

REVISED

STATE WATER RESOURCES CONTROL BOARD BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE JULY 1, 2008

ITEM 5

SUBJECT

CONSIDERATION OF A RESOLUTION TO APPROVE UP TO \$2 MILLION IN GRANT FUNDING FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO THE BUTTONWILLOW COUNTY WATER DISTRICT (DISTRICT) FOR THE BUTTONWILLOW WASTEWATER PROJECT (PROJECT)

DISCUSSION

The District provides wastewater collection, treatment, and disposal for the small, disadvantaged community of Buttonwillow, which is located in Kern County, approximately 25 miles ~~east~~ west of the City of Bakersfield, and within the jurisdiction of the Central Valley Regional Water Quality Control Board (Central Valley Regional Water Board). According to 2000 United States Census Bureau data, the population of Buttonwillow is 1,266 persons and the Median Household Income (MHI) is \$28,370.

The District's wastewater collection system and wastewater treatment plant (WWTP) were constructed in the 1950s. The collection system includes one lift station, which was constructed in 1988 to serve the west side of the District's service area. A 12-inch gravity main trunk line discharges sewage from the collection system approximately one-third of a mile to a wet well lift station at the WWTP. The existing WWTP consists of an Imhoff tank, a storage pond, and three sludge-drying beds.

The Imhoff tank is deteriorated, operating at capacity, and not capable of adequately treating the wastewater to meet effluent requirements. Treated effluent is used to irrigate cotton on District property surrounding the WWTP. Nitrate concentrations in groundwater increased in these areas over the last several years. Beneficial uses of the groundwater are municipal and agricultural supply. The Kern County Environmental Health Services Department declared a potential pollution problem north of the community of Buttonwillow, due to these increasing nitrate levels. This declaration of a potential pollution problem was outlined in a July 27, 2005, letter to the Central Valley Regional Water Board, which also included a time schedule for completion of a wastewater compliance project. The declaration and time schedule were approved and accepted by the Central Valley Regional Water Board in [Resolution No. R5-2005-0125](#) on September 16, 2005.

The proposed Project consists of replacing the existing Imhoff tank with a more advanced treatment process, such as an Integrated Fixed Film Activated Sludge treatment process. As part of the Project, the District also intends to:

1. Rehabilitate the lift station. This will include new wet well hardware and submersible pumps, as well as construction of approximately 1,000 linear feet of gravity line and a manhole to alleviate capacity problems;
2. Replace and realign the old and deteriorated 12-inch trunk line and associated manholes to correct a siphon problem, which causes regular back-ups; and
3. Construct two new, lined storage ponds with sufficient storage capacity. The existing unlined pond is currently at capacity due to excessive build-up of sludge.

The requested allocation is consistent with the purposes of Water Code § 13442, which provides that the State Water Resources Control Board (State Water Board) may order moneys to be paid from the CAA to a public agency with authority to cleanup or abate the effects of a waste in order “to assist in cleaning up the waste or abating its effects on waters of the State.”

The District’s Project is listed in fundable Class B of the Small Community Wastewater Grant (SCWG) Program’s Competitive Project List (CPL), adopted on September 4, 2007, but funds are not available at this time. The *Preliminary Engineering Report*, dated November 2007, and supporting documentation have been submitted and comply with the *SCWG Program Guidelines* (Guidelines), amended May 22, 2007. A draft revenue program was approved by the Division of Financial Assistance (Division) on January 22, 2008.

The estimated Project cost is \$2.4 million. The District intends to seek funds from the State Revolving Fund (SRF) Program to supplement funding for the Project.

POLICY ISSUES

Should the State Water Board:

- 1) Approve up to \$2 million in funding from the CAA for the District’s Project?
- 2) Require that funding approvals, contracting, and disbursement of CAA funds to the District be conducted in accordance with the Guidelines?
- 3) Require that the District demonstrate financial capability to fund the remainder of Project costs, through the SRF Program or other means, before Final Plans and Specifications Approval is issued?
- 4) Withdraw any unexpended funds if the District does not issue the Notice-to-Proceed (NTP) with construction of the Project to the contractor within 18 months of the date of adoption of the Resolution?
- 5) Revert any funds that have not been expended to the CAA, as of June 30, 2012, unless the Deputy Director of the Division authorizes an extension?

