

June 5, 2012



North Coast Regional Water Quality Control Board  
Attn: Cecile Morris  
5550 Skylane Blvd, Suite A  
Santa Rosa, CA 95403  
Transmitted electronically: [cmorris@waterboards.ca.gov](mailto:cmorris@waterboards.ca.gov)

Re: Enhanced Compliance Action Plan for Administrative Civil Liability Complaint No. R1-2012-0058

Cecile,

As you are aware, the City of Ukiah has been making efforts and progress towards implementing a Recycled Water System within the City of Ukiah and the Ukiah Valley. We had a draft Recycled Water Feasibility Study prepared and want to proceed with the next steps to make this study a reality.

Our next step in this process is compliance with the California Environmental Quality Act (CEQA). We would like to award a contract to our consultant as soon as possible and hope that you will accept that contract as our Enhanced Compliance Action Project in lieu of 50% of the total fine for the above referenced ACLC. The total contract amount is approximately \$64,000.

Implementing a recycled water system in the City limits and the Ukiah Valley will resolve issues concerning the Russian River. Mainly, it will reduce discharges of effluent from the Waste Water Treatment Plant to the River and diminish discharges of effluent containing copper and BOD's which have recently exceeded the limits based on our current NPDES Permit.

Our consultant has prepared a scope of work for CEQA-Plus which includes preparing a Project Description, Preparing an Administrative Draft Initial Study, Biological Assessments, Section 106 Cultural Resources Report, Preparing a Clean Air Act Conformity Report, preparation of a Public Draft Initial Study and Mitigated Negative Declaration (if appropriate) as well as processing the Mitigated Negative Declaration and assisting in comments associated with the public review period.

We hope that you will find this project acceptable and should you have any questions regarding this proposal, please let me know.

Sincerely,

A handwritten signature in blue ink that reads "Jarod L. Thiele". The signature is written in a cursive, flowing style.

Jarod L. Thiele

June 15, 2012



North Coast Regional Water Quality Control Board  
Attn: Cecile Morris  
5550 Skylane Blvd, Suite A  
Santa Rosa, CA 95403  
Transmitted electronically: [cmorris@waterboards.ca.gov](mailto:cmorris@waterboards.ca.gov)

Re: Supplemental information for Enhanced Compliance Action Plan for Administrative Civil Liability Complaint No. R1-2012-0058

- A. Project objectives: Preparation of an Initial Study Environmental document pursuant to the CEQA-Plus requirements to help determine the potential environmental impacts associated with the implementation of the City of Ukiah's Recycled Water Feasibility Study.
- B. General design criteria: N/A
- C. Specific tasks and activities and milestone to be achieved: Please see attached Proposal for specific activities
- D. Detailed time schedule for completing project milestones: Approximately 6 months from issuance of the Notice to Proceed from the city of Ukiah
- E. Success Criteria: Preparation of an Initial Study Document to determine if a Mitigated Negative Declaration can be prepared or if an EIR is required.
- F. Estimated Budget for each activity: \$65,829
- G: Other parties and agencies involved in the project: Carollo Engineers, Ukiah Valley Sanitation District
- H. Draft Provisions for a contract to be executed between the discharger and the entity performing the ECA: Contract to be awarded June 20, 2012 upon which time contract provisions will be submitted.
- I. Other pertinent information: Attached Preferred Alternative as indicated in the City of Ukiah's Recycled Water Feasibility Study.
- J. CEQA Documentation: N/A

Please let me know if you have any questions or would like further information

Sincerely,

A handwritten signature in blue ink that reads "Jarod Thiele". The signature is written in a cursive style with a large initial "J" and a prominent "T".

Jarod L. Thiele

Enclosures: CEQA Proposal and Preferred Alternative

SMB Environmental, Inc. (SMB) is pleased to submit this proposal for preparing a Programmatic Initial Study to help determine the potential environmental impacts and issues that could be associated with the implementation of the City of Ukiah’s (City) proposed Recycled Water Master Plan (RWMP) (Project/Proposed Project). What follows is our understanding of the Project, a detailed scope of work, budget, and schedule.

