

STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2000 - 003

APPROVAL OF A WATER RECLAMATION LOAN PROGRAM LOAN TO
SANTA MARGARITA WATER DISTRICT FOR CONSTRUCTION OF NONDOMESTIC
WATER PROGRAM EXPANSION-GROUP 1
(ORANGE COUNTY)

WHEREAS:

1. The Clean Water Bond Law of 1984 (1984 Bond Law), the Clean Water and Water Reclamation Bond Law of 1988 (1988 Bond Law), and the Safe, Clean, Reliable Water Supply Act (1996 Bond Law) established the Water Recycling Loan Program (WRLP) to provide financial assistance for the design and construction of cost-effective water recycling projects;
2. The 1984 Bond Law established the revolving Water Reclamation Account and approved \$25 million for loans with a \$10 million statutory cap per project. The repayments from these loans are returned to the revolving account and are available for new loans;
3. The 1988 Bond Law provides \$30 million for loans for water reclamation projects. An additional \$10 million from the Clean Water Bond Guarantee Fund was authorized for reclamation project loans. The repayments of these loans were initially returned to the State General Fund;
4. The 1996 Bond Law established a Water Recycling Subaccount for low interest loans for design and construction of water recycling projects and amended the 1988 Bond Law funds to redirect loan repayments to the 1996 Subaccount;
5. A loan application was submitted by the Santa Margarita Water District (SMWD) requesting funding for construction of the first segment of their Nondomestic Water Program Expansion project (Group 1). The Division of Clean Water Programs staff has reviewed the application, planning documents and other supporting information for the project and has determined that the submitted documents comply with the WRLP Guidelines;
6. The construction for this project spans six years with Group 1 facilities covering the first two years. The SMWD has requested reservation of eligible capacity in the treatment, pumping and operational storage for the future phases. Reserve capacity is currently not provided for in the Water Recycling Loan Program, however, staff are proposing to amend the policy to allow this change; and

7. The Santa Margarita Water District has adopted a Mitigated Negative Declaration (State Clearinghouse No. 99091002) prepared for the project, which has been reviewed and considered and it has been determined that the project will not result in any significant environmental impacts.

THEREFORE BE IT RESOLVED THAT:

The State Water Resources Control Board:

1. Approves a WRLP loan of \$14.6 million to the Santa Margarita Water District for construction of their Nondomestic Water Program Expansion-Group 1 project. Ten million dollars of this loan will come from the 1984 Bond Law funds and \$4.6 million will come from either the 1996 Bond Law or the proposed 2000 Bond Law. The WRLP loan contract will have a repayment period of twenty (20) years, and the first loan repayment will be due two (2) years after the date of the loan contract.

2. Approves reservation of eligible capacity for five years for treatment, pumping, and operational storage for future phases of this project.

3. Will withdraw this preliminary WRLP loan if the final Plans and Specifications submittal has not been received by January 26, 2001. The Division of Clean Water Programs may approve up to a 90-day extension for good cause.

CERTIFICATION

The undersigned, Administrative Assistant 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 Resources Control Board held on February 17, 2000.

/s/
Maureen Marché
Administrative Assistant to the Board