CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

September 27, 2018

Mr. Alan Tandy, City Manager
1600 Truxtun Avenue
Bakersfield, CA 93301

RE: Mandatory Consolidation of the South Kern Mutual Water Company

Dear Mr. Tandy:

Enclosed is Consolidation Order No. 03-12-18R-002 (Order) that the State Water Resources Control Board (State Board) Division of Drinking Water is issuing to the City of Bakersfield (City) for mandatory consolidation of the South Kern Mutual Water Company's (South Kern MWC) water system with the City's water system.

Please note that on or before October 26, 2018, the City is required to submit the Notification of Receipt (Attachment F of the enclosed Order) which certifies that the Order has been reviewed by the appropriate management staff of the City and it is clearly understood that the Order contains legally enforceable directives with specific due dates. On or before December 31, 2018, the City is required to submit the Consolidation Plan, required under Directive No. 2 of the Order. The deadline to achieve consolidation with the South Kern MWC's water system is December 31, 2020.

Any person who is aggrieved by a citation, order or decision issued by the Deputy Director of the Division of Drinking Water under Article 8 (commencing with California Health and Safety Code (CHSC), Section 116625) or Article 9 (commencing CHSC, Section 116650), of the Safe Drinking Water Act (Chapter 4, Part 12, Division 104, of the Health and Safety Code) may file a petition with the State Water Board for reconsideration of the citation, order or decision. Attachment A of the enclosed Order contains the relevant statutory provisions for filing the petition for reconsideration (CHSC, Section 116701).

Petitions must be received by the State Board within 30 days of the issuance of the citation, order or decision by the Deputy Director. The date of issuance is the date when the Division of Drinking Water mails a copy of the citation, order or decision. If the 30th day falls on a Saturday, Sunday, or a state holiday, the petition is due the following business day. Petitions must be received by 5:00 p.m. Information regarding filing petitions may be found at:

http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml

If you have any questions regarding this matter, please contact me at (805) 566-4745, Carl Carlucci at (559) 447-3132, or Tricia Wathen at (559) 447-3398.

Sincerely,

Kurt Souza, P.E.,
Southern California Branch Chief
SWRCB - Division of Drinking Water

cc: Karen Gho, Mayor, City of Bakersfield
Nick Fidler, Public Works Director, City of Bakersfield
Art Chianello, Water Resources Manager, City of Bakersfield (via email)
Richard Iger, City Attorney, City of Bakersfield (via email)
City Council, City of Bakersfield (via email)
Donna Fenton, Kern County Environmental Health (via email)
Blair Knox, Executive Officer, Kern County Local Agency Formation Agency (via email)
Michael Salazar – South Kern Mutual Water Company
McMor Chlorination, Inc. – South Kern Operator (via email)
Carl Carlucci, SWRCB – Regional Engineer (via email)
Tricia Wathen, SWRCB – District Engineer (via email)
Caitlin Juarez, SWRCB – Consolidation Coordinator (via email)

CALIFORNIA

STATE WATER RESOURCES CONTROL BOARD

DIVISION OF DRINKING WATER

Name of Public Water System: City of Bakersfield

Water System No.: 1510031

Attention: Mr. Alan Tandy, City Manager

1600 Truxtun Avenue

Bakersfield, CA 93301

Issued: September 27, 2018

ORDER NO. 03_12_18R_002

FOR MANDATORY CONSOLIDATION

The State Water Resources Control Board (hereinafter "State Board"), acting by and through its Division of Drinking Water (hereinafter "Division") and the Deputy Director for the Division hereby issues this Order pursuant to Section 116682 of the California Health and Safety Code (hereinafter "CHSC") to the City of Bakersfield (hereinafter "City").

APPLICABLE AUTHORITIES

This Order is issued pursuant to authority granted to the State Board, and its Division and Deputy Director, pursuant to CHSC, Sections 116680 – 116684 and 116271. As used in this Order, a term defined in CHSC, Section 116681 shall have the meaning set forth in said section.

References in the applicable law to 'Receiving Water System' or 'Potentially Receiving Water System' refer in this Order to the City of Bakersfield's public water system; and references to 'Subsumed Water System' or 'Potentially Subsumed Water System' to the South Kern Mutual Water Company's (hereinafter "South Kern MWC") public water system. Said authorities are provided in their entirety in Attachment A, attached hereto and incorporated herein by this reference.

STATEMENT OF FACTS

The South Kern MWC is classified as a community water system, as defined in Health and Safety Code section 116275, located in an unincorporated area Kern County approximately one mile southwest of the City of Bakersfield's water system. The South Kern MWC supplies water for domestic purposes to approximately 32 individuals through fifteen service connections. The South Kern MWC operates under Revised Domestic Water Supply Permit (Permit No. 03-12-15P-021), issued on August 25, 2015 by the State Water Resources Control Board Division of Drinking Water. The South Kern MWC utilizes one groundwater well that was drilled in 1959 to supply water to the distribution system. The South Kern MWC lacks a redundant source and storage capacity.

The City of Bakersfield owns a community water system, which supplies domestic water to approximately 144,000 individuals through approximately 44,500 service connections. The City operates under a Revised Domestic Water Supply Permit (Permit No. 03-12-010P-002), issued by the Department of Public Health, the State Board's predecessor in the regulation of public

water systems, on March 9, 2010.[1] The City uses approximately 55 active groundwater wells, treated surface water from Kern County Water Agency's water treatment plant, and treated surface water from the Northwest water treatment plant that is jointly owned by California Water Service and the City of Bakersfield as the sources of domestic water. The operation and maintenance of the City's water system is provided under contract by California Water Service.

In October 2016, the Division issued the South Kern MWC a compliance order for failure to meet the uranium maximum contaminant level (MCL), set forth in CCR, Title 22, Section 64442. South Kern MWC was directed to comply with the MCL on or before December 31, 2019. In addition, South Kern MWC was issued another compliance order by the Division in July 2018 for failure to meet the 1,2,3-Trichloropropane (1,2,3-TCP) MCL, set forth in CCR, Title 22, Section 64442. This compliance order directed South Kern MWC to comply with the MCL on or before July 6, 2021.

In June 2015, new legislation became effective that allowed the State Water Board to order consolidations of public water systems or state small water systems serving a disadvantaged community that consistently failed to provide an adequate supply of safe drinking water. As a prerequisite to ordering consolidation, that legislation required the Water Board to first encourage voluntary consolidation. On November 10, 2015, the State Board sent letters to the South Kern MWC and the City that strongly encouraged them to work out voluntary consolidation of their public water systems.

[1] Authority for regulation of public water systems pursuant to the California Safe Drinking Water Act (CHSC, Section 116270 et seq.) was transferred from the Department to the State Board effective July 1, 2014. (See CHSC, Section 116271)

On multiple occasions subsequently, the State Board was informed by the City that the City was unable to connect South Kern MWC to the City's distribution system.

As more fully discussed in the findings set forth below, the State Board took additional action to encourage a voluntary agreement between the City and South Kern MWC in order to secure an adequate supply of safe drinking water for persons served by the South Kern MWC, including the following:

a) Held a meeting with the City, Lakeside School, Kern County LAFCO, and Kern County Environmental Health on January 27, 2016.

b) Held a meeting with the City, Lakeside School, Kern County LAFCO, and Kern County Environmental Health on December 9, 2016 to discuss the potential regional consolidation of Lakeside School and the two MWCs with the City.

c) Held a meeting with the City on March 28, 2017.

d) Held a noticed public meeting on July 10, 2017 to take public comment and testimony. A copy of the notice for said meeting is attached hereto as Attachment B.

e) Held a meeting with the City on August 25, 2017.

f) Held a noticed public hearing on September 7, 2017 to take public comment and testimony. A copy of said notice is attached hereto as Attachment B.

Representatives from the South Kern MWC and the City attended each of the public forums with the exception of City representation at the public hearing on September 7, 2017. Despite these efforts, the State Board has been unable to achieve voluntary consolidation of the City and South Kern MWC.

FINDINGS

Consistent with the requirements of Health and Safety Code section 116682(d), the State Board has made the following findings supporting this order of consolidation of the South Kern MWC and the City of Bakersfield:

1. The South Kern MWC has consistently failed to provide an adequate supply of safe drinking water.

Discussion:

The South Kern MWC initially exceeded the gross alpha particle activity maximum contaminant level (MCL) of 15 pico curies per liter (pCi/L) in a sample collected on May 7, 2013 from Well 01 with a concentration of 17.7 pCi/L. The sample was further analyzed for uranium and detected a uranium concentration of 18 pCi/L. The South Kern MWC was instructed to increase the monitoring for gross alpha and uranium to a quarterly basis in order to determine compliance with the gross alpha and uranium MCLs. The MCL for uranium is 20 pCi/L. Compliance with the gross alpha particle activity and uranium MCLs is based on a running annual average (RAA) of four (4) consecutive quarterly samples. The South Kern MWC has completed four (4) quarters of gross alpha and uranium monitoring. The data for the 2nd quarter of the 2018 shows that the RAA of uranium in Well 01 is 24.3 pCi/L. This level exceeds the uranium MCL of 20 pCi/L. South Kern MWC was issued Compliance Order No. _3_12_16R_005 on October 3, 2016.