## **PROJECT LOCATION AND BACKGROUND**

The City of Ukiah (City) is located in Mendocino County in the northern coastal region of California. The City is situated in the Ukiah Valley approximately 60 miles north of Santa Rosa, 20 miles south of Willits, and 5 miles south-west of Lake Mendocino, and is surrounded by coastal ranges in southern Mendocino County. The Valley is bordered on the west by the Mendocino Range and on the east by the Mayacamas Mountains. Elevations in the nearby mountains reach over 1,800 feet above mean sea level (MSL), while elevations in the Valley range from about 560 feet above MSL in the south near El Robles Ranch to 670 feet above MSL in the north near Calpella.

## **PROJECT UNDERSTANDING**

The City contracted with Carollo Engineers to provide engineering services to develop the City’s first Recycled Water Master Plan (RWMP) pursuant to a grant from the State Water Resources Control Board (State Board). The purpose of the RWMP is to determine the feasibility of constructing a recycled water system to replace/augment existing water supplies in the Ukiah Valley. Recycled water use within the Valley would offset existing and future water demands for irrigation and frost protection of agricultural land, and in doing so, would support the local agricultural industry. It would also offset urban irrigation demands, ease storage limitations at the Ukiah Wastewater Treatment Plant (UWWTP) and reduce treated wastewater discharges to the Russian River. Interstate Highway 101 runs north to south through the City along its eastern boundary and the Russian River flows from north to south through the Ukiah area. Ukiah is the county seat for Mendocino County. Originally part of a Mexican Land Grant, the City began its history as a Valley settlement in 1856. Due to the City’s moderate climate and productive soil, lumber production became a major industry by the end of the 1940s. Agriculture is currently the largest industry in Ukiah and the rest of Mendocino County ([www.cityofukiah.com](http://www.cityofukiah.com)). Ukiah is home to wineries, grape vineyards, pear orchards, and wood production plants, in addition to up-and-coming nonagricultural manufacturers.

Surface waters, namely the Russian River (River) and Lake Mendocino, and groundwater are the major water resources that sustain the people and industries of Ukiah area. The City and several other water service providers in the area use a combination of these water supplies to support the urban demands within their service area boundaries. Agricultural entities also draw groundwater and surface water to both irrigate their crops and protect them from frost and heat events. Over the years, these water resources have become increasingly taxed to meet urban and agricultural demands as well as in-stream flow requirements for endangered species. As a result, the need to procure alternative water supplies, including recycled water, has increased.

Environmental groups have increasingly studied how river and groundwater diversions have negatively affected the species of the Russian River stream system and have requested increased regulation of these diversions. In 2009, The National Oceanic Atmospheric Administration’s National Marine Fisheries Service (NOAA Fisheries) presented the State Water Board with information that water withdrawn from the Russian River for frost protection of agricultural crops poses a threat to federally threatened and endangered salmonids in the Russian River watershed. They documented two episodes of fish stranding mortality that occurred in April 2008, one on Felta Creek in Sonoma County and the second on the mainstream of the Russian River near Hopland in Mendocino County (Draft EIR Russian River Frost Protection Regulation, 2007). NOAA Fisheries requested the State Board take regulatory action immediately to regulate diversions for frost protection to prevent salmonid mortality. The State Board is currently considering regulatory action that would deem any diversions for frost protection from March 15 through May 15 unreasonable, unless approved by the State Water Board through the completion of an extensive Water Demand Management Program (WDMP). In February 2012, the Courts granted a stay of the State Board regulations that declare frost protection diversions unreasonable in Mendocino and Sonoma Counties.

Faced with this future regulatory consideration, farmers in the Ukiah area are looking for alternative water supplies to sustain their agricultural practices. In addition to this, during dry years, water service providers in the surrounding area are limited on the amount of water they can withdraw from the River and Lake Mendocino. Developing recycled water supplies in the Ukiah Valley and surrounding area would increase the overall water supply and its reliability under a range of hydrologic conditions.

The recycled water supply that is being considered under the RWMP is the treated wastewater effluent of the UWWTP. While water users are being limited by the water they can take out of the River, the City is limited on the treated effluent they can put in the River. The City must comply with increasingly stringent discharge requirements that regulate both the volume and quality of the water that can be discharged to the Russian River. As a result, when discharging to the River, the City currently discharges very high quality effluent that meets recycled water needs. Limited on the volume and time at which treated effluent can be discharged, the City would benefit from additional disposal alternatives including delivery of recycled water to irrigation customers.

