STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2010-0036

EXTENDING THE NOTICE-TO-PROCEED (NTP) WITH CONSTRUCTION DEADLINE FOR THE CITY OF SHAFTER (CITY) NORTH SHAFTER WASTEWATER PROJECT (PROJECT)

WHEREAS:

- The Project will serve the small disadvantaged community of North Park/North Shafter, where nearly three-quarters of the properties have reported problems with their existing septic systems, such as frequent pumping and/or disposal of greywater into their yards;
- In the 1980's, three-quarters of the community's drinking water systems had nitrate concentrations in violation of Maximum Contaminant Levels. The City annexed the area in the early 1990's and installed new water lines to bring in clean drinking water; however, the existing septic systems continue to impact groundwater;
- 3. In a letter to the Central Valley Regional Water Quality Control Board (Central Valley Water Board), the City declared that the failing septic systems, aboveground greywater disposal, and contamination of groundwater supplies pose a public health and safety hazard and a potential pollution problem. On September 16, 2005, the Central Valley Water Board issued Resolution No. R5-2005-0124, approving and accepting the City's declaration of a potential pollution problem and time schedule for Project completion;
- 4. The Project consists of installing a wastewater collection system, which will be connected to the City's existing wastewater collection system, with wastewater conveyed to the North of River Sanitary District wastewater treatment plant;
- A combination design and construction Preliminary Funding Commitment (PFC) was approved on February 3, 2009, per State Water Resources Control Board (State Water Board) <u>Resolution No. 2009-0008</u>, which committed up to \$2 million in grant funding from the Cleanup and Abatement Account (CAA) for the Project;
- 6. The PFC requires that funding approvals, contracting, and disbursement of the CAA funds be conducted in accordance with the *Small Community Wastewater Grant* (SCWG) Program Guidelines (Guidelines), amended May 22, 2007. The Guidelines state that the construction grant commitment will expire if the applicant does not issue the NTP with construction to the contractor within 18 months of the PFC date;
- 7. The estimated total Project cost is \$2.5 million. The City's PFC requires that: (1) the City demonstrate financial capability to fund the remainder of Project costs prior to Final Plans and Specification Approval; and (2) unexpended CAA funds be withdrawn if the City does not issue the NTP with construction within 18 months of the PFC date;
- 8. The City is supplementing the \$2 million in CAA funds with Low and Moderate Income (LMI) Housing funds, which are administered by the City's Community Development Department. Due to unforeseen delays in obtaining signed affordability covenants from benefiting property owners, which are required to utilize the LMI funds, the City may not meet the August 3, 2010, NTP deadline;

- The Project design is complete and the City is working diligently toward implementing Project construction. The City has solicited bids, and will be prepared to award the Project and issue the NTP with construction once the covenants are in place; and
- 10. If the City does not meet the NTP deadline and the CAA funds are withdrawn, the City will not be able to construct the Project, delaying important water quality improvements.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

- 1. Authorizes a 120-day extension of the NTP with construction deadline, thereby superseding the August 3, 2010, deadline established in Resolution No. 2009-0008; and
- 2. Authorizes the Deputy Director of the Division of Financial Assistance, or designee, to approve extensions beyond 120 days for good cause.

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 August 3, 2010.

AYE: Chairman Charles R. Hoppin

Vice Chair Frances Spivy-Weber Board Member Arthur G. Baggett, Jr. Board Member Tam M. Doduc

Board Member Tam M. Doduc Board Member Walter G. Pettit

NAY: None ABSENT: None ABSTAIN: None

> Jeanine Townsend Clerk to the Board

Jeanine Townsend