

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING – DIVISION OF FINANCIAL ASSISTANCE
JULY 17, 2007**

ITEM 9

SUBJECT

CONSIDERATION OF A RESOLUTION APPROVING A PRELIMINARY SMALL COMMUNITY WASTEWATER GRANT (SCWG) COMMITMENT TO THE COUNTY OF SONOMA (COUNTY), PERMIT & RESOURCE MANAGEMENT DEPARTMENT, FOR THE CONSTRUCTION OF THE MONTE RIO COMMUNITY WASTEWATER PROJECT (PROJECT); SCWG PROJECT NO. SCG-636

DISCUSSION

The County is seeking a SCWG from the State Water Resources Control Board (State Water Board) to construct a new wastewater collection system, wastewater treatment facility (WWTF), and treated effluent disposal system for the Community of Monte Rio.

The Community of Monte Rio is located in western Sonoma County, along the Russian River approximately one mile downstream of Guerneville. The Project will be constructed on the Sheridan Ranch site, which is located adjacent to the Russian River, approximately 1.3 miles west of the center of Monte Rio. The Project will serve 617 parcels located in the downtown commercial area and the adjoining residential areas, both north and south of the Russian River.

The Monte Rio service area is presently served by individual septic tank leach field systems, which treat and dispose of all residential and commercial sewage. Many of the systems are old, substandard, and do not meet minimum criteria cited in the Water Quality Control Basin Plan for the North Coast Regional Water Quality Control Board (North Coast Regional Water Board) for On-site Wastewater Treatment Systems. Some of the existing systems are known or suspected to have chronic or periodic problems evidenced by surfacing sewage effluent. Other systems are located in areas of high groundwater and/or have inadequate soils, and do not meet required setbacks to streams. The presence of failing individual systems has been documented by Sonoma County staff and North Coast Regional Water Board staff. The North Coast Regional Water Board adopted Resolution R1-2004-0086 on October 6, 2004, approving a Sonoma County Health Hazard Declaration and Local Moratorium on the construction and use of new on-site systems for vacant parcels within the Monte Rio Community Wastewater District.

The objective of the proposed Project is to construct a new collection, transport, treatment, and disposal system for residential and commercial sewage in the Monte Rio Project service area, and to achieve compliance with the North Coast Regional Water Board's Basin Plan.

The overall Project is to construct a collection, transport, treatment, and disposal system to replace the failing septic systems located within the Monte Rio Project service area. Project area sewage will be collected and transported by a combination pressure and gravity sewer collection system. Individual grinder pumps and septic tank effluent pumping (STEP) systems will be utilized on parcels located within the floodplain area of the service area with clustered systems being used where feasible. A gravity sewer collection system will be utilized for adjoining hillside areas. Wastewater will be transported from the individual and clustered collection systems through the transmission line to the WWTF. The transmission line will

consist of an 8-inch diameter force main and will generally follow the path of State Highway 116 to the Sheridan Ranch site in Monte Rio.

The WWTF will include headworks, a sequencing batch reactor (SBR), a tertiary treatment filtration system, an ultraviolet disinfection system, sludge handling facilities, and an emergency power system. Treated wastewater will be disposed of to land and will occur entirely within the boundaries of the Sheridan Ranch site. The wastewater disposal facility will include a combination of subsurface pressure-dosed leach fields, seasonal subsurface drip irrigation of pasture grasses, riparian vegetation, and other native tree species on the Sheridan Ranch site. During the wet weather season (November through April), all treated wastewater will be disposed to a leach field system. During the dry weather season (May through October), half of the treated wastewater will be disposed to the leach field system and the other half to a subsurface drip irrigation system.

The County prepared an Environmental Impact Report (EIR) for the proposed Project. The EIR was distributed for public review and circulated through the State Clearinghouse (SCH) (SCH No. 1998102013) from August 26, 1999, through October 8, 1999. The County received several comment letters and verbal comments from agencies, organizations, and individuals during the review period and during the public hearing for the draft EIR. The County responded to all comments and included them in the EIR.

The County approved the Project on April 25, 2000, and filed a Notice of Determination with the Sonoma County Clerk on June 7, 2000, and with the Governor's Office of Planning and Research on June 12, 2000. Sonoma County later reviewed the Certified EIR and made the following findings on May 15, 2007: (1) there are no substantial changes in the Project or environmental setting, (2) the adopted mitigation measures are still considered feasible, and (3) the lead agency maintains that the significant environmental effects were examined at a sufficient level of detail and are mitigated or avoided as a result of the EIR. State Water Board staff have reviewed and considered the EIR and all proposed mitigation measures and determined that the Project will not result in any significant adverse water quality impacts.

The State Water Board staff will file a Notice of Determination with the Governor's Office of Planning and Research following funding approval.

In accordance with the State Water Board's *Small Community Wastewater Grant Program Guidelines* (Guidelines), adopted on June 17, 2004 and amended on May 22, 2007, projects on the Competitive Project List (CPL) need State Water Board approval to receive a SCWG. The State Water Board can authorize a Construction Grant Commitment to an applicant after the Division of Financial Assistance (Division) approves the Final Plans & Specifications. The Division approved the Final Plans & Specifications for the County's Project on May 5, 2006.

The State Water Board, on October 21, 2004, adopted the SCWG Statewide CPL, which included the County's Project. The CPL was publicly reviewed and all comments have been addressed. The County's Project complies with the Guidelines, is on the eligible portion of the Statewide CPL, and is routine.