The South Kern MWC also failed the 1,2,3-TCP MCL, which became effective in January 2018. The MCL for 1,2,3-TCP is 0.000005 mg/L. Compliance with the 1,2,3-TCP MCL is based on a running annual average (RAA) of four (4) consecutive quarterly samples. The data for the 2nd quarter of 2018 shows that the RAA of 1,2,3-TCP in Well 01 is 0.000009 mg/L. South Kern

MWC was issued Compliance Order No. 03_12_18R_031 on July 6, 2018 for the 1,2,3-TCP MCL violation.

2. All reasonable efforts to negotiate consolidation of South Kern MWC's water system with the City's water system were made by the State Board.

Discussion:

The State Board sent letters, dated November 15, 2016, (Attachment C) to South Kern MWC and the City, strongly encouraging them to work out voluntary consolidation of their water systems. The letters also directed South Kern MWC and the City to complete the negotiations and report the outcome to the State Board no later than six months following the date of the letter. The State Board has received responses from the City (Attachment D) indicating they are unable to work out a voluntary consolidation agreement. No written response has been received by South Kern MWC; however, they have indicated verbally that they are willing to consolidate with the City. A voluntary consolidation agreement between the City and South Kern MWC has not been achieved. The State Board also met with the City on January 27, 2016; December 9, 2016; March 28, 2017 and August 25, 2017, to discuss the consolidation project, but no progress was made. Furthermore, the State Board offered to provide technical assistance to aide in submitting an application to the State Board Division of Financial Assistance for a planning study to develop a water master plan for the City's water system. The City did not submit the planning application.

3. Consolidation of the City's water system and South Kern MWC's water system is appropriate and technically and economically feasible.

Discussion:he South Kern MWC is out of compliance with the uranium MCL and has been directed to achieve compliance by December 31, 2019. The South Kern MWC is also out of

compliance with the 1,2,3-TCP MCL and has been directed to achieve compliance by July 6, 2021. The South Kern MWC has three options for achieving compliance: drilling a new well, installing treatment, or consolidation. It would be unlikely that a water system would be able to drill a new well in this area and find water meeting all drinking water standards.

Installing, operating, and maintaining water treatment facilities for uranium and 1,2,3-TCP removal is not a preferred alternative for a small disadvantaged community water system with no active Board. There are several costs associated with running treatment facilities including operation, maintenance, and filter replacement costs that would be a significant burden to the small disadvantaged community. Furthermore, the South Kern MWC would be required to contract a treatment plant operator, properly dispose of waste, and comply with additional testing, reporting, and water system administration.

The South Kern MWC is within the sphere of influence of the City of Bakersfield, roughly one mile away from the City's distribution system. Consolidation with the City will provide reliable water service, meeting the drinking water standards for present and future needs of the community. A cost comparison shown in the *MWCs Compliance Alternatives Memo* in Attachment E shows the initial and long-term costs associated with each alternative, and demonstrates that consolidation is the most cost-effective option.

In addition to South Kern MWC, there is another small community, Old River MWC, with a single well that violates the uranium MCL. These two small community water systems can be connected to the City as part of a regional consolidation project, which is the most technically and economically feasible solution to solve the drinking water compliance issues found in each water system.

4. There is no pending local agency formation commission process that is likely to resolve the problem in a reasonable amount of time.

Discussion:

The South Kern MWC is located in an unincorporated area of Kern County south of the City of Bakersfield. The South Kern MWC is outside the City limits, but within the City's sphere of influence. The State Board has consulted with the Kern County Local Agency Formation Commission and has confirmed there is no pending Kern County Local Agency Formation Commission process that is likely to resolve the problem in a reasonable amount of time.

5. Concerns regarding water rights and water contracts of the subsumed and receiving water systems have been adequately addressed.

Discussion:

The source of water supply for South Kern MWC's water system and the City's water system is groundwater. The local groundwater basin is unadjudicated; therefore, there are no concerns regarding water rights and water contracts of South Kern MWC's water system and the City's water system. Both the City and the South Kern MWC water systems are within the Kern River Groundwater Sustainability Agency (GSA).

6. Consolidation or extension of service is the most effective and cost-effective means to provide an adequate supply of safe drinking water.

Discussion:

As described in Finding No. 3 above, consolidation of South Kern's water system with the City's water system is the most effective and feasible means to provide an adequate supply of safe drinking water to South Kern MWC. The infrastructure needed to extend service from the City's

water system to the South Kern's water system is eligible to be constructed with grant monies provided by the State Board. There would not be any capital cost to the City for the construction of the infrastructure.

In the 2013 Inspection Report, the Division acknowledged that the South Kern MWC water system operates with no storage and lacked a redundant source should their single well fail. Therefore, even if South Kern MWC were to remain a water system the improvements listed in the inspection report would need to be implemented in addition to the installation of a new wells and/or treatment for uranium and 1,2,3-TCP. Further cost analysis can be found in Attachment E.

7. The capacity of the proposed interconnection needed to accomplish the consolidation is limited to serving the current customers of the subsumed water system.

Discussion:

The capacity of the interconnection that will be installed between the City's water system and South Kern MWC's water system to accomplish the consolidation is limited to serving the current customers of the South Kern MWC. Although this will be part of a regional project, the interconnection to Old River MWC will go through the mandatory consolidation process with a separate consolidation order.

DIRECTIVES

The City of Bakersfield is hereby directed to take the following actions:

1. On or before October 26, 2018, complete and return to the State Water Board the "Notification of Receipt" form attached to this Order as Attachment F. Completion of this

form confirms that City has received this Order and understands that it contains legally enforceable directives with due dates.

2. On or before December 31, 2018, prepare and submit for State Board review and approval, a draft plan for consolidation of the South Kern's water system with the City's water system that ensures South Kern MWC and adequate supply of safe drinking water; such plan (hereinafter "Consolidation Plan") shall:

   a) Identify tasks necessary to achieve consolidation of the South Kern MWC's water system with the City's water system – including but not limited to: entering into a water service agreement between the City and South Kern MWC;
   b) Involvement with the funding application process for the project.
   c) Involvement with the design of the pipeline connection to the City's water system.
   d) Include a time schedule for completion of each task identified in the plan.
   e) Ensure consolidation of South Kern MWC's water system with the City's water system, no later than December 31, 2020.

3. If the State Board does not approve the plan, revise according to the comments received and resubmit the Consolidation Plan within fifteen (15) days, unless otherwise specified.

4. Timely perform each element of the State Board's approved Consolidation Plan according to the time schedule set forth therein.

5. Submit quarterly progress reports to the State Board. The first quarterly progress report shall describe progress made in the fourth quarter of 2018 and shall be submitted to the State Board by January 10, 2019 using the form provided in Attachment G.

6. Notify the State Board in writing no later than five (5) days prior to any deadline within the Consolidation Plan that the City anticipates it will not timely meet.

All submittals required by this Order shall be addressed to:

Tricia Wathen, P.E., Senior Sanitary Engineer
State Water Resources Control Board
Division of Drinking Water, Visalia District
265 W. Bullard Avenue, Suite 101
Fresno, CA 93704

dwpdist12@waterboards.ca.gov

The Division reserves the right to make such modifications to this Order and/or to issue such further order(s) as it may deem necessary to protect public health and safety and to achieve the consolidation addressed by this Order. Such modifications may be issued as amendments to this Order and shall be deemed effective upon issuance.

Nothing in this Order relieves the City of Bakersfield of its obligation to meet the requirements of the California Safe Drinking Water Act, CHSC, Division 104, Part 12, Chapter 4 (hereinafter "SDWA"), or any regulation, standard, permit or order issued thereunder.

PARTIES BOUND

This Order shall apply to and be binding upon the City of Bakersfield, its officers, directors, agents, employees, contractors, successors, and assignees.

SEVERABILITY

The requirements of this Order are severable, and the City of Bakersfield shall comply with each and every provision hereof notwithstanding the effectiveness of any other provision.

FURTHER ENFORCEMENT ACTION

The California SDWA authorizes the Division to issue orders and citations with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or order. The California SDWA also authorizes the Division to take action to suspend or revoke a permit that has been issued to a public water system if the system has violated applicable law or regulations or has failed to comply with an order of the Division; and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the Division. The Division does not waive any further enforcement action by issuance of this order.