FISCAL IMPACT

Approving \$2 million for the Project will leave an uncommitted balance of \$5,949,523 in the CAA.

REGIONAL BOARD IMPACT

Yes. The proposed Project will help to ensure compliance with Central Valley Regional Water Board requirements and the water quality objectives described in the Water Quality Control Plan for the Tulare Lake Basin.

STAFF RECOMMENDATION

The State Water Board should:

- 1) Approve up to \$2 million in funding from the CAA for the District's Project;
- 2) Require that funding approvals, contracting, and disbursement of CAA funds to the District be conducted in accordance with the Guidelines;
- 3) Require that the District demonstrate financial capability to fund the remainder of Project costs, through the SRF Program or other means, before Final Plans and Specifications Approval;
- 4) Withdraw any unexpended funds if the District does not issue the NTP with construction of the Project to the contractor within 18 months of the adoption of the Resolution; and
- 5) Revert any funds that have not been expended to the CAA, as of June 30, 2012, unless the Deputy Director of the Division authorizes an extension.

DRAFT

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2008-

APPROVE UP TO \$2 MILLION IN GRANT FUNDING FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO THE BUTTONWILLOW COUNTY WATER DISTRICT (DISTRICT) FOR THE BUTTONWILLOW WASTEWATER PROJECT (PROJECT)

WHEREAS:

1. The District provides wastewater collection, treatment, and disposal for the small, disadvantaged community of Buttonwillow;
2. The District's existing wastewater treatment plant (WWTP) is deteriorated, operating at capacity, and not capable of adequately treating the wastewater to meet effluent requirements;
3. Treated effluent is used to irrigate cotton on District property surrounding the WWTP. Nitrate concentrations in groundwater have increased in these areas over the last several years. Beneficial uses of the groundwater are municipal and agricultural supply;
4. The Kern County Environmental Health Services Department issued a declaration of a potential pollution problem, as outlined in a July 27, 2005, letter to the Central Valley Regional Water Quality Control Board (Central Valley Regional Water Board), which also included a time schedule for completion of a wastewater compliance project;
5. The declaration and time schedule for compliance were approved and accepted by the Central Valley Regional Water Board in [Resolution No. R5-2005-0125](#) on September 16, 2005;
6. The proposed Project consists of replacing the existing Imhoff tank with a more advanced treatment process, such as an Integrated Fixed Film Activated Sludge treatment process, replacing and realigning of the trunk line and associated manholes, and construction of a new lined storage pond(s);
7. The requested allocation is consistent with the purposes of Water Code § 13442, which provides that the State Water Resources Control Board (State Water Board) may order moneys to be paid from the CAA to a public agency with authority to cleanup or abate the effects of a waste in order "to assist in cleaning up the waste or abating its effects on waters of the State";
8. The estimated Project cost is \$2.4 million. The District intends to seek funding from the State Revolving Fund (SRF) Program to supplement funding for the Project;
9. The District's Project is listed in fundable Class B of the Small Community Wastewater Grant (SCWG) Program's Competitive Project List (CPL), adopted September 4, 2007; however, funds are not available at this time;

DRAFT

10. The Preliminary Engineering Report, dated November 2007, and supporting documentation have been submitted and comply with the *SCWG Program Guidelines (Guidelines)*, amended May 22, 2007; and
11. A draft revenue program was approved by the Division of Financial Assistance (Division) on January 22, 2008.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

- 1) Approves up to \$2 million in funding from the CAA for the District's Project;
- 2) Requires that funding approvals, contracting, and disbursement of CAA funds to the District be conducted in accordance with the Guidelines;
- 3) Requires that the District demonstrate financial capability to fund the remainder of Project costs, through the SRF Program or other means, before Final Plans and Specifications Approval is issued;
- 4) Will withdraw any unexpended funds if the District does not issue the Notice-to-Proceed with construction of the Project to the contractor within 18 months of the adoption of this Resolution; and
- 5) Will revert any funds that have not been expended to the CAA, as of June 30, 2012, unless the Deputy Director of the Division authorizes an extension.

CERTIFICATION

The undersigned, Clerk to the Board, does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on July 1, 2008.

Jeanine Townsend
Clerk to the Board