

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
FEBRUARY 5, 2008**

ITEM 3

SUBJECT

CONSIDERATION OF A RESOLUTION ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS REGARDING THE INTEGRATED REGIONAL WATER MANAGEMENT PROGRAM'S MARTIN SLOUGH INTERCEPTOR PROJECT

DISCUSSION

The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 was approved by the California voters in November 2002 (Stats. 2003, ch. 493). It amended the California Water Code to add, among other articles, section 79560 et seq., authorizing the Legislature to appropriate funding for Integrated Regional Water Management (IRWM) projects. The intent of the IRWM Grant Program is to provide funding via competitive grants for projects to protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water while encouraging water management on a regional level.

Proposition 50 authorizes approximately \$360 million to implement these projects. The IRWM Grant Program is administered jointly by the State Water Resources Control Board (State Water Board) and the Department of Water Resources (DWR). The IRWM Program Guidelines were adopted by the State Water Board and approved by DWR in November 2004. On January 18, 2007, the State Water Board adopted an IRWM Implementation Grant Funding List with grants totaling \$75,000,000 (Resolution 2007-0001). In January 2007, DWR approved an IRWM Implementation Grant Funding List with grants totaling \$100,000,000.

The Martin Slough Interceptor Project (Martin Slough Component) is part of the larger North Coast IRWM Implementation Project that was awarded funds by the State Water Board as part of the IRWM Grant Program. The Martin Slough Component was approved for \$2,572,905, of the \$25 Million awarded to the North Coast IRWM Implementation Project. The Martin Slough Component involves re-routing and upgrading the existing collection system that will eventually connect directly to the Elk River Wastewater Treatment Plant (WWTP), which is owned and operated by the City of Eureka (City).

The North Coast IRWM Implementation Project will provide funds to assist in financing the construction of Phase I components that involve constructing and installing approximately 2.1 miles of interceptor piping. The interceptor piping will convey wastewater from the City's 'O' Street lift station to the Golf Course lift station, and will improve water quality of the Martin Slough Watershed and Humboldt Bay by eliminating incidents of Sanitary Sewer Overflows (SSOs). Additionally, these upgrades will improve the efficiency, reliability and safety of the existing collection system. The State Water Board has not previously made findings regarding the Martin Slough Component pursuant to the California Environmental Quality Act (CEQA).

The City prepared an Environmental Impact Report (EIR) that addresses the proposed Martin Slough Component. The EIR was distributed to the public and circulated through the State Clearinghouse (State Clearinghouse No. 2002082043) for public review from May 27, 2004, through July 12, 2004.

The City received comment letters from:

- (1) California Department of Transportation (CalTrans), regarding a requirement to obtain an Encroachment Permit for any work that will be completed within the State right-of-way (ROW);
- (2) Native American Heritage Commission (NAHC), regarding the results of the Sacred Lands File search that did not identify any recorded Native American sites within the Project area, and a recommendation for the City to contact Native American individuals;
- (3) California Department of Fish and Game (DFG), regarding a requirement for the City to obtain an Incidental Take Permit or a Consistency Determination, and requirements of a Streambed Alteration Agreement; and,
- (4) Humboldt County, Department of Public Works, regarding requirements 1) to obtain an Encroachment Permit for the installation of permanent or temporary structures within the County's ROW, 2) to meet Traffic Management Plan criteria, and 3) to address the following project-related concerns: a) truck hauling impacts, b) suspending force main pipelines at the Swain Slough Crossing, and c) additional soil erosion mitigation measures.

The City responded to all comments received and incorporated these responses into the final EIR. The City certified the final EIR and adopted the Mitigation Monitoring Plan (MMP), a Statement of Findings, and a Statement of Overriding Considerations. The City approved the Martin Slough Component on October 5, 2004, and filed a Notice of Determination (NOD) with the Humboldt County Clerk and with the Governor's Office of Planning and Research on October 7, 2004. State Water Board staff have reviewed and considered the EIR and applicable environmental documents, and have determined that the Martin Slough Component will reduce existing significant adverse water quality impacts.

Component tasks include: 1) installing and constructing approximately 2.1 miles of interceptor piping, 2) conducting construction inspections, 3) monitoring activities in accordance with the Elk River Wastewater Treatment Facility Monitoring and Reporting Program, and 4) developing an Operation and Maintenance Manual.