9/27/2018

Date

Kurt Souza, P.E.
Southern California Branch Chief
SWRCB - Division of Drinking Water

Certified Mail No.: 7018 0040 0000 3159 7452

Attachments:

Attachment A: Applicable Authorities
Attachment B: Notices for Public Meeting and Public Hearing
Attachment C: State Board Letters to the City and South Kern MWC
Attachment D: Responses from the City
Attachment E: MWCs Compliance Alternatives Memo
Attachment F: Notification of Receipt
Attachment G: Quarterly Progress Report

COURT PAPER
STATE OF CALIFORNIA
STD. 113 (REV. 3-95)
OSP 05 90192

Attachment A

Applicable Authorities

SB 88 Consolidation Language

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1.

Section 116680 is added to the Health and Safety Code, to read:

116680.

The Legislature finds and declares as follows:

(a) It is the policy of the state to encourage orderly growth and development, which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation, consolidation, and operation of water systems is an important factor in promoting orderly development and in balancing that development against sometimes competing state interests of discouraging urban sprawl, preserving open space and prime agricultural lands, and efficiently extending other government services. Therefore, the policy of the state should be affected by the logical formation, consolidation, and operation of water systems.

(b) The powers set forth in Section 116682 for consolidation of water systems are consistent with the intent of promoting orderly growth.

SEC. 2.

Section 116681 is added to the Health and Safety Code, to read:

116681.

The following definitions shall apply to this section and Sections 116682 and 116684:

(a) "Adequate supply" means sufficient water to meet residents' health and safety needs.

(b) "Affected residence" means a residence reliant on a water supply that is either inadequate or unsafe.

(c) "Consistently fails" means a failure to provide an adequate supply of safe drinking water.

(d) "Consolidated water system" means the public water system resulting from the consolidation of a public water system with another public water system, state small water system, or affected residences not served by a public water system.

(e) "Consolidation" means joining two or more public water systems, state small water systems, or affected residences not served by a public water system, into a single public water system.

(f) "Disadvantaged community" means a disadvantaged community, as defined in Section 79505.5 of the Water Code, that is in an unincorporated area or is served by a mutual water company.

(g) "Extension of service" means the provision of service through any physical or operational infrastructure arrangement other than consolidation.

(h) "Receiving water system" means the public water system that provides service to a subsumed water system through consolidation or extension of service.

(i) "Safe drinking water" means water that meets all primary and secondary drinking water standards.

(j) "Subsumed water system" means the public water system, state small water system, or affected residences not served by a public water system consolidated into or receiving service from the receiving water system.

SEC. 3.

Section 116682 is added to the Health and Safety Code, to read:

116682.

(a) Where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water, the State Water Resources Control Board may order consolidation with a receiving water system as provided in this section and Section 116684. The consolidation may be physical or operational. The State Water

Resources Control Board may also order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation. The State Water Resources Control Board may set timelines and performance measures to facilitate completion of consolidation.

(b) Prior to ordering consolidation or extension of service as provided in this section, the State Water Resources Control Board shall do all of the following:

(1) Encourage voluntary consolidation or extension of service.

(2) Consider other enforcement remedies specified in this article.

(3) Consult with, and fully consider input from, the relevant local agency formation commission regarding the provision of water service in the affected area, the recommendations for improving service in a municipal service review, and any other relevant information.

(4) Consult with, and fully consider input from, the Public Utilities Commission when the consolidation would involve a water corporation subject to the commission's jurisdiction.

(5) Consult with, and fully consider input from, the local government with land use planning authority over the affected area, particularly regarding any information in the general plan required by Section 65302.10 of the Government Code.

(6) Notify the potentially receiving water system and the potentially subsumed water system, if any, and establish a reasonable deadline of no less than six months, unless a shorter period is justified, for the potentially receiving water system and the potentially subsumed water system, if any, to negotiate consolidation or another means of providing an adequate supply of safe drinking water.

(A) During this period, the State Water Resources Control Board shall provide technical assistance and work with the potentially receiving water system and the potentially subsumed water system to develop a financing package that benefits both the receiving water system and the subsumed water system.

(B) Upon a showing of good cause, the deadline may be extended by the State Water Resources Control Board at the request of the potentially receiving water system, potentially subsumed water system, or the local agency formation commission with jurisdiction over the potentially subsumed water system.

(7) Obtain written consent from any domestic well owner for consolidation or extension of service. Any affected resident within the consolidation or extended service area who does not provide written consent shall be ineligible, until the consent is provided, for any future water-related grant funding from the state other than funding to mitigate a well failure, disaster, or other emergency.

(8) Hold at least one public meeting at the initiation of this process in a place as close as feasible to the affected areas. The State Water Resources Control Board shall make reasonable efforts to provide a 30-day notice of the meeting to the ratepayers, renters, and property owners to receive water service through service extension or in the area of the subsumed water system and all affected local government agencies and drinking water service providers. The meeting shall provide representatives of the potentially subsumed water system, affected ratepayers, renters, property owners, and the potentially receiving water system an opportunity to present testimony. The meeting shall provide an opportunity for public comment.

(c) Upon expiration of the deadline set by the State Water Resources Control Board pursuant to paragraph (6) of subdivision (b), the State Water Resources Control Board shall do the following:

(1) Consult with the potentially receiving water system and the potentially subsumed water system, if any.

(2) Conduct a public hearing, in a location as close as feasible to the affected communities.

(A) The State Water Resources Control Board shall make reasonable efforts to provide a 30-day notice of the hearing to the ratepayers, renters, and property owners to receive water service through service extension or in the area of the subsumed water system and to all affected local government agencies and drinking water service providers.

(B) The hearing shall provide representatives of the potentially subsumed water system, affected ratepayers, renters, property owners, and the potentially receiving water system an opportunity to present testimony.

(C) The hearing shall provide an opportunity for public comment.

(d) Prior to ordering consolidation or extension of service, the State Water Resources Control Board shall find all of the following:

(1) The potentially subsumed water system has consistently failed to provide an adequate supply of safe drinking water.

(2) All reasonable efforts to negotiate consolidation or extension of service were made.

(3) Consolidation of the receiving water system and subsumed water system or extension of service is appropriate and technically and economically feasible.

(4) There is no pending local agency formation commission process that is likely to resolve the problem in a reasonable amount of time.

(5) Concerns regarding water rights and water contracts of the subsumed and receiving water systems have been adequately addressed.

(6) Consolidation or extension of service is the most effective and cost-effective means to provide an adequate supply of safe drinking water.

(7) The capacity of the proposed interconnection needed to accomplish the consolidation is limited to serving the current customers of the subsumed water system.

(e) Upon ordering consolidation or extension of service, the State Water Resources Control Board shall do all of the following:

(1) As necessary and appropriate, make funds available, upon appropriation by the Legislature, to the receiving water system for the costs of completing the consolidation or extension of service, including, but not limited to, replacing any capacity lost as a result of the consolidation or extension of service, providing additional capacity needed as a result of the consolidation or extension of service, and legal fees. Funding pursuant to this paragraph is available for the general purpose of providing financial assistance for the infrastructure needed for the consolidation or extension of service and does not need to be specific to each individual consolidation project. The State Water Resources Control Board shall provide appropriate financial assistance for the infrastructure needed for the consolidation or extension of service. The State Water Resources Control Board's existing financial assistance guidelines and policies shall be the basis for the financial assistance.

(2) Ensure payment of standard local agency formation commission fees caused by State Water Resources Control Board-ordered consolidation or extension of service.

(3) Adequately compensate the owners of a privately owned subsumed water system for the fair market value of the system as determined by the Public Utilities Commission for water corporations subject to the commission's jurisdiction or the State Water Resources Control Board for all other water systems.

(4) Coordinate with the appropriate local agency formation commission and other relevant local agencies to facilitate the change of organization or reorganization.

(f) For the purposes of this section, the consolidated water system shall not increase charges on existing customers of the receiving water system solely as a consequence of the consolidation or extension of service unless the customers receive a corresponding benefit.

(g) Division 3 (commencing with Section 56000) of Title 5 of the Government Code shall not apply to the consolidation or extension of service required pursuant to this section.

SEC. 4.

Section 116684 is added to the Health and Safety Code, to read:

116684.

(a) Liability of a consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system shall be limited as described in this section.

(b) (1) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or those who consumed water provided through the subsumed water system concerning the operation and supply of water from the subsumed water system during the interim operation period specified in subdivision (d) for any good faith, reasonable effort using ordinary care to assume possession of, to operate, or to supply water to the subsumed water system.

(2) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (d).

(c) (1) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system concerning the provision of supplemental imported water supplies to the subsumed water system during the interim operation period specified in subdivision (d) for any good faith, reasonable effort using ordinary care to supply water to the subsumed water system.

(2) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system concerning the operation and supply of water from the subsumed water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (d).

(3) This subdivision shall only apply if the water supplied by the consolidated water system through a temporary potable service pipeline to the subsumed water system meets or exceeds federal and state drinking water quality standards.

(d) (1) The interim operation period shall commence upon the connection of a temporary potable service pipeline by the consolidated water system to the subsumed water system, or upon the execution of an agreement between the consolidated water system, subsumed water system, and any other signatories to provide service to the customers of the subsumed water system, whichever occurs first.