The most recent Project cost estimate, based on information provided by the County, is \$17,481,293, which exceeds the SCWG maximum of \$2 million. The County has already received a Planning Grant of \$154,692 and a Design Grant of \$246,558. Therefore, the remaining SCWG available to the County for the Project is \$1,598,750. Exhibit A summarizes the additional funding sources for this project and verifies that the total combined grant funding does not exceed 97.5 percent of the eligible costs, as required in the Guidelines.

POLICY ISSUE

Should the State Water Board approve a SCWG Preliminary Construction Grant Commitment of \$1,598,750 to the County?

FISCAL IMPACT

The State Water Board received approximately \$53.5 million from the *California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002*, and the *Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002*, and after subtracting funds to administer the Program, \$50,750,000 is available to fund projects to resolve existing or potential public health threats or pollution problems.

	SCWG Program Local Assistance Beginning Balance	\$50,750,000
	Minus Previous Funding Commitments	\$27,218,324
	Current Balance	\$23,531,676
Project No.	Applicant	
SCG-636	County of Sonoma, Permit & Resource Management Department – Monte Rio	\$1,598,750
	SCWG Program Local Assistance Fund Balance If All Items Are Approved	\$21,932,926

REGIONAL WATER BOARD IMPACT

The North Coast Regional Water Board adopted Resolution No. R1-2004-0086, which approves and accepts the Sonoma County Health Hazard Declaration (Declaration) and Local Moratorium. According to the Declaration, existing homes and businesses in Monte Rio are directed to hook-up to the public sewer when it becomes available, construction and use of new septic systems for vacant parcels are prohibited, and final authority for approving any exemptions or septic system waivers is given to the North Coast Regional Water Board.

STAFF RECOMMENDATION

The State Water Board should approve a SCWG Preliminary Construction Grant Commitment of \$1,598,750 for the construction of the County's Project.

Condition this approval such that construction may not proceed until the County has acquired title to the land.

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

APPROVAL OF A RESOLUTION APPROVING A SMALL COMMUNITY WASTEWATER GRANT (SCWG) COMMITMENT TO THE COUNTY OF SONOMA (COUNTY), PERMIT & RESOURCE MANAGEMENT DEPARTMENT, FOR THE CONSTRUCTION OF THE MONTE RIO COMMUNITY WASTEWATER PROJECT (PROJECT); SCWG PROJECT NO. SCG-636

WHEREAS:

1. The State Water Resources Control Board (State Water Board), on June 17, 2004, adopted the *Small Community Wastewater Grant Program Guidelines* (Guidelines) and amended the Guidelines on May 22, 2007;
2. The State Water Board, on October 21, 2004, adopted the SCWG Statewide Competitive Project List, which included the Monte Rio Community Wastewater Project for the County in the fundable Priority Class A;
3. The Division approved the Facilities Plan for the County's Project on August 8, 2000;
4. The Division approved the Final Plans and Specifications for the County's Project on May 5, 2006;
5. The County prepared and adopted an Environmental Impact Report (EIR) for its proposed Project (State Clearinghouse No. 1998102013);
6. The County adopted the EIR on April 25, 2000, and filed a Notice of Determination with the Sonoma County Clerk on June 7, 2000 and with the Governor's Office of Planning and Research on June 12, 2000;
7. Sonoma County reviewed the Certified EIR and made the following findings on May 15, 2007: (1) there are no substantial changes in the Project or environmental setting, (2) the adopted mitigation measures are still considered feasible, and (3) the lead agency maintains that the significant environmental effects were examined at a sufficient level of detail and are mitigated or avoided as a result of the EIR; and
8. State Water Board staff have reviewed and considered the applicable environmental documents and determined that the Project will not have any significant adverse water quality impacts.

THEREFORE BE IT RESOLVED THAT:

The State Water Board approves a SCWG Preliminary Construction Grant Commitment of \$1,598,750 for the construction of the County's Project.

Construction may not proceed until the County has acquired title to the land.

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 17, 2007.

Song Her
Clerk to the Board

Exhibit A

The following table summarizes the funding sources for the Monte Rio Community Wastewater Project (Project) based on the most recent Project cost estimate provided by the County of Sonoma. The calculation below verifies that the combined grant funding, from all sources, does not exceed 97.5 percent of the eligible Project costs in accordance with the State Water Board's *Small Community Wastewater Grant Program Guidelines*, adopted on June 17, 2004 and amended May 22, 2007.

Funding Source	Funding Type	Amount
Monte Rio Community Wastewater District Assessment	Local	\$2,904,090
County of Sonoma	Local	\$541,882
USDA – Rural Utility Service	Loan	\$2,473,687
USDA – Rural Utility Service	Grant	\$2,150,000
Environmental Protection Agency	Grant	\$192,400
Workforce Housing – 2004	Grant	\$225,235
Workforce Housing – 2004	Grant	\$402,000
Coastal Conservancy	Grant	\$350,000
State Water Board Coastal Nonpoint Source – 2003	Grant	\$1,000,000
State Water Board Coastal Nonpoint Source – 2004	Grant	\$1,780,272
Integrated Regional Water Management (IRWM)	Grant	\$3,461,727
Small Community Wastewater – Planning	Grant	\$154,692
Small Community Wastewater – Design	Grant	\$246,558
<i>Small Community Wastewater – Construction</i>	<i>Grant</i>	<i>\$1,598,750</i>
Total Project Cost		\$17,481,293

Local Match Total = \$3,445,972

Loan Funding Total = \$2,473,687

Grant Funding Total = \$11,561,634

Percent Grant Funding = $\$11,561,634 / \$17,481,293 = 66\%$ of the Eligible Project Costs