Prior to approving and adopting the RWMP, the City must first comply with the California Environmental Quality Act (CEQA). In addition, the City has received funds from and is seeking additional funds for implementation of the RWMP through the State Board’s State Revolving Fund Loan Program (SRF Loan Program). The SRF Loan Program is partially funded by the U.S. Protection Agency (USEPA) and is subject to federal environmental regulations, including the Endangered Species Act (ESA), the National Historic Preservation Act (NHPA), and the General Conformity Rule for the Clean Air Act (CAA), among others. Federal agencies have their own policies on how they comply with federal environmental laws. Instead of the National Environmental Policy Act (NEPA), USEPA has chosen to use CEQA as the compliance base for California’s SRF Loan Program, in addition to compliance with ESA, NHPA, and CAA. Collectively, the State Board calls these requirements CEQA-Plus. Additional federal regulations may also apply.

What follows is the proposed scope of work for SMB to prepare an Initial Study environmental document pursuant to the CEQA-Plus requirements to help determine the potential environmental impacts associated with the implementation of the City’s RWMP. Specific emphasis will be to provide a programmatic evaluation on the preferred alternative in RWMP and also concentrate at a project-level evaluation of the Phase-1 activities of the preferred alternative in the RWMP.

## **SCOPE OF WORK**

**Task 1 – Project Kick-off Meeting.** On receipt of Notice to Proceed, SMB will meet with the City and Carollo to coordinate data transfer and review existing information regarding the Project. In addition, SMB advises that the appropriate staff of the State Board’s SRF Grant Program attend this meeting as well. For purposes of this scope it is assumed that meeting will

take place in Sacramento, California so that we can meet with the State Board. The purpose of this meeting would be to confirm the project’s objectives, identify and confirm the Proposed Project’s facilities and any alternatives, and discuss the specific environmental criteria to be used. The purpose of this meeting also is to confirm all project assumptions, discuss project roles and responsibilities, ensure compatibility in project schedules, define communication protocols, document methods of analysis, and generally ensure that the team is aware of the overall project description and characteristics being designed. In addition, we will review existing information and establish a library of relevant documents relating to the Project.

**Task 2 - Prepare Project Description.** Based on the engineering information provided by Carollo and/or the City, SMB will prepare a Project Description for the Draft Initial Study that meets the requirements of CEQA. This task assumes that Carollo and/or the City will provide a physical description of the proposed project, including electronic maps (JPEG format) of the proposed project facilities and construction techniques. As required by CEQA, the Project Description will be complete with the precise location and boundaries of the Proposed Project; a statement of the objectives of the Proposed Project; and a general description of the Proposed Project’s technical, economic, environmental, engineering, and/or construction aspects. SMB will ensure that we have a complete and final Project Description prior to initiating any significant efforts in analyzing potential environmental impacts which will help to streamline the schedule and reduce overall costs.

**Task 3 – Prepare Administrative Draft Initial Study.** SMB proposes to prepare an Administrative Draft CEQA Initial Study pursuant to the CEQA-Plus requirements to determine if the Proposed Project may have a significant effect on the environment and if so, to what extent. Based on our initial assessment, it is likely that the Proposed Project will satisfy the CEQA- Plus requirements through the preparation of a Mitigated Negative Declaration. Most, if not all, of the potential impacts appear to be short-term/temporary impacts due to construction activities and which can be avoided and/or mitigated to less than significant levels. As a result, SMB proposes to prepare an Initial Study to see if it is possible to satisfy the CEQA-Plus requirements through the preparation of a Mitigated Negative Declaration, which could save the City significant amount of time and money. An Initial Study is a preliminary analysis involving the use of a checklist of CEQA environmental issues to determine whether an EIR or a Negative Declaration is needed. The analyses would be based on existing available information. In addition, SMB will conduct the following specific environmental studies to meet the CEQA-Plus requirements. These include preparing the following:

