

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2019-0038**

TO AUTHORIZE THE DEPUTY DIRECTOR OF THE DIVISION OF FINANCIAL ASSISTANCE TO PROVIDE CLEAN WATER STATE REVOLVING FUND (CWSRF) FINANCING TO THE SANTA CLARITA VALLEY SANITATION DISTRICT (DISTRICT) FOR THE ULTRAVIOLET DISINFECTION PROJECT AND ADVANCED WATER TREATMENT FACILITIES PROJECT (PROJECTS), CWSRF PROJECT NOS. 8035-110 AND 8156-110

WHEREAS:

1. The State Water Resources Control Board's (State Water Board) Division of Financial Assistance (Division) implements the CWSRF Program pursuant to the "Policy for Implementing the Clean Water State Revolving Fund" (Policy), last amended by the State Water Board on November 28, 2018;
2. The District submitted complete CWSRF applications requesting financing for the Projects;
3. The Projects are listed on the State Fiscal Year 2019-20 CWSRF Fundable List;
4. The District is the Lead Agency under the California Environmental Quality Act (CEQA) and has complied with CEQA and the CEQA Guidelines by preparing an Environmental Impact Report (EIR) for the Projects;
5. The EIR was circulated through the State Clearinghouse (No. 2012011010) from May 3, 2017 through June 16, 2017 for public review and comments;
6. The District certified the EIR, adopted a Mitigation Monitoring and Reporting Program (MMRP), and approved the Projects on August 30, 2017;
7. The District filed a Notice of Determination (NOD) for the EIR with the Governor's Office of Planning and Research and the Los Angeles County Clerk on August 31, 2017;
8. The State Water Board is a Responsible Agency under CEQA. A Responsible Agency complies with CEQA by considering the EIR and the MMRP prepared by the Lead Agency and by reaching its own conclusions on whether and how to approve the projects involved. The State Water Board has independently considered the EIR and the MMRP, and is making the following determinations regarding the Projects:
  - a. The Projects will not result in any significant adverse water quality impacts.
  - b. The EIR identified potentially significant environmental effects of the District's Ultraviolet Disinfection Project (UV Project) related to air quality and cultural resources. The EIR includes mitigation measures that mitigate potential environmental impacts to less than significant levels for these impact categories.

- c. The EIR also identified potentially significant environmental effects of the Advanced Water Treatment Facilities Project related to air quality, biological resources, cultural resources, and noise. The EIR includes mitigation measures that mitigate potential environmental impacts to less than significant levels for these impact categories.
  - d. Changes or alterations to the Projects based on the mitigation measure(s) identified above are within the responsibility and jurisdiction of other public agencies and are not within the jurisdiction of the State Water Board. Such changes either have been adopted by other relevant agencies or can and should be adopted by such other agencies;
9. Adequate public participation was provided through the CEQA review process for the Projects;
  10. The State Water Board staff will file NOD's for the Projects following funding approval;
  11. The Policy states non-routine or controversial fundable projects will be considered by the State Water Board at a State Water Board meeting.
  12. The Projects are considered controversial because the District is being sued by a local ratepayer advocacy group, Affordable Clean Water Alliance, which is challenging the Projects' EIR (CEQA litigation);
  13. The CEQA litigation is currently set for trial in September 2019 and could result in decertification of part or all of the EIR; and
  14. The Division has completed a review of the District's CWSRF financing applications and determined that the Projects meet the Technical, Financial and Environmental requirements of the CWSRF, and are eligible to receive financing.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Authorizes the Deputy Director of the Division to approve financing for the UV Project in an amount of no more than \$20,985,376 and the Advanced Water Treatment Facility Project in an amount of no more than \$109,627,000;
2. Authorizes the Deputy Director of the Division to enter into funding agreements with the District for both Projects, notwithstanding the CEQA litigation;
3. Authorizes the Deputy Director of the Division to include conditions in the financing agreements such that the Division may withhold the disbursement of funds until the CEQA litigation is resolved in the District's favor, to the satisfaction of the State Water Board's counsel. The Deputy Director of the Division is authorized to include terms in the financing agreement such that the Deputy

Director of the Division will terminate the financing agreements if the ongoing CEQA litigation is not resolved in the District's favor, satisfactory to the State Water Board's counsel, by June 30, 2020. The Deputy Director of the Division may approve an extension of up to a 90-days for good cause;

4. Authorizes the Deputy Director of the Division to condition the UV Project; CWSRF No. 8035-110, approval such that the District shall implement the applicable mitigation measures included in the August 30, 2017 adopted Mitigation Monitoring and Reporting Program, including, but not limited to, the following mitigation measures:
  - a. AQ-1 for air resources, and
  - b. CUL-8 through CUL-11 for cultural resources at the Valencia Water Reclamation Plant construction site only;
5. Authorizes the Deputy Director of the Division to condition the Advanced Water Treatment Facility Project; CWSRF No. 8156-110, approval such that the District shall implement the applicable mitigation measures included in the August 30, 2017 adopted Mitigation Monitoring and Reporting Program, including, but not limited to, the following mitigation measures:
  - a. AQ-1 for Air Quality,
  - b. BIO-1 for Biological Resources,
  - c. CUL-8 through CUL-11 for Cultural Resources, and
  - d. NOISE-1 for Noise;
6. Authorizes the Deputy Director of the Division to add additional conditions or modify standard conditions in the funding agreements for the Projects, as needed.

### 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 Resources Control Board held on July 16, 2019.

AYE: Chair E. Joaquin Esquivel  
Board Member Tam M. Doduc  
Board Member Sean Maguire  
Board Member Laurel Firestone

NAY: None

ABSENT: Vice Chair Dorene D'Adamo

ABSTAIN: None

  
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Jeanine Townsend  
Clerk to the Board