

STATE WATER RESOURCES CONTROL BOARD  
BOARD MEETING SESSION -- DIVISION OF FINANCIAL ASSISTANCE  
SEPTEMBER 4, 2007

**ITEM 5**

**SUBJECT**

CONSIDERATION OF A RESOLUTION COMMITTING CLEAN BEACHES INITIATIVE (CBI) GRANT FUNDS TO CARPINTERIA SANITARY DISTRICT (DISTRICT) FOR THE SOUTH COAST BEACH COMMUNITIES SEPTIC TO SEWER PROJECT (PROJECT); RINCON BEACH; CBI GRANT PROGRAM; CBI PROJECT NO. 601

**DISCUSSION**

In November 2006, voters approved the *Safe Drinking Water, Water Quality and Supply, Flood Control, River, and Coastal Protection Bond Act of 2006* (Proposition 84) authorizing the issuance of bonds to fund a variety of water quality improvement projects. Proposition 84 authorizes funds for the CBI Program and references the Proposition 40 enacting legislation. Proposition 40 did not require that the State Water Board adopt guidelines prior to soliciting and awarding grants. The 2007/08 Budget Act contains a \$6.4 million appropriation of Proposition 84 funds, which, upon enactment, or upon enactment of other appropriating legislation, will be available for CBI projects. CBI Grant funding is for projects that restore and protect the water quality and environment of coastal waters, estuaries, bays, and near shore waters.

The District submitted a proposal for the Project in the Proposition 50 CBI solicitation. The Clean Beach Task Force (CBTF) reviewed the District's proposal and recommended the Project for funding at the February 26-27, 2007 meeting. The Project is listed on the CBI Recommended Projects List (RPL), which the State Water Board adopted on April 18, 2007, in Resolution No. 2007-0014. The projects on the RPL represent the most competitive proposals that address the criteria adopted in the Proposition 50 CBI Guidelines.

Since the District received funds from the Proposition 13 Coastal Nonpoint Source Pollution Control Program (CWC, Section 79148) for planning, the Project is not eligible for CBI Proposition 50 funding, according to Water Code section 79543 and the CBI Guidelines adopted by the State Water Board on October 26, 2006, in Resolution 2006-0074. Therefore, Proposition 84 funds are proposed to fund this important Project.

The Project consists of the removal of individual on-site septic systems and the construction of a publicly owned and operated sanitary sewer system to serve 72 existing homes in the beachfront community of Rincon Point, 37 homes in the Sandyland Cove Community, and 26 homes and 1 undeveloped lot in the Santa Point Road Community. A combination of gravity sewers, force mains, and pump stations will be necessary to provide service to each of the three communities. The existing septic systems are highly problematic due to proximity to the ocean, high groundwater, and highly permeable sandy soils. Septic systems at Rincon are implicated in bacterial contamination of Rincon Creek and nearshore surface waters through DNA analyses, bacterial monitoring, and other environmental testing. The proposed Project will assist in meeting the Regional Water Board's goal to protect water quality and preserve beneficial uses, including recreation at the beach.

Rincon Beach is one of the premier surfing beaches in California. The beach is utilized year round for ocean recreation. It is common to have in excess of 100 surfers in the water at any given time during periods of high surf. Sandyland Cove and Sand Point Road beaches are utilized by residents but are

directly adjacent to Carpinteria City Beach and Santa Claus Lane Beach, both of which are highly visited public beaches utilized year round.

The effectiveness of the Project will be measured according to an approved Monitoring and Reporting Plan, and the results will be reported in a Final Project Report. The infrastructure will be designed to have a minimum useful life of 20 years, and will be incorporated into the District's Maintenance Management Program.

The total cost of the Project is estimated to be \$8,627,000. The Grant amount recommended for the Project by the CBTF is 25 percent of the Project costs; therefore, the District requests a CBI Grant of \$2,156,750 for the Project.

