

Attachment 12 – Disadvantaged Community Assistance

Three of the six projects proposed in this application directly address needs of Disadvantaged Communities:

- Project 3 – Drummond and Jensen Avenue Sewer Connection Study
- Project 4 – East Orosi CSD Well Rehabilitation Project
- Project 6 – Bakman Water Company Water Meter Installation Project

It should also be noted that Project 5, the City of Fresno Residential Meter Retrofit Project also serves a qualifying DAC area of the City of Fresno, but the DAC funding match waiver is not being claimed for that project. Also not claiming the DAC funding match waiver is Project 1, the CID South and Highland Basin, which will provide a groundwater recharge benefit to a DAC adjacent to the project and potential future benefit for water supply to the region.

Step A. Documentation of the Presence and Needs of DACs

One of the foundational efforts of the Authority, and the Water Forum prior to the Authority's formation, is to involve and address the water supply and water quality needs of the many DACs within the region. The process and methods are described in Sections 3.6, 3.7 and 9.9 and Appendix A of the existing IRWMP (see **Attachment 12a**). Since the entire IRWMP is not included with this application, a copy of these sections is included as **Attachment 12a** and summarized here.

The region used the criteria defined in CWC 79505.5(a) of 80% annual MHI less than 80% of the statewide MHI based on the 2000 Census data to determine the DACs within the region. A geographic map of the showing was included in the IRWMP as Figure 3-9, and a map showing the specific needs of some the DACs was included as Figure 8-2 with a corresponding table of the projects.

Table 8-3 of the IRWMP identifies water supply, water quality, and wastewater needs of various DACs within the region that are typical of many DACs within the region. These needs included drinking water wells exceeding MCLs for drinking water standards for various constituents, such as nitrates, arsenic, and iron. Some communities have inadequate supply or aging distribution systems. Many communities have no community sewer system, limited capacity or aged systems with infiltration and inadequate wastewater treatment processes. To identify these needs at the time of the IRWMP preparation, the region solicited assistance from Self-Help Enterprises, an organization that assists DACs with water needs and funding assistance, to outreach directly with DACs and prepare a preliminary inventory of DAC needs within the region.

Step B. Description of Proposed Project and Target Benefits to DACs

The following is a general of each of the DAC projects. A more detailed description of the project and the benefits are described in the other attachments.

Project 3 – Drummond and Jensen Avenue Sewer Connection Study

Description: This is a feasibility study and design for extending a City of Fresno wastewater sewer system outside of the city limits to the disadvantaged community of Drummond, currently utilizing failing septic systems.

Benefits: The study will analyze the benefits of installation of a sewer system and connection to the nearby City system. If ultimately constructed, the reduced use of septic systems in this area would improve the region's groundwater quality by reducing the continued contribution of excessive nitrates.

Certainty Benefits will accrue: The workplan outlines the description of the requirements for the study, and the County will ensure that the study provides the required benefits and costs analysis.

DACs benefited: This study will:

- Benefit Drummond community by solutions for the sewer and high nitrate problems.
- Serve as a template for other similar communities in the region without a sewer system.
- Provide an example study for analyzing a specific community problem and providing possible solutions.

Ongoing Funding: This is a feasibility study, so the project will not result in construction of infrastructure that requires ongoing funding.

Project 4 – East Orosi CSD Water Well Rehabilitation Project

Description: This project is to rehabilitate the two municipal water wells that service the disadvantaged community of East Orosi. The wells currently exhibit limited capacity and water quality problems (the two wells periodically exceed the MCL for nitrate). Rehabilitation would include unplugging the wells' lower casing perforations in an attempt to increase well production rates and to extract water from lower stratas with reduced nitrate levels.

Benefits: The project will result in water quality improvements, supplying water that is below the MCL for nitrates. The improved wells will also provide improved water supply reliability and increased pressure to areas of the system that have inadequate pressure.

Certainty Benefits will accrue: A letter report regarding the wells was prepared by a licensed hydrogeologist familiar with the area and recommending the rehabilitation. A well video survey was conducted, the driller's reports reviewed, a preliminary report prepared for CDPH State Revolving Fund, and a cost estimate prepared. More information is included in **Attachment 3**. The project is prepared for specification preparation, bidding and construction.

DACs benefited: This project will serve the community of East Oroshi. Successful completion of this project will also demonstrate to other DACs in the region as to the requirements of participating in the IRWMP and serve as an example project for a common problem facing others in the region.

Project 6 – Bakman Water Meter Installation Project.

Description: The proposed project includes installing water meters on water service connections within the Bakman Water Company service area.

Benefits: Water meters are required by law to be installed at all service connections by 2025; grant award of this project will assist Bakman in installing these meters and meeting the deadline. It will also benefit users within this disadvantaged community whose bills would reflect the costs associated with this project if not awarded grant funding. Additionally, water treatment projects for Bakman will be avoided or prolonged due to this project, as this project will help to slow the movement of contamination plumes in the local aquifer.

