

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2017-0044**

APPROVE PROPOSITION 1 / SMALL COMMUNITY GRANT (SCG) FUNDING TO WILLOW CREEK COMMUNITY SERVICES DISTRICT (DISTRICT) FOR THE DOWNTOWN WASTEWATER DEVELOPMENT PROJECT AND THE PRIVATE SEPTIC DECOMMISSIONING AND LATERAL INSTALLATION PROJECT (PROJECTS), CLEAN WATER STATE REVOLVING FUND (CWSRF) PROJECT NOS. 5957-210 AND 5957-310

WHEREAS:

1. The State Water Resources Control Board's (State Water Board) Division of Financial Assistance (DFA) administers the SCG program to provide grant funding to small disadvantaged communities through its "Policy for Implementing the CWSRF" (Policy), last amended by the State Water Board on February 17, 2015 and through the "State of California CWSRF and the Water Quality, Supply, and Infrastructure Improvement Act of 2014 Intended Use Plan" (CWSRF/Proposition 1 IUP), which is updated and adopted by the State Water Board annually;
2. The Projects are listed on the CWSRF Project List;
3. The Policy authorizes the Deputy Director of the DFA to approve and execute financing agreements for routine, noncontroversial projects;
4. On June 20, 2017, the State Water Board adopted the CWSRF/Proposition 1 IUP for the 2017-2018 State Fiscal Year (SFY) (2017-2018 CWSRF/Proposition 1 IUP), which sets forth the plan for how funds will be used within the 2017-2018 SFY and refines funding criteria set forth in the CWSRF Policy for the coming year;
5. The SCG program has grant funds available through several sources, including Proposition 1;
6. The District has submitted a complete construction applications for funding for both Projects;
7. The Projects are considered non-routine because they exceed the maximum cost per household threshold of \$60,000 in the 2017-2018 CWSRF/Proposition 1 IUP for a septic to sewer construction project.
8. For this Project, it is more appropriate to calculate the per connection costs using the total number of service connections. The cost per connection is \$67,951 if the total number of connections, including commercial, are used. The Projects have received a grant from the United States Department of Agriculture (USDA) for \$1,200,000. This reduces the State Water Board's costs to \$51,456 per connection;
9. The 5957-210 Project will install a gravity wastewater collection system in the downtown Willow Creek area. The 5957-210 Project will also convey raw wastewater to a new treatment/disposal site. Treatment will include a community septic tank and recirculating gravel filter system, and disposal will include a leach field to allow for subsurface infiltration of the treated water;

10. The 5957-310 Project will install laterals and decommission septic tanks on private residential property;
11. The District is the lead agency under California Environmental Quality Act (CEQA). The District prepared an Environmental Impact Report (EIR) for the Project (CWSRF Project No. 5957-210), which was circulated through the State Clearinghouse (No. 2015012014) from June 15, 2015, through July 29, 2015, for review and comments;
12. The District certified the EIR, adopted a Mitigation Monitoring and Reporting Program (MMRP), and approved the Project (CWSRF Project No. 5957-210) on September 24, 2015;
13. The District filed a Notice of Determination (NOD) for the EIR with the Humboldt County Clerk on September 24, 2015, and the Governor's Office of Planning and Research (OPR) on September 28, 2015;
14. The District prepared an Addendum to the EIR (Addendum) for the Project (CWSRF Project No. 5957-310), which was circulated through the State Clearinghouse from May 10, 2016 through May 24, 2016 for review and comments, and the District approved the addendum on May 31, 2016;
15. The District filed an NOD for the Addendum with the OPR and the Humboldt County Clerk on May 31, 2016;
16. The State Water Board is a responsible agency under CEQA. A responsible agency complies with CEQA by considering the EIR and the Addendum prepared by the lead agency and by reaching its own conclusions on whether and how to approve the project involved. The State Water Board has independently considered the EIR, Addendum, and MMRP, and is making the following findings regarding the Projects:
 - The EIR, Addendum and MMRP identified potentially significant environmental effects of the Projects related to water quality. Mitigation measures(s) BIO-1 for biological resources, HAZ-1 through HAZ-3 for hazards/hazardous materials, and GEO-1 for geology and soils have been incorporated into the Project to reduce the potential water quality impacts of the Project to less than significant levels as described in the final EIR, Addendum and MMRP.
 - The EIR, Addendum and MMRP also identified potentially significant environmental effects of the Project related to cultural resources, noise, and transportation. Mitigation measures for cultural resources, noise, and transportation have been incorporated into the Projects that mitigate potential environmental impacts to less than significant levels for these impact categories. Changes or alterations to the Projects based on these mitigation measures are within the responsibility and jurisdiction of other public agencies and are not within the jurisdiction of the State Water Board. Such changes either have been adopted by other relevant agencies or can and should be adopted by such other agencies.
17. Because of mitigation measures identified herein and in the final EIR, Addendum and MMRP, the Projects will not result in any significant water quality impacts; and
18. Adequate public participation was provided through the CEQA review process for the Projects.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board authorizes the Deputy Director of the DFA to enter into agreements for both projects with the District to provide a Proposition 1/SCG grant of no more than \$5,300,000, and the Deputy Director of the DFA may increase this amount by up to 10% for good cause. The Deputy Director of the DFA shall also condition funding on any conditions deemed necessary to comply with the CWSRF Policy, the 2017-2018 CWSRF/Proposition 1 IUP, and other applicable state and federal law requirements.
2. In accordance with the adopted September 24, 2015 MMRP, the District shall implement the following mitigation measures: AQ-1 for air quality, BIO-1 for biological resources, CR-1 through CR-3 for cultural resource, HAZ-1 through HAZ-3 for hazards/hazardous materials, and GEO-1 for geology and soils.

CERTIFICATION

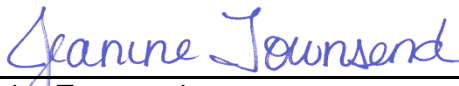
The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on August 1, 2017.

AYE: Chair Felicia Marcus
Board Member Tam M. Doduc
Board Member Dorene D'Adamo
Board Member E. Joaquin Esquivel

NAY: None

ABSENT: Vice Chair Steven Moore

ABSTAIN: None



Jeanine Townsend
Clerk to the Board