- **Prepare Biological Assessment.** SMB will prepare a Biological Assessment (BA) Report for the State Water Board’s Environmental Services Staff for its use to confer informally with the U.S. Fish and Wildlife Service (USFWS) and/or the National Marine Fisheries Service (NMFS) about potential impacts of federally listed species as a result of the construction and operation of the Proposed Project. The BA will address the species listed under the federal Endangered Species Act (ESA) that could be within the Proposed Action Area and the ability or likelihood of the Proposed Action to adversely affect those resources.
- **Prepare Section 106 Cultural Resources Report.** SMB will prepare a Cultural Resources Inventory Report to comply with Section 106 of the National Historic Preservation Act of 1966, as amended. The overarching criteria for determining the significance of impacts to cultural resources are the significance of the cultural resources themselves, as defined by the National register Criteria (36 CFR Part 60.4). This study will consist of an archeological inventory of cultural surveys and archeological reports, contacts with Native Americans, as well as a cursory reconnaissance survey of the Proposed Action Area.
- **Prepare Clean Air Act Conformity Report.** SMB will conduct an analysis to determine if the proposed Projects emissions are in general conformity with the federal Clean Air Act. Conformity determination is a two-step process: (1) applicability analysis and (2) conformity analysis. SMB will conduct the analysis by comparing the Proposed Project’s emissions to de minimis pollutant thresholds outlined in the conformity rule.

For any potentially significant impact(s) identified through the Initial Study Checklist, SMB will develop appropriate mitigation measures to attempt to avoid and/or reduce those impacts to less than significant levels. If the Initial Study concludes that the Proposed Project may have a significant effect on the environment that can not be avoided or reduced to less than significant levels through mitigation, an EIR should be prepared; otherwise a Mitigated Negative Declaration may be prepared, depending on the risk-management comfort level of the City and/or the State Board. If it is determined that an EIR is to be prepared, SMB will prepare an additional scope of work, schedule, and budget for preparing an EIR. For purposes of this Scope of Work, it is assumed that a Mitigated Negative Declaration will be prepared. SMB will prepare and send electronic copies of the Administrative Draft Initial Study/Mitigated Negative Declaration to the City, the State Board, and Carollo for internal team review.



**Task 4 – Prepare Public Draft Initial Study and Mitigated Negative Declaration.** Based on comments from the City, the State Board, and Carollo, and assuming that an EIR is not required, SMB will revise the Administrative Draft Initial Study and prepare a Public Draft Initial Study document to undergo the required 30-day public review. A Mitigated Negative Declaration may only be prepared when no substantial evidence exists, in light of the whole record, that the Proposed Project may have a significant environmental effect. If it is determined by the City that a Mitigated Negative Declaration is the appropriate CEQA documentation, SMB will prepare twenty-five (25) copies of the Public Draft Initial Study/Mitigated Negative Declaration for the required 30-day public review. SMB will prepare a Notice of Completion and deliver fifteen (15) of the copies to the State Clearinghouse. In addition, SMB will prepare a Notice of Intent to Adopt a Mitigated Negative Declaration and send to the Mendocino County Clerk-Recorder. This task assumes that the City will send this or a similar notice to any other responsible/trustee agencies, agencies with jurisdiction by law, and to other interested or affected parties.

**Task 5 –Process Mitigated Negative Declaration.** Upon completion of the 30-day public review period, SMB will assist the City in considering any comments received. As appropriate, SMB will then prepare the necessary documentation to present to the City for approval of the Proposed Project. The City is obligated to notify (in writing) any commenting agencies of the date of the public hearing on the Project for which a Negative Declaration or a Mitigated Negative Declaration is prepared and being considered for approval. SMB will prepare a draft of the Notice of Determination for the City to sign after and upon Project approval. The City will be responsible for all filing fees with the Mendocino County Clerk-Recorder, the State Clearinghouse, and/or any other agency as required.

**Task 6 – Project Meetings, Management, and Coordination.** Due to the nature of this kind of project, it is likely that the completion of the environmental review activities will require at least one field site visit/meeting with the City and attendance at two formal City Council Meetings to present and then adopt the environmental document. As a result, we have budgeted approximately 40 hours for this task. Any additional meetings/hours will be at the discretion of the City and will be billed by SMB on a time-and-materials basis.

## **PROPOSED SCHEDULE**

SMB proposes to complete the CEQA-Plus process for the Proposed Project in approximately 24 weeks from notice-to-proceed. This includes the required 30-day public review period. This schedule is based on our assumption that the Proposed Project would not have any adverse environmental impacts which can not easily be mitigated to less than significant levels and that an

EIR is not required. We will make every attempt to meet the estimated schedule for those work tasks under our control. We cannot be held responsible for schedule delays caused by lack of responsiveness to meeting and report review deadlines by the City, the State Board, Carollo, and/or other responsible agencies or entities, extended review of deliverables, or lack of clarification and guidance on those issues from the City that may arise during the Project. Any requests for delays or stop work orders in the project, for any reason, once the Project is initiated may cause concurrent delays in submission of our deliverables and modification to the Project’s master schedule. If such delays in deliverables are not acceptable and the City requires the same end date, we will require additional funds to meet the compressed schedule.

