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Exeter in search of drinking water funding

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The city of Exeter will apply for financial aid from the State Water Resources Control Board for a water system improvement project

EXETER – The city of Exeter has found itself neck deep in water issues, and is tossing out a net to troll for funding.

At the Jan. 11 Exeter City Council meeting, the council approved direction for city administrator Adam Ennis to submit a funding application with the California State Water Resources Control Board for a drinking water system improvement project.

Rural Community Assistance Corporation (RCAC), a third-party nonprofit that provides free, no-cost technical assistance to small water systems, will assist the city in its application. The application is for funding from the State Water Board's SAFER drinking water fund, which is designed to ensure Californians who lack safe, adequate and affordable drinking water receive it as quickly as possible, and that the water systems serving them establish sustainable solutions.

Ennis said the application does not currently have a dollar-sign attached to it; the first priority is to figure out if Exeter qualifies as a "disadvantaged community" to be eligible for a 100% grant rather than a loan where the money would have to be paid back.

Ennis said Exeter has not historically qualified as a disadvantaged community, but RCAC has said they might this time around. Exeter does fall into the State Water Board's "severely disadvantaged community" category based on median household income, but Ennis said the process is likely more complicated than that.

Before receiving money for construction, the city must submit a planning application clearly outlining the need for the project. City staff reports outlined seven drinking water-related projects included in the city's 2019 water system master plan, which identified about \$15 million in short-term and long-term needed capital improvement projects.

Ennis said a few projects are high on his list: Water storage and production. The city needs new water storage tanks to achieve an adequate safe drinking water supply to the community during periods of high-water use and demand. The current 100,000-gallon tank does not meet the city's storage needs. The city also needs to replace old, leaky water lines and pipes, and needs a new supervisory control and data acquisition (SCADA) system with updated radio-telemetry equipment to serve six water wells and two planned water storage tanks.

Exeter has another major drinking water issue knocking at their door from a mile down the road. On August 23, 2021, the State Water Board gave the city six months to hash out a voluntary water system consolidation with their neighbors in Tooleville, who have been struggling with water contamination, infrastructure and supply issues since at least 1978.

As the deadline for voluntary consolidation negotiations approaches in February, Ennis and technical assistance nonprofit Self-Help Enterprises have said site visits and data sharing are underway to conduct a feasibility study on potential costs and solutions.

The State Water Board is putting a lot of money on the table for Exeter to get this done. If the city of Exeter can come to voluntary terms with Tooleville by late February 2022, in addition to receiving \$2,500 per Exeter service connection—over \$8 million—for a needed water infrastructure project, the city would be eligible for a \$10 million, 0% interest loan to be used to update their own water system. The state could also fork out up to \$80,000 per Tooleville connection—roughly \$6.6 million—to cover construction costs for consolidation.

Exeter is also looking at reallocating their \$2.5 million in American Rescue Plan Act (ARPA) funds after the release of the final ARPA guidelines a few weeks ago.

"We're trying to fit a bunch of pieces together, but we don't have all the answers yet," Ennis said. "We're trying to figure out what we could actually put in for a project based on what's happening with everything else."