(2) (A) Except as provided in subparagraph (B), the interim operation period shall last until permanent replacement facilities are accepted by the consolidated water system with the concurrence of the State Water Resources Control Board and the facilities and water supply meet drinking water and water quality standards.

(B) Upon the showing of good cause, the interim operation period shall be extended by the State Water Resources Control Board for up to three successive one-year periods at the request of the consolidated water system.

(3) The acceptance date of permanent replacement facilities shall be publicly noticed by the consolidated water system.

(e) Subdivision (b) shall only apply if the consolidated water system provides water to the subsumed water system in accordance with all of the following conditions:

(1) Water provided by the consolidated water system through a temporary potable service pipeline to the subsumed water system shall meet or exceed federal and state drinking water quality standards.

(2) Reasonable water system flow and pressure through a temporary potable service pipeline shall be maintained during the interim operation period based upon the condition and integrity of the existing subsumed water system, and any disruptions to water delivery resulting from construction-related activities associated with the installation of permanent replacement facilities shall be minimal.

(3) The consolidated water system shall notify fire officials serving the subsumed water system service area of the condition and firefighting support capabilities of the subsumed water system and planned improvements with the installation of permanent replacement facilities thereto. The consolidated water system shall maintain or improve the condition and firefighting support capabilities of the subsumed water system during the interim operation period.

(4) Customers of the subsumed water system shall receive written notice upon any change in possession, control, or operation of the water system.

(f) Nothing in this section shall be construed to do any of the following:

(1) Relieve any water district, water wholesaler, or any other entity from complying with any provision of federal or state law pertaining to drinking water quality.

(2) Impair any cause of action by the Attorney General, a district attorney, a city attorney, or any other public prosecutor, or impair any other action or proceeding brought by or on behalf of a regulatory agency.

(3) Impair any claim alleging the taking of property without compensation within the meaning of either the Fifth Amendment to the United States Constitution or Section 19 of Article I of the California Constitution.

NOTE: The following language is provided for the convenience of the recipient, and cannot be relied upon as the State of California's representation of the law. The published codes are the only official representation of the law. Regulations related to drinking water are in Titles 22 and 17 of the California Code of Regulations. Statutes related to drinking water are in the Health & Safety Code, the Water Code, and other codes.

California Health and Safety Code (CHSC):

Section 116271. Transition of CDPH duties to State Board states in relevant part:

(a) The state board succeeds to and is vested with all of the authority, duties, powers, purposes, functions, responsibilities, and jurisdiction of the State Department of Public Health, its predecessors, and its director for purposes of all of the following:

(1) The Environmental Laboratory Accreditation Act (Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101).

(2) Article 3 (commencing with Section 106875) of Chapter 4 of Part 1.

(3) Article 1 (commencing with Section 115825) of Chapter 5 of Part 10.

(4) This chapter and the Safe Drinking Water State Revolving Fund Law of 1997 (Chapter 4.5 (commencing with Section 116760)).

(5) Article 2 (commencing with Section 116800), Article 3 (commencing with Section 116825), and Article 4 (commencing with Section 116875) of Chapter 5.

(6) Chapter 7 (commencing with Section 116975).

(7) The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code).

(8) The Water Recycling Law (Chapter 7 (commencing with Section 13500) of Division 7 of the Water Code).

(9) Chapter 7.3 (commencing with Section 13560) of Division 7 of the Water Code.

(10) The California Safe Drinking Water Bond Law of 1976 (Chapter 10.5 (commencing with Section 13850) of Division 7 of the Water Code).

(11) Wholesale Regional Water System Security and Reliability Act (Division 20.5 (commencing with Section 73500) of the Water Code).

(12) Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Division 26.5 (commencing with Section 79500) of the Water Code).

(b) The state board shall maintain a drinking water program and carry out the duties, responsibilities, and functions described in this section. Statutory reference to "department," "state department," or "director" regarding a function transferred to the state board shall refer to the state board. This section does not impair the authority of a local health officer to enforce this chapter or a county's election not to enforce this chapter, as provided in Section 116500...

(k)

(1) The state board shall appoint a deputy director who reports to the executive director to oversee the issuance and enforcement of public water system permits and other duties as appropriate. The deputy director shall have public health expertise.

(2) The deputy director is delegated the state board's authority to provide notice, approve notice content, approve emergency notification plans, and take other action pursuant to Article 5 (commencing with Section 116450), to issue, renew, reissue, revise, amend, or deny any public water system permits pursuant to Article 7 (commencing with Section 116525), to suspend or revoke any public water system permit pursuant to Article 8 (commencing with Section 116625), and to issue citations, assess penalties, or issue orders pursuant to Article 9 (commencing with Section 116650). Decisions and actions of the deputy director taken pursuant to Article 5 (commencing with Section 116450) or Article 7 (commencing with Section 116525) are deemed decisions and actions taken by the state board, but are not subject to reconsideration by the state board except as provided in Section 116540. Decisions and actions of the deputy director taken pursuant to Article 8 (commencing with Section 116625) and Article 9 (commencing with Section 116650) are deemed decisions and actions taken by the state board, but any aggrieved person may petition the state board for reconsideration of the decision or action. This subdivision is not a limitation on the state board's authority to delegate any other powers and duties.

Section 116275. Definitions states in relevant part:

(c) "Primary drinking water standards" means:

(1) Maximum levels of contaminants that, in the judgment of the state board, may have an adverse effect on the health of persons.

(2) Specific treatment techniques adopted by the state board in lieu of maximum contaminant levels pursuant to subdivision (j) of Section 116365.

(3) The monitoring and reporting requirements as specified in regulations adopted by the state board that pertain to maximum contaminant levels.

Section 116555. Operational requirements states in relevant part:

(a) Any person who owns a public water system shall ensure that the system does all of the following:

(1) Complies with primary and secondary drinking water standards.

(2) Will not be subject to backflow under normal operating conditions.

(3) Provides a reliable and adequate supply of pure, wholesome, healthful, and potable water.

Section 116577. Enforcement fee states:

(a) Each public water system shall reimburse the state board for actual costs incurred by the state board for any of the following enforcement activities related to that water system:

(1) Preparing, issuing, and monitoring compliance with, an order or a citation.

(2) Preparing and issuing public notification.

(3) Conducting a hearing pursuant to Section 116625.

(b) The state board shall submit an invoice for these enforcement costs to the public water system that requires payment before September 1 of the fiscal year following the fiscal year in which the costs were incurred. The invoice shall indicate the total hours expended, the reasons for the expenditure, and the hourly cost rate of the state board. The costs set forth in the invoice shall not exceed the total actual costs to the state board of enforcement activities specified in this section.

(c) Notwithstanding the reimbursement of enforcement costs of the local primacy agency pursuant to subdivision (a) of Section 116595 by a public water system under the jurisdiction of the local primacy agency, a public water system shall also reimburse enforcement costs, if any, incurred by the state board pursuant to this section.

(d) "Enforcement costs," as used in this section, does not include "litigation costs" pursuant to Section 116585.

(e) The state board shall not be entitled to enforcement costs pursuant to this section if a court determines that enforcement activities were in error.

(f) Payment of the invoice shall be made within 90 days of the date of the invoice. Failure to pay the invoice within 90 days shall result in a 10-percent late penalty that shall be paid in addition to the invoiced amount.

(g) The state board may, at its sole discretion, waive payment by a public water system of all or any part of the invoice or penalty.

Section 116625. Revocation and suspension of permits states:

(a) The state board, after providing notice to the permittee and opportunity for a hearing, may suspend or revoke any permit issued pursuant to this chapter if the state board determines pursuant to the hearing that the permittee is not complying with the permit, this chapter, or any regulation, standard, or order issued or adopted thereunder, or that the permittee has made a false statement or representation on any application, record, or report maintained or submitted for purposes of compliance with this chapter. If the permittee does not request a hearing within the period specified in the notice, the state board may suspend or revoke the permit without a hearing. If the permittee submits a timely request for a hearing, the hearing shall be before the state board or a member of the state board, in accordance with Section 183 of the Water Code and the rules for adjudicative proceedings adopted under Section 185 of the Water Code. If the permit at issue has been temporarily suspended pursuant to subdivision (b), the notice shall be provided within 15 days of the effective date of the temporary suspension order. The commencement of the hearing under this subdivision shall be as soon as practicable, but no later than 60 days after the effective date of the temporary suspension order, unless the state board grants an extension of the 60 day period upon request of the permittee.

