



## Memorandum

**TO:** Board of Directors  
**FROM:** Robert J. Hunter, General Manager  
**DATE:** September 19, 2018  
**SUBJECT:** **SCOPING STUDY TO ESTIMATE THE COST OF CORRECTING SMALL NON-COMPLIANT WATER SYSTEMS IN CALIFORNIA TO ENGAGE IN THE UPCOMING STATE “WATER TAX” DISCUSSIONS**

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Karl Seckel and Syrus Devers had an extended discussion after PAL on Monday regarding the item before our Board on the hiring of an engineering consultant to help develop cost information to bring small non-compliant water agencies into compliance. The information was deemed to be beneficial towards the “future negotiations” on the water tax with current data. Syrus agreed to look over the item and provide his reaction. He took the time to think over where we are at and what might help the best. His reaction is as follows:

- The original purpose of the “engineering consultant” was to develop and analyze information relative to the water tax. In light of the efforts this legislative year, and the new proposal for a voluntary remittance instead of a tax, and the fact that there is a group tasked with working out a compromise, Syrus is of the belief there’s a better strategy than funding an independent study.
- Syrus has suggested that we use the information on past expenditures (I had shared with him) to request the SWRCB to update the information that is available (it is quite dated).
- An industry letter organized by ACWA that lays out the facts, and CC’s the Legislature, could make help to secure better cost information without having to pay for it. If we conducted independent work, the SWRCB may not necessarily have to even considered the information. Applying pressure for updated information, would not only assist us, but would also be beneficial for the SWRCB and the Legislature.
- Syrus is recommending this path at this time and it would have the benefit of deferring expenditures.