Certainty Benefits will accrue: Since meters are required by 2025, any grant funding received by Bakman will reduce the amount disadvantaged landowners within Bakman are required to pay for the improvements. 10% reduction in usage based on conservation is a conservative assumption based on recent meter installations in other communities, including neighboring City of Fresno.

DACs benefited: Bakman is a disadvantaged community, and will benefit from the project.

Step C. Documentation of DAC Representation and Participation

The County of Fresno Drummond and Jensen community (Project 3), East Oroshi CSD (Project 4), and Bakman WC (Project 6) are Disadvantage Communities. Letters of support from each of these DACs, including Self Help Enterprises, are included as **Attachment 12b**.

From page 8-41 of the IRWMP:

“The [region] seeks to better define and quantify the needs, and define ways for working with the DACs to obtain funding, provide safe drinking water, and treat wastewater to comply with standards and protect public health and safety. The [Authority] will work to support the DACs; match the needs with available funding, and integrate DACs into the plan.”

Since the preparation of the IRWMP, the Authority is embracing a more extensive and focused approach on DACs so they are more fully involved in the IRWMP planning process. DACs have been encouraged to participate in the Authority as Interested Parties. As described in the Authorities Joint Powers Agreement (**Attachment 1b**), and identified in **Attachments 1 and 2**, Interested Parties are full and active participants in the Authority’s Advisory Committee and other active Workgroups. The Authority has also formed a DAC workgroup focused solely on

the involvement and project development to address DAC water concerns. As identified in the Authority's Workplan for the update of the IRWMP, the Authority has established the following goals for engaging DACs:

- 1) Recruit more DACs to join the IRWMP as members or interested parties;
- 2) Encourage DACs to participate more in the regional planning process;
- 3) Assist in identifying projects in DACs that may be eligible for grant funding; and
- 4) Implement a long-term sustainable approach that will last beyond initial outreach efforts.

Below is a discussion on the planned DAC efforts to attain these goals.

- **DAC Section in Updated IRWMP.** The updated IRWMP will include a new chapter dedicated exclusively to DACs (Chapter 4). This chapter will also discuss the social and cultural makeup of the region and environmental justice concerns. DACs are discussed in Sections 3.6, 3.7 and 9.9 of the existing IRWMP. These sections will be reviewed, expanded, and incorporated into the new chapter on DACs. This chapter will also assimilate results from the DAC Work Group, DAC Outreach and Planning Pilot Study, and Tulare Lake Basin DAC study (see below).
- **DAC Work Group.** The Authority has formed several Work Groups to assist with updating and implementing the IRWMP, including one devoted to Disadvantaged Communities. The Work Group includes a team of seasoned professionals with considerable DAC experience. This work group will focus on developing goals for DACs, public outreach, recruiting new members, and identifying viable projects for funding. The Work Group has already met several times and prepared the scope of work for the DAC Study described below. DAC Sub Work-Groups will also be developed as part of the DAC Study.
- **DAC Outreach and Planning Pilot Project.** The Authority has received a separate \$500,000 services contract from the Department of Water Resources to perform a DAC Outreach and Planning Pilot Project (DAC Study) in the IRWMP area. The study will address all water related needs for DACs. The scope of work for the DAC Study is attached to this application. The primary goals of the study include:
 - Develop a further inventory of DACs and their water related needs
 - Engage and integrate DACs into the IRWMP
 - Develop conceptual project descriptions and cost estimates for DAC projectsThis study represents an important and substantial effort to engage DACs and will be fully integrated into the IRWMP update.
- **Tulare Lake Basin Pilot DAC Project.** Tulare County has received a \$2 million services contract from the Department of Water Resources to perform a DAC study

in the Tulare Lake Funding Area (approximately 10.8 million acres, including a portion of the Kings Groundwater Sub-basin). This study will focus on drinking water and wastewater projects. This study will complement and leverage the Authority's DAC study. The Authority will work closely with Tulare County on these overlapping efforts and incorporate the results into the IRWMP update.

Section 5.2.9 of the IRWMP addresses Environmental Justice. This section requires that projects considered by the IRWMP process consider environmental justice concerns. Project site selection is to be based on water availability, soil conditions, landowner cooperation, and other concerns. Further consideration of DAC needs and impact is a priority issue of the region, and several projects included in this application seek to involve and address concerns of DACs.