(b) The state board may temporarily suspend any permit issued pursuant to this chapter before any hearing when the action is necessary to prevent an imminent or substantial danger to health. The state board shall notify the permittee of the temporary suspension and the effective date of the temporary suspension and, at the same time, notify the permittee that a hearing has been scheduled. The hearing shall be held as soon as possible, but not later than 15 days after the effective date of the temporary suspension unless the state board grants an extension of the 15 day period upon request of the permittee, and shall deal only with the issue of whether the temporary suspension shall remain in place pending a hearing under subdivision (a). The hearing shall be conducted under the rules for adjudicative proceedings adopted by the state board under Section 185 of the Water Code. The temporary suspension shall remain in effect until the hearing under this subdivision is completed and the state board has made a final determination on the temporary suspension, which shall be made within 15 days after the completion of the hearing unless the state board grants an extension of the 15 day period upon request of the permittee. If the determination is not transmitted within 15 days after the hearing is completed, or any extension of this period requested by the permittee, the temporary suspension shall be of no further effect. Dissolution of the temporary suspension does not deprive the state board of jurisdiction to proceed with a hearing on the merits under subdivision (a).

Section 116650. Citations states:

(a) If the state board determines that a public water system is in violation of this chapter or any regulation, permit, standard, citation, or order issued or adopted thereunder, the state board may issue a citation to the public water system. The citation shall be served upon the public water system personally or by certified mail. Service shall be deemed effective as of the date of personal service or the date of receipt of the certified mail. If a person to whom a citation is directed refuses to accept delivery of the certified mail, the date of service shall be deemed to be the date of mailing.

(b) Each citation shall be in writing and shall describe the nature of the violation or violations, including a reference to the statutory provision, standard, order, citation, permit, or regulation alleged to have been violated.

(c) A citation may specify a date for elimination or correction of the condition constituting the violation.

(d) A citation may include the assessment of a penalty as specified in subdivision (e).

(e) The state board may assess a penalty in an amount not to exceed one thousand dollars ($1,000) per day for each day that a violation occurred, and for each day that a violation continues to occur. A separate penalty may be assessed for each violation and shall be in addition to any liability or penalty imposed under any other law.

Section 116655. Orders states:

(a) Whenever the state board determines that any person has violated or is violating this chapter, or any order, permit, regulation, or standard issued or adopted pursuant to this chapter, the state board may issue an order doing any of the following:

(1) Directing compliance forthwith.

(2) Directing compliance in accordance with a time schedule set by the state board.
(3) Directing that appropriate preventive action be taken in the case of a threatened violation.
(b) An order issued pursuant to this section may include, but shall not be limited to, any or all of the following requirements:
(1) That the existing plant, works, or system be repaired, altered, or added to.
(2) That purification or treatment works be installed.
(3) That the source of the water supply be changed.
(4) That no additional service connection be made to the system.
(5) That the water supply, the plant, or the system be monitored.
(6) That a report on the condition and operation of the plant, works, system, or water supply be submitted to the state board.

Section 116701. Petitions to Orders and Decisions states:
(a)
(1) Within 30 days of issuance of an order or decision under authority delegated to an officer or employee of the state board under Article 8 (commencing with Section 116625) or Article 9 (commencing with Section 116650), an aggrieved person may petition the state board for reconsideration.
(2) Within 30 days of issuance of an order or decision under authority delegated to an officer or employee of the state board under Section 116540, the applicant may petition the state board for reconsideration.
(3) Within 30 days of final action by an officer or employee of the state board acting under delegated authority, the owner of a laboratory that was the subject of the final action may petition the state board for reconsideration of any of the following actions:
(A) Denial of an application for certification or accreditation under Section 100855.
(B) Issuance of an order directing compliance under Section 100875.
(C) Issuance of a citation under Section 100880.
(D) Assessment of a penalty under subdivision (e) of Section 100880.
(b) The petition shall include the name and address of the petitioner, a copy of the order or decision for which the petitioner seeks reconsideration, identification of the reason the petitioner alleges the issuance of the order was inappropriate or improper, the specific action the petitioner requests, and other information as the state board may prescribe. The petition shall be accompanied by a statement of points and authorities of the legal issues raised by the petition.
(c) The evidence before the state board shall consist of the record before the officer or employee who issued the order or decision and any other relevant evidence that, in the judgment of the state board, should be considered to implement the policies of this chapter. The state board may, in its discretion, hold a hearing for receipt of additional evidence.
(d) The state board may refuse to reconsider the order or decision if the petition fails to raise substantial issues that are appropriate for review, may deny the petition upon a determination that the issuance of the order or decision was appropriate and proper, may set aside or modify the order or decision, or take other appropriate action. The state board's action pursuant to this subdivision shall constitute the state board's completion of its reconsideration.
(e) The state board, upon notice and hearing, if a hearing is held, may stay in whole or in part the effect of the order or decision subject to the petition for reconsideration.
(f) If an order or decision is subject to reconsideration under this section, the filing of a petition for reconsideration is an administrative remedy that must be exhausted before filing a petition for writ of mandate under Section 100920.5 or 116700.

Attachment B

Notices for Public Meeting and Public Hearing

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

NOTICE OF PUBLIC MEETING - JULY 10, 2017

PROPOSED CITY OF BAKERSFIELD WATER SUPPLY SERVICE TO SOUTH KERN MWC

The State Water Resources Control Board invites you to attend a public meeting to comment on the potential for the City of Bakersfield to supply domestic water to South Kern Mutual Water Company (MWC).

Background:
South Kern MWC (Water System) is located in an unincorporated area of Kern County southwest of the City of Bakersfield. The Water System is a community water system that serves domestic water to 15 service connections and approximately 35 people. The Water System utilizes one groundwater well to meet water demands and does not have any storage capacity or redundant sources, to meet water demands in case of well failure or other water quality emergency. Since 2016, the Water System has been in violation of the uranium maximum contaminant level.

With State Water Resources Control Board funding, the nearby Lakeside School has completed plans to construct 4 miles of pipeline to the City of Bakersfield water system. In addition to the School, South Kern MWC and Old River MWC may participate in the proposed interconnection since they are located along the proposed pipeline alignment. The State Water Resources Control Board is considering action which would order the City of Bakersfield to provide a supply of domestic water to South Kern MWC, Old River MWC and Lakeside School water systems.

Public Meeting:
The State Water Resources Control Board will host a public meeting to provide information on the South Kern MWC water system, the proposed action, answer questions, and receive public comments.

Date: **Monday, July 10, 2017 from 6:30 p.m. – 8:30 p.m.**
Location: **Lakeside Elementary School – Cafeteria**
14535 Old River Road Bakersfield, CA 93311
**Spanish language interpretation services will be available*.

Public Comments/Information
Public comments will be received through **July 31, 2017** and can be sent to:

Mail: Tricia Wathen, P.E., Senior Sanitary Engineer
State Water Resources Control Board, Division of Drinking Water
265 W. Bullard Avenue, Suite 101, Fresno, CA 93704

Email: Tricia.Wathen@waterboards.ca.gov or **Fax:** (559) 447-3304

AVISO DE AUDIENCIA PUBLICA para el 7 de septiembre de 2017

PROPUESTA PARA QUE LA CIUDAD DE BAKERSFIELD PROVEA SERVICIO DE AGUA A SOUTH KERN MWC

La Junta Estatal de Agua, en inglés conocida como la State Water Resources Control Board o SWRCB, los invita a una audiencia pública para que den sus comentarios sobre el potencial de que la Ciudad de Bakersfield provea agua doméstica para la compañía de agua mutua llamada South Kern Mutual Water Company (MWC).

Información de Fondo:
South Kern MWC (el Sistema de Agua), está ubicado en un área no incorporada del Condado de Kern, al sureste de la Ciudad de Bakersfield. El Sistema de Agua es un sistema de agua comunitario que da servicio de agua doméstica a 15 conexiones de servicio y a aproximadamente 35 personas. El Sistema de Agua usa un pozo de agua subterránea para satisfacer la demanda de agua y no tiene ninguna capacidad de almacenamiento o fuentes redundantes, para satisfacer la demanda de agua en caso de que falle el pozo o en una emergencia de calidad de agua. Desde el 2016, el Sistema de Agua ha estado en violación del nivel máximo de contaminantes (MCL) para uranio.

Con fondos de la Junta Estatal de Agua (SWRCB), Lakeside School que está cercana, ha completado planes para construir 4 millas de tubería que conecta al sistema de agua de la Ciudad de Bakersfield. Además de la Escuela, puede que los sistemas de agua pública South Kern MWC y Old River MWC participen en la interconexión propuesta; ya que están ubicados a lo largo de la alineación de tubería propuesta. La SWRCB está considerando tomar acción que le ordenaría a la Ciudad de Bakersfield proveer agua doméstica a los sistemas de agua de Lakeside School, South Kern MWC y Old River MWC.

Audiencia Pública:
La Junta Estatal de Agua (SWRCB), tendrá una audiencia pública para dar información sobre el sistema de agua South Kern MWC, la acción propuesta, contestar preguntas, y recibir comentarios públicos.

