
State Water Resources Control Board Division of Drinking Water

September 9, 2020

Mr. Michael Salazar
South Kern Mutual Water Company
9600 Beam Avenue
Bakersfield, CA 93311

**RE: NOTICE – 1st STEP OF ADMINISTRATOR DESIGNATION PROCESS
SOUTH KERN MUTUAL WATER COMPANY (PWS# 1500344)**

Dear Mr. Salazar:

The purpose of this letter is to inform you that the State Water Resources Control Board (State Water Board) is taking the first step to designate South Kern Mutual Water Company (Company) as a public water system in need of an Administrator because it has not consistently provided an adequate supply of affordable, safe drinking water to its customers.

A State Water Board funded administrator would be able to take on many of the tasks that will be required to ensure the water system comes into compliance with applicable drinking water laws and regulations sustainably into the future. In addition to this first step of notification to you the water system owner, there are also other public outreach steps that are required to appoint an administrator. A summary of the designation process including public outreach, responsibilities of a full-scope administrator, applicable regulatory sections, and policies are provided as attachments.

The legally required formal first step in this process is for the State Water Board to give the Company notice of its intended action and provide the water system an opportunity to show either of the following:

- a. It has not consistently failed to provide an adequate supply of affordable, safe drinking water, or
- b. It has taken steps to timely address its failure to provide an adequate supply of affordable, safe drinking water.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

If the Company wishes to present evidence to show that the violations listed below have been resolved, please provide that information before **September 23, 2020** via email to Karen Nishimoto at Karen.Nishimoto@waterboards.ca.gov.

List of Violations

- Treat the water produced by the South Kern Mutual Water Company's wells to achieve compliance with the uranium Maximum Contaminant Level (MCL) required by Section 64442 of the California Code of Regulations (CCR). Compliance order 03-12-16R-005 was issued for this violation on October 3, 2016.
- Treat the water produced by the South Kern Mutual Water Company's wells to achieve compliance with the 1,2,3-Trichloropropane Maximum Contaminant Level (MCL) required by Section 64444 of the California Code of Regulations (CCR). Compliance order 03-12-18R-031 was issued for this violation on July 6, 2018.

Additionally, the Company was issued a mandatory consolidation order on September 27, 2018 to consolidate with the City of Bakersfield. However, the Company does not have a full Board to support negotiation and consolidation efforts with the City of Bakersfield.

The State Water Board recognizes and supports efforts by the Company for consolidation with the City of Bakersfield as its long-term solution. The State Water Board encourages that these positive efforts continue in parallel as the State Water Board goes through the actions required to appoint an Administrator.

If you have any questions regarding this letter or the administrator process, please contact Karen Nishimoto at Karen.Nishimoto@waterboards.ca.gov. Due to our current COVID response, email is the best correspondence method. We look forward to seeing a solution to this long-standing issue for the Company's community.

Sincerely,

[Original Signed by Michelle Frederick]

Michelle F. Frederick, P.E.
Supervising Water Resource Control Engineer, SAFER Section
State Water Resources Control Board, Division of Drinking Water

Attachment 1. Administrator Process Summary
Attachment 2. Responsibilities of a Full-Scope Administrator
Attachment 3. Section 116686 of the California Health and Safety Code
Attachment 4. Administrator Policy Handbook

cc: Supervisor Zack Scrivner
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Bakersfield, CA 93301

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Attachment 1

Administrator Process

Section 116686 of the California Health and Safety Code and the Administrator Policy Handbook, adopted by the State Board in September 2019, requires that the State Board must find that the District's public water system is a "designated water system" and take other specific actions before it can issue an order to the District to accept a full-scope administrator. A "designated water system" is defined in section 116686(m)(2) as a public water system that serves a disadvantaged community, and that the State Water Board finds consistently fails to provide an adequate supply of affordable, safe drinking water. A copy of section 116686 and the Administrator Policy Handbook are provided in subsequent attachments. The actions required of the State Water Board are summarized below.

1. The State Board must give the water system notice of its actions and provide it with an opportunity to show either of the following:
 - a. It has not consistently failed to provide an adequate supply of affordable, safe drinking water, or
 - b. It has taken steps to timely address its failure to provide an adequate supply of affordable, safe drinking water.
2. Conduct a public meeting in a location as close as feasible to the affected community.
 - a. Provide 30-day notice of the public meeting to affected ratepayers, renters, and property owners.
 - b. Provide an opportunity for representatives of the District, affected ratepayers, renters, property owners, and the public to present oral and written comments at the meeting.
 - c. Provide an opportunity to submit comments by mail or electronically during the 30-day notice period and for at least one week after the public meeting
3. Make a reasonable effort to provide notice to all ratepayers, renters, and property owners who receive water service from the designated water system of the following:
 - a. The name and qualifications of the administrator being considered by the State Board
 - b. The scope of the appointment and the particular services to be provided by the administrator being considered by the State Board, and
 - c. Any conflict of interest

Issue an order to the District requiring it to accept a full-scope administrator to take complete management control of its public water system.

Attachment 2

Responsibilities of a Full-Scope Administrator

All actions taken by an administrator are required to be in the best interest of the community served by the water system and must be intended to develop the water system's capability to sustainably deliver an adequate supply of affordable, safe drinking water so that the services of the administrator are no longer necessary. Section 116686 and the Administrator Policy Handbook requires the State Water Board to enter into a contract or grant agreement with an appointed administrator and fund the cost of the administrator to provide the agreed upon service to the District.

The Administrator is required to provide reports in order to keep the governing board or owner of the water system and the customers served informed about actions taken and status of the system. In addition, the Administrator Policy Handbook includes a process that allows any ratepayer, renter, or property owner who receives water from a designated water system to submit a petition to the State Water Board for the reversal or modification of an administrator decision or replacement of an administrator. A complete description of an administrator's obligations is contained in section 116686 of the Health and Safety Code and in the Administrator Policy Handbook.

The authority and scope of work of an administrator is established on a case by case basis in the contract/grant agreement executed between the State Water Board and the administrator, and in the order issued to the public water system to accept the services of the administrator. **In the case of South Kern Mutual Water Company, the full-scope administrator appointed to it will have authority to exercise complete managerial control over its public water system, including but not limited, to financial reviews, responding and representing the System to regulatory agencies, entering into contracts, establishing operational budgets and rates, acceptance of water rate payments to pay water system expenses, system operation, negotiating consolidation efforts, and keeping customers informed of the status of the water system.**

Attachment 3

CA Health and Safety Code Section 116686:

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC§ionNum=116686.

The State Water Board has not provided a paper copy of this section in the interest of decreasing environmental impacts. However, should you be unable to access this website for any reason, please do not hesitate to contact our office for a paper copy.

Attachment 4

Administrator Policy Handbook:

https://www.waterboards.ca.gov/board_info/agendas/2019/sept/091719_6_cs1_cleanversion.pdf

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