### **PROJECT ASSUMPTIONS**

Detailed below are the assumptions built into the scope of work and schedule above.

- The City, Carollo and/or the State Board will provide the SMB with a complete and accurate physical description of the RWMP, including detailed map(s) of the areas to be served, and the alignment(s) to be evaluated. Text shall be provided in Word format and maps in JPEG format for easy insertion into the environmental documents.
- It is estimated that Carollo will provide approximately 40 hours of effort to provide project description information, attend meetings with SMB, and review draft documents.
- This document will be a CEQA-Plus Initial Study document to help determine if a Mitigated Negative Declaration can be prepared or if an EIR is required.
- The RWMP is not subject to NEPA. Any NEPA analysis which may be required is subject to additional scope, budget, and schedule.
- If an EIR is deemed to be required, additional scope, budget and schedule will be required.

- No site specific or detailed biological and cultural studies are implied or included in this scope of work beyond the Phase-1 implementation activities. If regulatory agencies require further site specific and protocol surveys, SMB will require additional scope, budget, and schedule.
- The SMB will prepare 25 copies of the Public Draft IS/MND document. 15 copies will be delivered to the State Clearinghouse and up to 10 copies will be delivered to the City, the State Board, and/or Carollo. Any additional copies will be billed on a time and expense basis.
- There will only be one (1) review of the Administrative Draft CEQA – Plus IS/MND document. Additional drafts and reviews will be billed on a time and materials basis.
- The City, Carollo and the State Board will complete their reviews within 2 weeks of delivery and provide consolidated and resolved comments via redline and strikeout mode back to SMB.
- The City will be responsible for all filing fees with the Mendocino County Clerk-Recorder, the State Clearinghouse, and/or any other agency as required.
- Any additional meetings/hours will be at the discretion of the City and will be billed by SMB on an additional time-and-materials basis.
- SMB cannot be held responsible for schedule delays caused by lack of responsiveness to meeting and report review deadlines by the City, State Board, Carollo, and/or other responsible agencies or entities, extended review of deliverables, or lack of clarification and guidance on those issues from the City that may arise during the Project. Any requests for delays or stop work orders in the project, for any reason, once the Project is initiated may cause concurrent delays in submission of our deliverables and modification to the Project’s master

schedule. If such delays in deliverables are not acceptable and the City requires the same end date, SMB will require additional funds to meet the compressed schedule.