Fecha: **Jueves, 7 de septiembre de 2017 de 6:00 p.m. a 8:00 p.m.**
Lugar: **Lakeside Elementary School – en la Cafeteria**
14535 Old River Road Bakersfield, CA 93311

**Habrá servicio de intérprete en español.*

Comentarios del público/más información
Se estarán recibiendo comentarios del público hasta el **7 de septiembre de 2017** y pueden ser enviados a:

Correo postal: Tricia Wathen, P.E., Ingeniera Sanitaria Senior
State Water Resources Control Board, División de Agua Potable
265 W. Bullard Avenue, Suite 101, Fresno, CA 93704
Correo electrónico: Tricia.Wathen@waterboards.ca.gov **Fax:** (559) 447-3304

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

NOTICE OF PUBLIC HEARING – SEPTEMBER 7, 2017

PROPOSED CITY OF BAKERSFIELD WATER SUPPLY SERVICE TO SOUTH KERN MWC

The State Water Resources Control Board invites you to attend a public hearing to comment on the potential for the City of Bakersfield to supply domestic water to South Kern Mutual Water Company (MWC).

Background:
South Kern MWC (Water System) is located in an unincorporated area of Kern County southwest of the City of Bakersfield. The Water System is a community water system that serves domestic water to 15 service connections and approximately 35 people. The Water System utilizes one groundwater well to meet water demands and does not have any storage capacity or redundant sources, to meet water demands in case of well failure or other water quality emergency. Since 2016, the Water System has been in violation of the uranium maximum contaminant level.

With State Water Resources Control Board funding, the nearby Lakeside School has completed plans to construct 4 miles of pipeline to the City of Bakersfield water system. In addition to the School, South Kern MWC and Old River MWC may participate in the proposed interconnection since they are located along the proposed pipeline alignment. The State Water Resources Control Board is considering action which would order the City of Bakersfield to provide a supply of domestic water to South Kern MWC, Old River MWC and Lakeside School water systems.

Public Hearing:
The State Water Resources Control Board will host a public hearing to provide information on the South Kern MWC water system, the proposed action, answer questions, receive public comments, and accept public testimony.

Date: **Thursday, September 7, 2017 from 6:00 p.m. – 8:00 p.m.**
Location: **Lakeside Elementary School – Cafeteria**
14535 Old River Road Bakersfield, CA 93311

**Spanish language interpretation services will be available*.

Public Comments/Information
Public comments will be received through **September 31, 2017** and can be sent to:

Mail: Tricia Wathen, P.E., Senior Sanitary Engineer
State Water Resources Control Board, Division of Drinking Water
265 W. Bullard Avenue, Suite 101, Fresno, CA 93704

Email: Tricia.Wathen@waterboards.ca.gov or **Fax:** (559) 447-3304

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

AVISO DE AUDIENCIA PUBLICA para el 7 de septiembre de 2017

PROPUESTA PARA QUE LA CIUDAD DE BAKERSFIELD PROVEA SERVICIO DE AGUA A SOUTH KERN MWC

La Junta Estatal de Agua, en inglés conocida como la State Water Resources Control Board o SWRCB, los invita a una audiencia pública para que den sus comentarios sobre el potencial de que la Ciudad de Bakersfield provea agua doméstica para la compañía de agua mutua llamada South Kern Mutual Water Company (MWC).

Información de Fondo:
South Kern MWC (el Sistema de Agua), está ubicado en un área no incorporada del Condado de Kern, al sureste de la Ciudad de Bakersfield. El Sistema de Agua es un sistema de agua comunitario que da servicio de agua doméstica a 15 conexiones de servicio y a aproximadamente 35 personas. El Sistema de Agua usa un pozo de agua subterránea para satisfacer la demanda de agua y no tiene ninguna capacidad de almacenamiento o fuentes redundantes, para satisfacer la demanda de agua en caso de que falle el pozo o en una emergencia de calidad de agua. Desde el 2016, el Sistema de Agua ha estado en violación del nivel máximo de contaminantes (MCL) para uranio.

Con fondos de la Junta Estatal de Agua (SWRCB), Lakeside School que está cercana, ha completado planes para construir 4 millas de tubería que conecta al sistema de agua de la Ciudad de Bakersfield. Además de la Escuela, puede que los sistemas de agua pública South Kern MWC y Old River MWC participen en la interconexión propuesta; ya que están ubicados a lo largo de la alineación de tubería propuesta. La SWRCB está considerando tomar acción que le ordenaría a la Ciudad de Bakersfield proveer agua doméstica a los sistemas de agua de Lakeside School, South Kern MWC y Old River MWC.

Audiencia Pública:
La Junta Estatal de Agua (SWRCB), tendrá una audiencia pública para dar información sobre el sistema de agua South Kern MWC, la acción propuesta, contestar preguntas, y recibir comentarios públicos.

Fecha: **Jueves, 7 de septiembre de 2017 de 6:00 p.m. a 8:00 p.m.**
Lugar: **Lakeside Elementary School – en la Cafeteria**
14535 Old River Road Bakersfield, CA 93311

**Habrá servicio de intérprete en español.*

Comentarios del público/más información
Se estarán recibiendo comentarios del público hasta el **31 de septiembre de 2017** y pueden ser enviados a:

Correo postal: Tricia Wathen, P.E., Ingeniera Sanitaria Senior
State Water Resources Control Board, División de Agua Potable
265 W. Bullard Avenue, Suite 101, Fresno, CA 93704
Correo electrónico: Tricia.Wathen@waterboards.ca.gov **Fax:** (559) 447-3304

Attachment C

State Board Letters to the City and South Kern MWC

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

November 10, 2015

Ms. Sherry Settlemoir, President
South Kern Mutual Water Company - Water System No. 1500344
9612 Beam Avenue
Bakersfield, CA 93311

Dear Ms. Settlemoir:

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by South Kern Mutual Water Company (System No. 1500344) public water system (System) contains uranium at levels that have exceeded the maximum contaminant level (MCL) established in state and federal regulations. However, adequate follow-up sampling was not conducted. The last sample collected in September of 2015 showed a uranium level of 21 picocuries per liter (pCi/L) which exceeds the uranium maximum contaminant level of 20 pCi/L. Since the uranium compliance is determined on a running annual average based on quarterly samples, it will take additional monitoring to determine compliance. If the System is deemed to be out of compliance with the uranium MCL, the System will be required to correct the problem.

It is our understanding that the System's service area is outside the boundaries of City of Bakersfield (City) but within the City's sphere of influence. There is a funding project to connect Lakeside School to the City of Bakersfield with a transmission pipe along Old River Road. It is also our understanding that the proposed transmission main to Lakeside School will pass along your water system. In addition to Lakeside School, there is another small public water system along the proposed transmission pipe alignment - Old River Road Mutual Water Company which has been in non-compliance with the uranium MCL since 2009. According to our records, your System and the Old River Mutual Water Company have distribution systems within 100 feet.

The State Water Resources Control Board (State Water Board) strongly encourages the System and the City to work out voluntary consolidation of their public water systems. However, if a voluntary consolidation is not timely achieved, the State Water Board may determine to exercise its authority pursuant to Health & Safety Code section 116682, subdivision (a) to achieve consolidation of System with the City's public water system.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to your community in a cost-effective manner. The State Water Board will provide technical assistance and work with the City and Lakeside School, Old River Water Company and South

Kern Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board's Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

In the near future, we will be contacting all the water systems to set up a meeting. If you have any questions regarding this letter, please contact me at (559) 447-3300. For funding related questions, please contact Mr. Joel Greathouse at (559) 447-3300.

Sincerely,

Tricia A. Wathen

Tricia A. Wathen P.E.
Senior Sanitary Engineer
Visalia District
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

cc: Mr. Art Chianello
Water Resources Manager
City of Bakersfield
1000 Buena Vista Road.
Bakersfield, CA 93311

Ms. Donna Fenton, Kern County EHD
2700 M Street, Suite 300
Bakersfield, CA 93301

Ms. Rebecca Moore
Executive Officer
Kern County LAFCo
5300 Lennox Ave, Suite 303
Bakersfield, CA 93309

Ms. Taryn Rickel
Old River Mutual Water Company
6734 Charity Avenue, Bay #8
Bakersfield, CA 93308

Mr. Ty Bryson, Superintendent
Lakeside School
1435 Old River Road
Bakersfield, CA 93311

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

November 15, 2016

Mrs. Sherry Settlemoir, President
South Kern Mutual Water Company – Water System No. 1500344
9609 Beam Avenue
Bakersfield, CA 93311

Dear Ms. Settlemoir:

State Water Resources Control Board Notice Regarding Mandatory Consolidation

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by South Kern Mutual Water System (System No. 1500344) public water system (System) contains uranium at levels that exceed the maximum contaminant level established in state and federal regulations. Since October 2016, the System has consistently failed to provide safe drinking water due to the high uranium levels. It is our understanding that the System's service area is outside the boundaries of City of Bakersfield (City) but within the City's sphere of influence. According to our records, the City's system and the System have distribution systems within one mile.

