

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2012-0036**

TO ALLOCATE \$1,121,593 FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO  
THE SAN JERARDO CO-OPERATIVE (CO-OP) FOR THE SAN JERARDO WASTEWATER  
TREATMENT PLANT UPGRADE (PROJECT)

WHEREAS:

1. The San Jerardo Co-Op is requesting \$1,121,593 from the CAA to fund the Project;
2. The Co-Op is a non-profit organization that owns and operates the San Jerardo Wastewater Treatment Plant (Plant) for a sixty-four unit farm-worker housing community, a small disadvantaged community;
3. The Central Coast Regional Water Quality Control Board has recommended upgrades to the wastewater treatment plant system in order to comply with Waste Discharge Requirements (WDRs) Order No. R3-2003-0054. The Central Coast Regional Board has also issued a number of notices of violation and staff enforcement letters as a result of the Co-op's non-compliance;
4. Over the period of at least nine years, contaminants in the wastewater effluent have accumulated in the unlined treatment ponds and leachfields of the system and pose a risk to groundwater quality. The wastewater treatment ponds overlie the East Side Aquifer of the Salinas Valley Groundwater Basin which provides drinking water to the residents of San Jerardo;
5. The CAA funds would be used for the planning, design, and construction of wastewater treatment system improvements at the Plant, to remove the accumulated contaminated solids from the existing treatment ponds, and to upgrade the system for increased efficiency;
6. The requested allocation is consistent with the purposes of Water Code Section 13442. Section 13442 provides that the State Water Resources Control Board (State Water Board or Board) may order monies to be paid from the CAA to a "not-for-profit organization" (as defined) with authority to clean up or abate the effects of a waste "to assist it in cleaning up the waste or abating its effects on the waters of the state"; and
7. The State Water Board previously approved \$1,994,490 from the CAA to the County of Monterey (County) to fund the San Jerardo Wastewater Treatment Plant and Sanitary Sewer Improvement Program (State Water Board [Resolution No. 2011-0025](#)), but the agreement with the County of Monterey was never executed.
8. The County became the lead agency under the California Environmental Quality Act (CEQA) and prepared an Initial Study which resulted in a Mitigated Negative Declaration (IS/MND) that addressed previous upgrades and associated environmental impacts. The County is in the process of reevaluating the Project environmental conditions in an Addendum to the IS/MND (Addendum IS/MND). The Co-Op cannot proceed with the Project construction until the County completes its CEQA process.
9. The State Water Board is providing funding for the Project and therefore is a responsible agency under CEQA.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Rescinds previously allocated funding to the County of Monterey in the amount of \$1,994,490 as approved by State Water Board Resolution No. 2011-0025.
2. Approves to set aside \$1,121,593 from the CAA to fund the Project.
3. Makes funding for the purpose of collecting information - including testing/data collection, research, resource evaluation, and management activities in support of the Project - available to the Co-Op to complete the necessary studies and design for construction of the Project. Funding for such information gathering purposes is determined to be categorically exempt from CEQA provisions pursuant to California Code of Regulations, Title 14 Section 15306. The State Water Board will not release funding for the construction of the Project until the County, as lead agency, submits its CEQA documentation to the State Water Board for review, and the State Water Board or its delegee reviews and considers the documentation and issues findings in compliance with its role as a responsible agency under CEQA.
4. Delegates the authority to the Deputy Director of the Division of Financial Assistance to approve CEQA documentation prior to the release of Project construction funds, issue any findings required by CEQA prior to the release of Project construction funds, and approve the release of funds necessary for Project construction.
5. Approves the funding with the expectation that if the agreement has not been executed by November 15, 2012, the Executive Director will bring this item back to the State Water Board in December 2012 for possible rescission of funding.
6. Shall make the funds available until March 31, 2015, and shall revert any unexpended funds to the CAA as of July 30, 2015, unless the Deputy Director or Assistant Deputy Director of the Division of Financial Assistance authorizes an extension.

**CERTIFICATION**

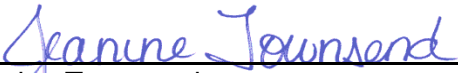
The undersigned, Clerk to the Board, does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on July 17, 2012.

AYE: Chairman Charles R. Hoppin  
Vice Chair Frances Spivy-Weber  
Board Member Tam M. Doduc  
Board Member Steven Moore  
Board Member Felicia Marcus

NAY: None

ABSENT: None

ABSTAIN: None

  
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Jeanine Townsend  
Clerk to the Board