The City adopted a Statement of Overriding Considerations to substantiate its decision to approve the Martin Slough Component despite significant and unavoidable impacts to the areas of 1) biological resources (wetland function loss), 2) traffic and circulation (direct traffic effects of construction vehicles), 3) noise (construction-related noise effects), and 4) land use and planning (indirect land-use effects). State Water Board staff find that the following specific economic, social, technological, and environmental benefits of the Martin Slough Component outweigh the unavoidable adverse environmental impacts:

- a. The Martin Slough Component will assist the community in meeting land use and housing goals that were planned and approved by the City in its adopted General Plan, and by Humboldt County in the adopted Eureka Community Plan;
- b. Approval of the Martin Slough Component will allow the City to reduce unauthorized wastewater discharges, and enable the City to comply with their current NPDES permit requirements;

- c. The Martin Slough Component will help construct a more efficient wastewater collection system to prevent future sanitary sewer overflow incidences within the City and County; and
- d. Even though the City will use wetland mitigation credit from a prior agreement with Humboldt County to mitigate wetland impacts, the loss of wetland functions will remain significant and unavoidable. The loss of wetland functions, construction-related noise effects, direct traffic effects of construction vehicles, and indirect land-use effects are necessary for the City to achieve the above objectives.

POLICY ISSUES

Should the State Water Board adopt a Statement of Overriding Considerations regarding the Integrated Regional Water Management Program’s Martin Slough Interceptor Project?

FISCAL IMPACT

None

REGIONAL WATER BOARD IMPACT

None

STAFF RECOMMENDATIONS

The State Water Board should adopt a Statement of Overriding Considerations regarding the Integrated Regional Water Management Program’s Martin Slough Interceptor Project.

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2008-**

**ADOPTION OF A STATEMENT OF OVERRIDING CONSIDERATIONS
REGARDING THE INTEGRATED REGIONAL WATER MANAGEMENT PROGRAM'S
MARTIN SLOUGH INTERCEPTOR PROJECT**

WHEREAS:

1. The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50) authorizes approximately \$360 Million to implement projects that protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water while encouraging water management on a regional basis;
2. The Integrated Regional Water Management (IRWM) Grant Program is administered jointly by the State Water Resources Control Board (State Water Board) and the Department of Water Resources (DWR);
3. The IRWM Program Guidelines were adopted by the State Water Board and approved by DWR in November 2004;
4. On January 18, 2007, the State Water Board adopted an IRWM Implementation Grant Funding List with grants totaling \$75,000,000 ([Resolution No. 2007-0001](#));
5. In January 2007, DWR adopted an IRWM Implementation Grant Funding List with grants totaling \$100,000,000;
6. The North Coast IRWM Implementation Project was on the January 18, 2007, IRWM Implementation Grant Funding List approved for funding by the State Water Board;
7. The Martin Slough Interceptor Project (Martin Slough Component) is part of the North Coast IRWM Implementation Project;
8. The City of Eureka (City) prepared a final Environmental Impact Report (EIR) that addresses the Martin Slough Component (State Clearinghouse No. 2002082043);
9. The City certified the final EIR and adopted the Mitigation Monitoring Plan (MMP), a Statement of Findings, and a Statement of Overriding Considerations, and approved the Martin Slough Component on October 5, 2004.
10. The City filed a Notice of Determination (NOD) with the Humboldt County Clerk and the Governor's Office of Planning and Research on October 7, 2004.
11. The City adopted a Statement of Overriding Considerations to substantiate its decision to approve the Martin Slough Component despite significant and unavoidable impacts to the areas of 1) biological resources (wetland function loss), 2) traffic and circulation (direct traffic effects of construction vehicles), 3) noise (construction-related noise effects), and 4) land use and planning (indirect land-use effects).

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12. The State Water Board has not previously made findings regarding the Martin Slough Component of the North Coast IRWM Implementation Project pursuant to the California Environmental Quality Act.
13. The State Water Board finds that the following specific economic, social, technological, and environmental benefits of the Project outweigh these unavoidable adverse environmental impacts:
 - a. The Martin Slough Component will assist the community in meeting land use and housing goals that were planned and approved by the City in its adopted General Plan, and by Humboldt County in the adopted Eureka Community Plan;
 - b. Approval of the Martin Slough Component will allow the City to reduce unauthorized wastewater discharges, and enable the City to comply with their current NPDES permit requirements;
 - c. The Martin Slough Component will help construct a more efficient wastewater collection system to prevent future sanitary sewer overflow incidences within the City and County; and,
 - d. Even though the City will use wetland mitigation credit from a prior agreement with Humboldt County to mitigate wetland impacts, the loss of wetland functions will remain significant and unavoidable. The loss of wetland functions, construction-related noise effects, direct traffic effects of construction vehicles, and indirect land-use effects are necessary for the City to achieve the above objectives.
14. State Water Board staff have reviewed and considered the EIR and applicable environmental documents, and have determined that the Martin Slough Component will reduce existing significant adverse water quality impacts.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

Adopts a Statement of Overriding Considerations regarding the Integrated Regional Water Management Program's Martin Slough Interceptor Project.

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 February 5, 2008.

Jeanine Townsend
Clerk to the Board