As mentioned above, the region has been proactive in facilitating DACs for many years. The region has actively worked to assess community needs, conduct outreach, planning, assist with project development, and included 3 DAC projects within this application. The cost and time associated with preparation of the portion of this application associated with DACs has been born by the paying members of the Authority. Further technical assistance is anticipated through:

- DAC Updated Assessment as part of the IRWMP Update in 2011
- Continued work by the DAC Workgroup
- DAC Outreach and Planning Pilot Project
- Tulare Lake Basin Pilot DAC Project

Project 1: Consolidated Irrigation District South and Highland Basin

The Consolidated Irrigation District is not itself a disadvantaged community, but does contain several disadvantaged communities within its boundary. The District is not claiming Disadvantaged Community Assistance for its project.

Project 2: City of Clovis SWTP Expansion

The City of Clovis is not itself a disadvantaged community, but does contain several disadvantaged communities within its boundary. The City is not claiming Disadvantaged Community Assistance for its project.

Project 3: Fresno County Drummond Jensen Ave Sewer Connection Study

The Drummond and Jensen Avenue Neighborhood is located in a large Census Tract Block Group which does not accurately reflect the demographic or income status of the neighborhood's residents (refer to **Attachment 3** for a location map). The County of Fresno is aware of this so between August and October 2005 conducted a community survey through the County's Community Development Department. At that time, the County's primary concern was to determine the percentage of household qualifying as low or moderate income. Upon

completion of the survey, it was determined that 75 percent of the neighborhood's households qualified as low and moderate income (LMI) (refer to **Attachment 3I**).

Exact household income was not determined in the 2005 survey though. Residents of each household were asked if their incomes were below specific thresholds based on the number of household occupants. To determine if a community qualifies as a disadvantaged community (DAC) household incomes must be tabulated to determine the median. Without actual household income figures from the survey, Self-Help Enterprises (SHE) calculated a median based on the higher level of income for the LMI threshold for various household member sizes. For example if members of a household of 4 said their income was less than the LMI threshold of \$39,300, the household income was listed as \$39,300 in the determination of median annual household income. Based on this high estimate, the 2005 annual median household income was determined to be \$42,400. Based on a State wide median household income (MHI) of \$55,335 in the Year 2005 Census Bureau's American Community Survey for California, this places Drummond and Jensen Avenue Neighborhood conservatively at 77% of statewide MHI. Therefore, Drummond and Jensen Avenue Neighborhood qualifies as a DAC since the MHI is below 80% of the statewide MHI.

The proposed project will have beneficial impacts on the sanitary sewage disposal provided to the Drummond Neighborhood. The proposed construction project will have a cost that will initiate a sewer service that will be new to Drummond Jensen residents. However, applications for grant funding such as this, will help reduce debt costs to make the project more affordable to residents of this small disadvantaged community. Refer to **Attachment 12b** for a letter of support from the County of Fresno.

Project 4: East Orosi CSD Water Well Rehabilitation Project

East Orosi is a DAC and a Census Designated Place with a Year 2000 Census annual median household income of \$26,071 (refer to **Attachment 12c**). Based on a statewide annual median household income (MHI) of \$47,493 in the Year 2000 Census, this places East Orosi at 55% of MHI. Therefore, East Orosi not only qualifies as a DAC, but as a severely DAC since the MHI is below 60% of the statewide MHI.

The proposed project will have beneficial impacts on the drinking water provided in the DAC of East Orosi. The proposed water well rehabilitation project will have a cost that can increase water rates in the community of East Orosi. However, applications for grant funding such as this, will help reduce debt costs to make the project more affordable to residents of this small severely disadvantaged community. Refer to **Attachment 12b** for a letter of support from the East Orosi CSD.

Project 5: City of Fresno Residential Water Meter Project (Area IV)

The City of Fresno is not itself a disadvantaged community, but does contain several disadvantaged communities within its boundary. The City is not claiming Disadvantaged Community Assistance for its project.

Project 6: Bakman Water Company Water Meter Installation Project

The disadvantaged community (DAC) served by this project is Bakman, and a project map showing Bakman's boundaries is attached as **Attachment 3s**. This project is to install water meters throughout the disadvantaged community of Bakman. Bakman, as a water supplier, is required by California State Law (AB 2572) to install water meters on all customer connections by January 1, 2025, and to begin billing metered services at a metered rate beginning in 2010. This project will therefore address the water supply needs of Bakman, a disadvantaged community.

The Bakman Water Company demographically represents a portion of the southeast Fresno and unincorporated Fresno County islands. According to 2006 U.S. census data, Bakman has an average household size of 3.3 and a median household income of approximately \$33,985. Bakman Water Company includes portions of Fresno Clovis Metropolitan Area Census 2000 Tracts 29.01, 29.02, 30.01, 30.02, and 14.03 (refer to **Attachment 12d**). The median household income for the State of California according to 2006 U.S. census data was \$56,646. Low income is defined as 80 percent of the median income level, and Bakman is well below the 80% income level for the state. It has therefore been determined to be a DAC.

