

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
APRIL 18, 2007**

ITEM 6

SUBJECT

CONSIDERATION OF ADDING THE RIVER HIGHLANDS COMMUNITY SERVICES DISTRICT WASTEWATER TREATMENT PLANT PROJECT (PROJECT) TO THE SMALL COMMUNITY WASTEWATER GRANT PROGRAM PROJECT LIST

DISCUSSION

The River Highlands Community Services District (District) serves an 84 home subdivision in Smartville, Yuba County. Since the mid 1990's, the District has operated a small wastewater treatment plant (plant) subject to permits issued by the Central Valley Regional Water Quality Control Board (Central Valley Regional Water Board). The primary processing tank in the plant unexpectedly failed in Fall 2006, rendering the plant inoperable, and causing raw sewage to be discharged into a holding pond, which later seeped into a nearby waterway. It has since been determined that the plant is not repairable.

At the request of the County of Yuba (County), under a standing delegation from the State Water Resources Control Board (State Water Board), the Division of Financial Assistance (Division) approved \$100,000 from the Cleanup and Abatement Account (CAA) for repairs at the plant and other emergency response actions. Using these funds, the County has taken action to remedy the emergency, including procuring a temporary treatment plant that is now operating at the site. At the February 20, 2007, Board Meeting, the Board approved \$1 million from the CAA for purchase of a new treatment plant, with the requirement that those funds be paid back by the community.

On March 15, 2007, the County filed an application with the Division for a Small Community Wastewater Grant to help finance the District treatment plant. The Project specified in the grant application would only provide capacity to serve the 84 existing homes connected to the collection system. The County is effectively operating as the Receiver for the District, and this arrangement is expected to become formal by early April. The County will conduct the procurement and installation of the replacement plant and oversee the operation and financial management of the Community Services District.

The Division administers the Small Community Wastewater Grant Program consistent with program Guidelines adopted by the State Water Board on June 17, 2004.

The Division has determined that the community is eligible for a 65 percent Small Community Wastewater Grant. Provision of a grant would reduce, dollar-for-dollar, the amount of CAA funding required to complete the Project.

POLICY ISSUE

Should the State Water Board add the Project to the Small Community Wastewater Grant Program project list?

FISCAL IMPACT

The State Water Board's budget includes approximately \$20 million in available funding from Proposition 50 for Small Community Wastewater Grants.

REGIONAL WATER BOARD IMPACT

Yes, the Central Valley Regional Water Board.

STAFF RECOMMENDATION

That the State Water Board add the Project to the Small Community Wastewater Grant Program project list.

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

**ADDING THE RIVER HIGHLANDS COMMUNITY SERVICES DISTRICT
WASTEWATER TREATMENT PLANT IMPROVEMENT PROJECT (PROJECT) TO
THE SMALL COMMUNITY WASTEWATER GRANT PROGRAM PROJECT LIST**

WHEREAS:

1. The River Highlands Community Services District (District) serves an 84 home subdivision in Smartville, Yuba County. Since the mid 1990's, the District has operated a small wastewater treatment plant (plant) subject to permits issued by the Central Valley Regional Water Quality Control Board (Central Valley Regional Water Board).
2. The primary processing tank in the plant unexpectedly failed in October 2006, rendering the plant inoperable, causing raw sewage to be discharged into a holding pond, which later seeped into a nearby waterway. It has since been determined that the plant is not repairable.
3. At the request of the County of Yuba (County), under a standing delegation from the State Water Resources Control Board (State Water Board), the Division of Financial Assistance (Division) approved \$100,000 from the Cleanup and Abatement Account (CAA) for repairs at the plant and other emergency response actions. Using these funds, the County of Yuba has taken action to remedy the emergency, including procuring a temporary treatment plant that is now operating at the site.
4. At the February 20, 2007, Board meeting, the Board approved \$1 million from the CAA for purchase of a new treatment plant, with the requirement that those funds be paid back by the community.
5. On March 15, 2007, the County filed an application with the Division for a Small Community Wastewater Grant to help finance the Project. The Project specified in the grant application would only provide capacity to serve the 84 existing homes connected to the collection system. The County is effectively operating as the Receiver for the District, and this arrangement is expected to become formal by early April.
6. The County will oversee completion of the Project and the operation and financial management of the Community Services District.
7. The Division administers the Small Community Wastewater Grant Program consistent with program Guidelines adopted by the State Water Board on June 17, 2004.
8. The Division has determined that the community is eligible for a 65 percent Small Community Wastewater Grant. Provision of a grant would reduce, dollar-for-dollar, the amount of CAA funding required to complete the Project.

THEREFORE BE IT RESOLVED THAT:

The State Water Board adds the Project to the Small Community Wastewater Grant Program project list.

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 April 18, 2007.

Song Her
Clerk to the Board