of gathering data for submission of the Program applications and fully expects to meet the April 1, 2022 deadline.

Approval of this item will allow for the submittal of Program applications to receive funding for wastewater arrearages and related revenue loss resulting from the COVID-19 pandemic.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Aaron Gest, Deputy County Counsel, 387-5455) on February 18, 2022; Finance (Tom Forster, Administrative Analyst, 387-4635) on February 24, 2022; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on February 28, 2022.