**POLICY ISSUE**

Should the State Water Board:

1. Approve a CBI Grant Commitment of \$2,156,750 for the District's Proposed Project, contingent upon enactment of legislation appropriating sufficient Proposition 84 funds for the CBI Grant Program?
2. Authorize the Deputy Director of the Division to issue the Grant and any Amendments to implement the Project?
3. Authorize the Deputy Director of the Division to withdraw the Grant Agreement if the District is non-responsive?

**FISCAL IMPACT**

Proposition 84 authorized \$33.855 million to the CBI Program for Grants up to \$5 million per project to restore and protect the water quality and environment of coastal waters, estuaries, bays, and near shore waters. The FY 2007/08 Budget Act [SB 1002], upon enactment, appropriates \$6.4 million from Proposition 84 to the CBI Grant Program. This Project will be funded by the CBI Program, and will have the following fiscal impact.

Proposition 84 Funding (2007/08 Budget)	\$ 6,400,000
Total Previous Commitments	\$ 0
Funds Available for Current Commitments	\$ 6,400,000
State Water Board Funding Commitment for July 2007:	
Carpenteria Sanitation District, CBI Grant #601	\$ 2,156,750
Funds Remaining for Future Commitments	\$ 4,243,250

**ENVIRONMENTAL IMPACT**

Carpinteria Sanitary District (District) prepared an Environmental Impact Report (EIR) for the proposed Project. The EIR was distributed for public review and circulated through the State Clearinghouse (State Clearinghouse No. 2003071115) from December 19, 2003, through February 2, 2004. The District received comments from fourteen governmental agencies and representatives, seven organizations, and 32 individuals during the public review period, in addition to several comments received during the public hearing on the draft EIR. The District responded to all comments and included them in the Final EIR. The District certified the Final EIR on September 7, 2004.

Modifications were later made to the conceptual design of the sewer system for the Rincon Point Community, part of the overall Project, which prompted the preparation of a Supplemental EIR. The Supplemental EIR was distributed for public review and circulated through the State Clearinghouse from May 4, 2006, through June 19, 2006. The District received several comments, many in support of the Project, including comments from several agencies, organizations, and individuals. The District considered all comments and responded as necessary.

The District approved the Project, certified the Supplemental EIR, adopted a Mitigation Monitoring and Reporting Program, and adopted Statements of Overriding Considerations for each Project community on September 19, 2006. The District filed Notices of Determination with the Santa Barbara and Ventura County Clerks on September 21, 2006, and with the Governor's Office of Planning and Research on July 19, 2007.

The District adopted a Statement of Overriding Considerations for the Rincon Point Community to substantiate its decision to approve of (1) unavoidable adverse impacts to Cultural Resources and Growth Inducement and (2) cumulative impacts to Cultural Resources because the benefits of this portion of the Project override and outweigh its unavoidable adverse environmental impacts.

For the Sandyland Cove Community, the District adopted a Statement of Overriding Considerations to substantiate its decision to approve unavoidable adverse impacts to Growth Inducement because the benefits of this portion of the Project override and outweigh its unavoidable adverse environmental impacts.

For the Sand Point Road Community, the District adopted a Statement of Overriding Considerations to substantiate its approval of unavoidable adverse impacts to Growth Inducement because the benefits of this portion of the Project override and outweigh its unavoidable adverse environmental impacts.

For each community, the District determined that, although the mitigation measures identified in the Final EIR and Final Supplemental EIR and Project design elements, included as part of the Project, would provide substantial mitigation of the unavoidable adverse impacts, certain effects cannot be feasibly or effectively mitigated to a level of insignificance by any redesign of the Project. The District found that economic, social, or other public considerations make any additional mitigation measures or Project alternatives infeasible.

State Water Board staff concurs that the Project will result in significant unavoidable impacts to Cultural Resources (Rincon Point Community) and to Growth Inducement (all three communities). Staff also agrees with (1) the District's determination that although the mitigation measures identified in the EIRs and Project design elements, included as part of the Project, would mitigate the unavoidable adverse impacts, certain effects cannot be feasibly or effectively mitigated to a level of insignificance by any redesign of the Project and (2) that economic, social, or other public considerations make any additional mitigation measures or Project alternatives infeasible. State Water Board staff has determined that the specific environmental, social, technological, and environmental benefits of the Project outweigh the unavoidable adverse environmental impacts.

