STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2017-0001

AUTHORIZING THE DEPUTY DIRECTOR OF THE DIVISION OF FINANCIAL ASSISTANCE TO PROVIDE PROPOSITION 1 DRINKING WATER GRANT FUNDING TO TULARE COUNTY (COUNTY) FOR THE REPLACEMENT OF SEVILLE WATER COMPANY’S DISTRIBUTION SYSTEM IN AN AMOUNT NOT TO EXCEED $5 MILLION.

WHEREAS:

1. The State Water Resources Control Board adopted the Policy for Implementing the Drinking Water State Revolving Fund Program (DWSRF Policy) on October 21, 2014;

2. Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Assembly Bill 1471, Rendon) allocated $260 million for drinking water grants and loans for public water system infrastructure improvements and related actions to meet safe drinking water standards, to ensure affordable drinking water, or both. Proposition 1 Drinking Water funds will be administered consistent with the DWSRF Intended Use Plan (IUP) and the DWSRF Policy to the extent allowed by federal regulations and state law;

3. On June 21, 2016, the State Water Board adopted the 2016-17 DWSRF IUP, which sets forth the plan for how funds will be used within the State Fiscal Year 2016-2017 and refines criteria set forth in the DWSRF Policy for the coming year;

4. The 2016-17 IUP authorizes the Deputy Director of the Division of Financial Assistance (Division) to provide grant or principal forgiveness financing at a maximum of $30,000 per service connection up to a total of $5 million maximum to small community water systems where the system serves a small disadvantaged community;

5. On July 13, 2016, Tulare County began submitting an application to receive DWSRF/Proposition 1 grant funding for the replacement of Seville Water Company’s (SWC’s) distribution system;

6. SWC’s service area has a median household income (MHI) of $34,219 (56% of the statewide MHI), serves 75 service connections and is considered a severely disadvantaged community;

7. On November 8, 2016, the County requested $5 million DWSRF principal forgiveness/Proposition 1 grant funding for the replacement of SWC’s distribution system;
8. Division staff’s technical review supports the project cost of $5 million as a preliminary estimate;

9. SWC customers are on an indefinite boil water order notice due to the depressurizing of the water system and potential introduction of bacteriological contamination;

10. Exceeding the $30,000 cap per service connection will allow the County to replace SWC’s dilapidated distribution system and will address the water quality and quantity issues in Seville;

11. Replacement of SWC’s distribution system has been deemed by the Division as Phase 1 of a long-term sustainable solution for the community of Seville;

12. Division staff conducted a California Environmental Quality Act (CEQA) environmental review, reviewed the environmental documents, and determined that the Project will not result in any potential significant adverse water quality impacts;

13. The Tulare County Resource Management Agency is the lead agency under CEQA for the SWC’s Distribution Replacement (Project; 5400550-001C), and has complied with CEQA and CEQA Guidelines. Tulare County prepared a Notice of Exemption (NOE) on July 13, 2016, citing a Statutory Exemption for emergency projects (California Code of Regulations, Title 14, Division 6, Chapter 3, Article 18, Section 15269). This document was noticed to the public, filed at the Tulare County Clerk on July 14, 2016, and filed at the Governor’s Office of Planning and Research (OPR); State Clearinghouse (SCH) No. 2016088392 on August 26, 2016;

14. State Water Board staff will file a NOE for the Project with the OPR following funding approval;

15. The State Water Board previously provided grant or principal forgiveness financing to disadvantaged communities that exceeded the cap identified in the current DWSRF IUP; and

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Authorizes the Deputy Director of the Division to execute a Proposition 1 Drinking Water grant funding agreement with the County in an amount not to exceed $5 million.
2. Conditions this approval, as determined by the County’s environmental review, with the following:

- If archaeological features or materials are unearthed during any phase of project activities, all work in the immediate vicinity of the find shall halt until Recipient has contacted the State and the significance of the resource has been evaluated. Any mitigation measures that may be deemed necessary must have the approval of the State, and shall be implemented, pursuant to the Secretary of the Interior’s Standards and Guidelines for Archaeology and Historic Preservation, 48 Code of Federal Regulations (CFR) 44716, by a qualified archaeologist representing the Recipient prior to the resumption of construction activities; and

- If human remains are exposed by activity related to the Project, the Recipient must comply with California State Health and Safety Code, Section 7050.5, which states that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to California Public Resources Code, Section 5097.98.

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 January 4, 2017.

AYE: Vice Chair Frances Spivy-Weber
      Board Member Tam M. Doduc
      Board Member Dorene D’Adamo

NAY: None

ABSENT: Chair Felicia Marcus
         Board Member Steven Moore

ABSTAIN: None

Jeanine Townsend
Clerk to the Board