The Division issued a pre-consolidation letter dated November 10, 2015 (enclosed) encouraging the System and the City to work out a voluntary consolidation of their public water systems. In addition a meeting was held on January 27, 2016 with both City and the System representatives to discuss the alternatives.

The State Water Resources Control Board (State Water Board) strongly encourages the System and the City to work out voluntary consolidation of their public water systems. If a voluntary consolidation is not timely achieved, the State Water Board intends to take action pursuant to Health & Safety Code section 116682, subdivision (a) for consolidation of the System with the City's public water system. Please note that as used in the applicable statutory authority, the City is hereby identified as the potentially receiving water system and the South Kern Mutual Water Company Water System is identified as the potentially subsumed water system.

This letter serves as official notification that, pursuant to Health & Safety Code section 116682, subdivision (b) (6), the South Kern Mutual Water System, the potentially subsumed water system, is directed to negotiate consolidation with the City, the potentially receiving water system. The System is further directed to complete such negotiations and report the outcome to the State Water Board Division of Drinking Water – Visalia District Office not later than six (6) months following the date of this letter.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water in a cost-effective manner. Pursuant to Health & Safety Code section 116682, subdivision (b) (6) (A), during the six month negotiation period, the State Water Board will provide technical assistance and work with the City and the South Kern Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

If you have any questions regarding this matter, please contact Mrs. Tricia Wathen, Visalia District Engineer for the State Water Board, DDW, at (559) 447-3398, or me at (559) 447-3132. For funding related questions, please contact the Division of Financial Assistance at (916) 341-5700.

Sincerely,

Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
Central California Section
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

Enclosure

cc: Honorable Harvey L. Hall, Mayor, City of Bakersfield
Mr. Art Chianello, Water Resources Manager, City of Bakersfield
Mr. Jason Meadors, Water Resources Director, City of Bakersfield
City Council, City of Bakersfield
Ms. Donna Fenton, Kern County Environmental Health Department
Ms. Rebecca Moore, Executive Officer, Kern County LAFCo

CALIFORNIA
Water Boards

Edmund G. Brown Jr.
Governor

Matthew Rodriquez
Secretary for
Environmental Protection

State Water Resources Control Board
Division of Drinking Water

November 10, 2015

Ms. Sherry Settlemoir, President
South Kern Mutual Water Company - Water System No. 1500344
9612 Beam Avenue
Bakersfield, CA 93311

Dear Ms. Settlemoir:

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by South Kern Mutual Water Company (System No. 1500344) public water system (System) contains uranium at levels that have exceeded the maximum contaminant level (MCL) established in state and federal regulations. However, adequate follow-up sampling was not conducted. The last sample collected in September of 2015 showed a uranium level of 21 picocuries per liter (pCi/L) which exceeds the uranium maximum contaminant level of 20 pCi/L. Since the uranium compliance is determined on a running annual average based on quarterly samples, it will take additional monitoring to determine compliance. If the System is deemed to be out of compliance with the uranium MCL, the System will be required to correct the problem.

It is our understanding that the System's service area is outside the boundaries of City of Bakersfield (City) but within the City's sphere of influence. There is a funding project to connect Lakeside School to the City of Bakersfield with a transmission pipe along Old River Road. It is also our understanding that the proposed transmission main to Lakeside School will pass along your water system. In addition to Lakeside School, there is another small public water system along the proposed transmission pipe alignment - Old River Road Mutual Water Company which has been in non-compliance with the uranium MCL since 2009. According to our records, your System and the Old River Mutual Water Company have distribution systems within 100 feet.

The State Water Resources Control Board (State Water Board) strongly encourages the System and the City to work out voluntary consolidation of their public water systems. However, if a voluntary consolidation is not timely achieved, the State Water Board may determine to exercise its authority pursuant to Health & Safety Code section 116682, subdivision (a) to achieve consolidation of System with the City's public water system.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to your community in a cost-effective manner. The State Water Board will provide technical assistance and work with the City and Lakeside School, Old River Water Company and South

Kern Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board's Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

In the near future, we will be contacting all the water systems to set up a meeting. If you have any questions regarding this letter, please contact me at (559) 447-3300. For funding related questions, please contact Mr. Joel Greathouse at (559) 447-3300.

Sincerely,

Tricia A. Wathen

Tricia A. Wathen P.E.
Senior Sanitary Engineer
Visalia District
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

cc: Mr. Art Chianello
Water Resources Manager
City of Bakersfield
1000 Buena Vista Road.
Bakersfield, CA 93311

Ms. Donna Fenton, Kern County EHD
2700 M Street, Suite 300
Bakersfield, CA 93301

Ms. Rebecca Moore
Executive Officer
Kern County LAFCo
5300 Lennox Ave, Suite 303
Bakersfield, CA 93309

Ms. Taryn Rickel
Old River Mutual Water Company
6734 Charity Avenue, Bay #8
Bakersfield, CA 93308

Mr. Ty Bryson, Superintendent
Lakeside School
1435 Old River Road
Bakersfield, CA 93311

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Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

November 15, 2016

Mr. Art Chianello, Water Resources Manager
City of Bakersfield - Water System No.: 1510031
1000 Buena Vista Road
Bakersfield, CA 93311

Dear Mr. Chianello:

State Water Resources Control Board Notice Regarding Mandatory Consolidation

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by South Kern Mutual Water Company's public water system (System) contains uranium at levels that exceed the maximum contaminant level established in state and federal regulations. Since approximately October 2016, the System has consistently failed to provide an adequate supply of safe drinking water. According to our records, the City's system and the System have distribution systems within one mile.

The Division issued a pre-consolidation letter dated November 10, 2015 (enclosed) encouraging the System and the City to work out a voluntary consolidation of their public water systems. In addition a meeting was held on January 27, 2016 with both City and the System representatives.

The State Water Resources Control Board (State Water Board) strongly encourages the System and the City to work out voluntary consolidation of their public water systems. If a voluntary consolidation is not timely achieved, the State Water Board intends to take action pursuant to Health & Safety Code section 116682, subdivision (a) for consolidation of the System with the City's public water system. Please note that as used in the applicable statutory authority, the City is hereby identified as the potentially receiving water system and the System is identified as the potentially subsumed water system.

This letter serves as official notification that, pursuant to Health & Safety Code section 116682, subdivision (b) (6), the City, the potentially receiving water system, is directed to negotiate consolidation with South Kern Mutual Water Company water system, the potentially subsumed water system. The City is further directed to complete such negotiations and report the outcome to State Water Board Division of Drinking Water, Visalia District Office not later than six (6) months following the date of this letter.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to your neighboring community in a cost-effective manner. Pursuant to Health & Safety Code section

116682 subdivision (b) (6) (A), during the six month negotiation period, the State Water Board will provide technical assistance and work with the City and South Kern Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board's Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

If you have any questions regarding this matter, please contact Mrs. Tricia Wathen, Visalia District Engineer for the State Water Board, DDW, at (559) 447-3398, or me at (559) 447-3132. For funding related questions, please contact the Division of Financial Assistance at (916) 341-5700.

Sincerely,

Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
Central California Section
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

Enclosure

cc: Honorable Harvey L. Hall, Mayor, City of Bakersfield
Mr. Jason Meadors, Water Resources Director, City of Bakersfield
City Council, City of Bakersfield
Ms. Donna Fenton, Kern County Environmental Health Department
Ms. Rebecca Moore, Executive Officer, Kern County LAFCo
Mr. Dennis Gaston, McMor Chlorination
Mrs. Sherry Settlemoir, President South Kern MWC

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GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

November 10, 2015

Ms. Sherry Settlemoir, President
South Kern Mutual Water Company - Water System No. 1500344
9612 Beam Avenue
Bakersfield, CA 93311

Dear Ms. Settlemoir:

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by South Kern Mutual Water Company (System No. 1500344) public water system (System) contains uranium at levels that have exceeded the maximum contaminant level (MCL) established in state and federal regulations. However, adequate follow-up sampling was not conducted. The last sample collected in September of 2015 showed a uranium level of 21 picocuries per liter (pCi/L) which exceeds the uranium maximum contaminant level of 20 pCi/L. Since the uranium compliance is determined on a running annual average based on quarterly samples, it will take additional monitoring to determine compliance. If the System is deemed to be out of compliance with the uranium MCL, the System will be required to correct the problem.

It is our understanding that the System's service area is outside the boundaries of City of Bakersfield (City) but within the City's sphere of influence. There is a funding project to connect Lakeside School to the City of Bakersfield with a transmission pipe along Old River Road. It is also our understanding that the proposed transmission main to Lakeside School will pass along your water system. In addition to Lakeside School, there is another small public water system along the proposed transmission pipe alignment - Old River Road Mutual Water Company which has been in non-compliance with the uranium MCL since 2009. According to our records, your System and the Old River Mutual Water Company have distribution systems within 100 feet.