State Water Board staff have reviewed and considered all applicable environmental documents and have determined that the Project will not result in any significant adverse water quality impacts. The State Water Board staff will file a Notice of Determination with the Governor's Office of Planning and Research following funding approval.

## **REGIONAL WATER BOARD IMPACT**

The Central Coast Regional Water Quality Control Board has reviewed the Project and determined that it is consistent with existing Water Quality Control Plans.

## **STAFF RECOMMENDATION**

That the State Water Board:

1. Approves a CBI Grant Commitment of \$2,156,750 for the District's Project, contingent upon enactment of legislation appropriating sufficient Proposition 84 funds for the CBI Grant Program;
2. Authorize the Deputy Director of the Division to issue the Grant and any Amendments to implement the Project; and
3. Authorize the Deputy Director of the Division to withdraw the Grant Agreement if the District is non-responsive.

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2007-**

**CONSIDERATION OF A RESOLUTION COMMITTING CLEAN BEACHES INITIATIVE (CBI) GRANT FUNDS TO CARPINTERIA SANITARY DISTRICT (DISTRICT) FOR THE SOUTH COAST BEACH COMMUNITIES SEPTIC TO SEWER PROJECT (PROJECT); RINCON BEACH; CBI GRANT PROGRAM; CBI PROJECT NO. 601**

**WHEREAS:**

1. The *Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006* (Proposition 84) (Public Resources Code §75001) authorized \$33.855 million for local assistance grants for protecting beaches and coastal waters from pollution and toxic contamination pursuant to the CBI Program (Public Resources Code Division 20.4, Chapter 3, commencing with §30915);
2. The 2007/08 Budget Act contains a \$6.4 million appropriation of Proposition 84 funds, which, upon enactment, or upon enactment of other appropriating legislation, will be available for CBI projects;
3. The Clean Beaches Task Force reviewed the District's proposed Project, and recommended it for funding at its February 26-27, 2007 meeting;
4. The State Water Resources Control Board (State Water Board), adopted the Proposition 50 Recommended Projects List, which included the District's Project on April 18, 2007;
5. The District received a Proposition 13 Coastal Nonpoint Source Control Program Planning Grant, and is therefore not eligible for Proposition 50 funds according to Water Code section 79543 and the CBI Guidelines; and
6. The District prepared an Environmental Impact Report (EIR) for its proposed Project (SCH No. 2003071115). The District certified the EIR on September 7, 2004.
7. The District made changes to the conceptual design of the sewer system for the Rincon Point community, part of the overall project, and prepared a supplemental EIR. The supplemental EIR was distributed for public review and circulated through the State Clearinghouse from May 4, 2006 through June 19, 2006.
8. The District approved the Project, certified the Supplemental EIR, and adopted a Mitigation Monitoring and Reporting Program and Statements of Overriding Consideration for each Project community on September 19, 2006. The District filed Notices of Determination with the Santa Barbara and Ventura County Clerks on September 21, 2006, and with the Governor's Office of Planning and Research on July 19, 2007.
9. The District adopted Statements of Overriding Considerations for each Project Community related to significant unavoidable impacts to Cultural Resources (Rincon Point Community) and Growth Inducement (all communities).
10. State Water Board staff have reviewed and considered the applicable environmental documents and determined that the Project will not have any significant adverse water quality impacts.

11. The State Water Board finds that the specific economic, social, technological, and environmental benefits of the Project outweigh these unavoidable adverse environmental impacts.

**THEREFORE BE IT RESOLVED THAT:**

The State Water Board:

1. Approves a CBI Grant for the District's Project not to exceed \$2,156,750 from Proposition 84;
2. Authorize the Deputy Director of the Division to issue the Grant and Amendments to implement the Project; and
3. Authorize the Deputy Director of the Division to withdraw the Grant Agreement if the District is non-responsive.

**CERTIFICATION**

The undersigned, Acting Clerk to the Board, does hereby certify that the forgoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on September 4, 2007.

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Jeanine Townsend  
Acting Clerk to the Board