**LABOR AND BUDGET ESTIMATE**

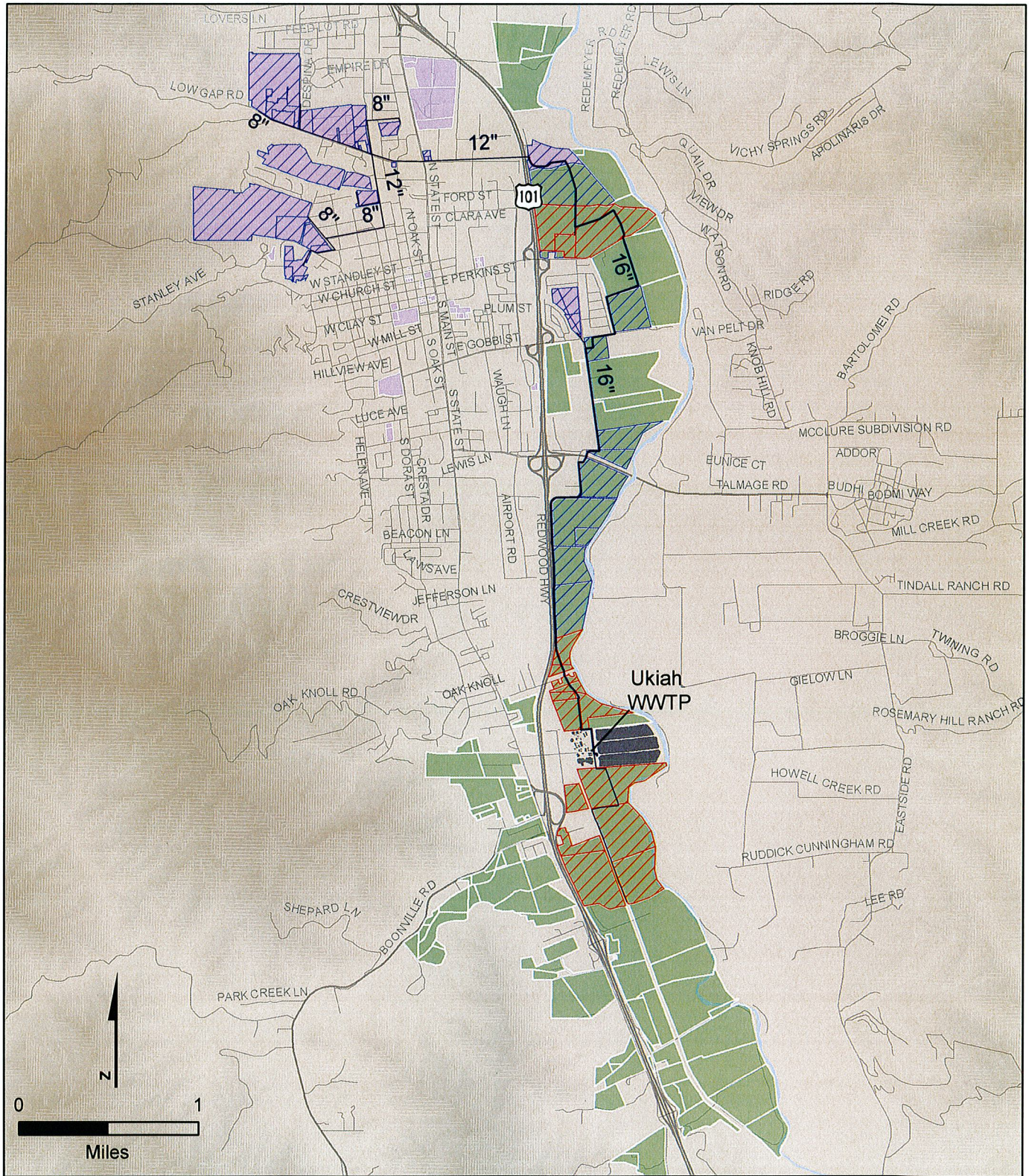
**CITY OF UKIAH  
CEQA PLUS INITIAL STUDY FOR RECYCLED WATER MASTER PLAN**

Task	Task Description	SP	LPP	P	CAD/G	WP	Total Hours	Labor Cost	Subconsultants		Other Direct Costs (ODC)			Total Cost	
									Name	Amount	PECE	Printing	Mileage		Trips
1	CEQA Plus Initial Study	\$221 4	\$210 36	\$165 0	\$142 0	\$90 0	40	\$8,444	SMB Enviro	\$56,650	\$360	\$0	3	\$375	\$65,829
<b>Project Totals =</b>		<b>4</b>	<b>36</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>\$8,444</b>		<b>\$56,650</b>	<b>\$360</b>	<b>\$0</b>	<b>3</b>	<b>\$375</b>	<b>\$65,829</b>


**Legend:**

- SP Senior Professional
- LPP Lead Project Professional
- PP Project Professional
- P Professional
- AP Assistant Professional
- CAD Cadd Drafter/Graphics
- WP Word Processor

PECE: Project Equipment and Communication Expense  
 Mileage: Based on 250 Miles per Round Trip @ \$0.5/mile  
 Printing: Included in SMB budget



**Legend**

- |   |  |   |                          |   |
|---|--|---|--------------------------|---|
|  | Parcels Provided Frost Protection and Irrigation |  | WWTP Ponds and Buildings | <b>Proposed Pipeline by Diameter</b>  |
|  | Parcels Provided Irrigation                      |  | River                    |  12" and smaller |
|  | Potential Agriculture Parcels                    |  | Major Roads              |  16" to 24"      |
|  | Potential Landscape Parcels                      |  | Local Streets            |  larger than 24" |

**Figure 6.6**  
**ALTERNATIVE 4**  
 RECYCLED WATER MASTER PLAN  
 CITY OF UKIAH