The State Water Resources Control Board (State Water Board) strongly encourages the System and the City to work out voluntary consolidation of their public water systems. However, if a voluntary consolidation is not timely achieved, the State Water Board may determine to exercise its authority pursuant to Health & Safety Code section 116682, subdivision (a) to achieve consolidation of System with the City's public water system.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to your community in a cost-effective manner. The State Water Board will provide technical assistance and work with the City and Lakeside School, Old River Water Company and South

Kern Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board's Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

In the near future, we will be contacting all the water systems to set up a meeting. If you have any questions regarding this letter, please contact me at (559) 447-3300. For funding related questions, please contact Mr. Joel Greathouse at (559) 447-3300.

Sincerely,

Tricia A. Wathen

Tricia A. Wathen P.E.
Senior Sanitary Engineer
Visalia District
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

cc: Mr. Art Chianello
Water Resources Manager
City of Bakersfield
1000 Buena Vista Road.
Bakersfield, CA 93311

Ms. Donna Fenton, Kern County EHD
2700 M Street, Suite 300
Bakersfield, CA 93301

Ms. Rebecca Moore
Executive Officer
Kern County LAFCo
5300 Lennox Ave, Suite 303
Bakersfield, CA 93309

Ms. Taryn Rickel
Old River Mutual Water Company
6734 Charity Avenue, Bay #8
Bakersfield, CA 93308

Mr. Ty Bryson, Superintendent
Lakeside School
1435 Old River Road
Bakersfield, CA 93311

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MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

June 23, 2017

Mr. Art Chianello, P.E.
Water Resources Manager
City of Bakersfield – Water System No. 1510031
1000 Buena Vista Road
Bakersfield, CA 93311

Dear Mr. Chianello:

This letter is in response to your letter, dated May 4, 2017, regarding the meeting that the Division had with the City of Bakersfield (City) on March 28, 2017, to discuss the potential consolidation of the Old River Mutual Water Company and the South Kern Mutual Water Company (Mutual Water Companies) with the City's water system.

Your letter states that the extension of domestic water service to the two Mutual Water Companies can occur if the two service areas are annexed to the City and the State Water Resources Control Board (State Water Board) provides full funding for the planning, design, and installation of the necessary water infrastructure. The City also requested that the State Water Board provide the necessary grant funding to reconstruct neighborhood streets and make pedestrian improvements to ensure compliance with the Americans with Disabilities Act and City standards. Your letter includes cost estimates for annexation, water system improvements, and right-of-way improvements. Since the State Water Board is concerned with addressing the public health risk of the two Mutual Water Companies, it is imperative that quick action is taken. In accordance with the consolidation statutes annexation is not required. Consolidation of the two water systems or an extension of service would address the public health need quickly. The City can pursue annexation at a later time. The Drinking Water State Revolving Fund (DWSRF) is limited to addressing the drinking water issue. It cannot fund right-of-way improvements or street or pedestrian improvements in the neighborhood to ensure compliance with the Americans with Disabilities Act.

The City should also be aware that the State Water Board does have a consolidation incentive that would allow the City to receive up to $10 million at 0% interest for any DWSRF eligible project the City may want to pursue elsewhere in the City's system. This funding would be in addition to any funding provided by the State Water Board that is determined necessary for the City to complete the consolidations. Therefore, we recommend that the City submit a funding application to the SWRCB's Division of Financial Assistance (DFA) through the Financial Assistance Application Submittal Tool (FAAST) to initiate the review process by DFA.

The State Water Board is planning to hold a public meeting on July 10, 2017, to provide information, answer questions, and receive public comments on the potential for the City of Bakersfield to supply domestic water to the South Kern Mutual Water Company and the Old River Mutual Water Company. Attached is a copy of the public notice. The date and location of the public meeting are given below:

Date: Monday, July 10, 2017 from 6:30 p.m. – 8:30 p.m.
Location: Lakeside Elementary School – Cafeteria
14535 Old River Road Bakersfield, CA 93311

Thank you in advance for the City's assistance in finding a solution to address the public health risk associated with the two Mutual Water Companies providing water to customers that does not meet a primary drinking water standard. If you would like to have a meeting or you have any questions regarding this matter, please contact Tricia Wathen, Visalia District Engineer for the State Water Board's Division of Drinking Water, at (559) 447-3398, or me at (559) 447-3132.

Sincerely,

Tricia Wathen for

Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
Central California Section
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

Enclosure

cc: Richard Iger, Deputy City Attorney, City of Bakersfield
Chris Huot, Assistant City Manager, City of Bakersfield
Ty Bryson, Superintendent, Lakeside Union School District

State Water Resources Control Board
Division of Drinking Water

NOTICE OF PUBLIC MEETING - JULY 10, 2017

PROPOSED CITY OF BAKERSFIELD WATER SUPPLY SERVICE TO OLD RIVER MWC

The State Water Resources Control Board invites you to attend a public meeting to comment on the potential for the City of Bakersfield to supply domestic water to Old River Mutual Water Company (MWC).

Background:
Old River MWC (Water System) is located in an unincorporated area of Kern County southwest of the City of Bakersfield. The Water System is a community water system that serves domestic water to 19 service connections and approximately 50 people. The Water System utilizes one groundwater well to meet water demands and does not have any storage capacity or redundant sources, to meet water demands in case of well failure or other water quality emergency. Since 2009, the Water System has been in violation of the uranium maximum contaminant level.

With State Water Resources Control Board funding, the nearby Lakeside School has completed plans to construct 4 miles of pipeline to the City of Bakersfield water system. In addition to the School, Old River MWC and South Kern MWC may participate in the proposed interconnection since they are located along the proposed pipeline alignment. The State Water Resources Control Board is considering action which would order the City of Bakersfield to provide a supply of domestic water to South Kern MWC, Old River MWC and Lakeside School water systems.

Public Meeting:
The State Water Resources Control Board will host a public meeting to provide information on the Old River MWC water system, the proposed action, answer questions, and receive public comments.

Date: **Monday, July 10, 2017 from 6:30 p.m. – 8:30 p.m.**
Location: **Lakeside Elementary School – Cafeteria**
14535 Old River Road Bakersfield, CA 93311
**Spanish language interpretation services will be available*.

Public Comments/Information
Public comments will be received through **July 31, 2017** and can be sent to:

Mail: Tricia Wathen, P.E., Senior Sanitary Engineer
State Water Resources Control Board, Division of Drinking Water
265 W. Bullard Avenue, Suite 101, Fresno, CA 93704

Email: Tricia.Wathen@waterboards.ca.gov or **Fax:** (559) 447-3304

State Water Resources Control Board
Division of Drinking Water

NOTICE OF PUBLIC MEETING - JULY 10, 2017

PROPOSED CITY OF BAKERSFIELD WATER SUPPLY SERVICE TO SOUTH KERN MWC

The State Water Resources Control Board invites you to attend a public meeting to comment on the potential for the City of Bakersfield to supply domestic water to South Kern Mutual Water Company (MWC).

Background:
South Kern MWC (Water System) is located in an unincorporated area of Kern County southwest of the City of Bakersfield. The Water System is a community water system that serves domestic water to 15 service connections and approximately 35 people. The Water System utilizes one groundwater well to meet water demands and does not have any storage capacity or redundant sources, to meet water demands in case of well failure or other water quality emergency. Since 2016, the Water System has been in violation of the uranium maximum contaminant level.

With State Water Resources Control Board funding, the nearby Lakeside School has completed plans to construct 4 miles of pipeline to the City of Bakersfield water system. In addition to the School, South Kern MWC and Old River MWC may participate in the proposed interconnection since they are located along the proposed pipeline alignment. The State Water Resources Control Board is considering action which would order the City of Bakersfield to provide a supply of domestic water to South Kern MWC, Old River MWC and Lakeside School water systems.

Public Meeting:
The State Water Resources Control Board will host a public meeting to provide information on the South Kern MWC water system, the proposed action, answer questions, and receive public comments.

Date: **Monday, July 10, 2017 from 6:30 p.m. – 8:30 p.m.**
Location: **Lakeside Elementary School – Cafeteria**
14535 Old River Road Bakersfield, CA 93311
**Spanish language interpretation services will be available*.

Public Comments/Information
Public comments will be received through **July 31, 2017** and can be sent to:

Mail: Tricia Wathen, P.E., Senior Sanitary Engineer
State Water Resources Control Board, Division of Drinking Water
265 W. Bullard Avenue, Suite 101, Fresno, CA 93704

Email: Tricia.Wathen@waterboards.ca.gov or **Fax:** (559) 447-3304

Attachment D

Responses from the City of Bakersfield

BAKERSFIELD
Alan Tandy • City Manager

RECEIVED
FEB 14 2017
BY:

February 10, 2017

Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
State Water Resources Control Board – Division of Drinking Water
265 W. Bullard Avenue, Suite 101
Fresno, CA 93704

Re: South Kern Mutual Water System Consolidation

Dear Mr. Carlucci:

On December 9, 2016, City staff met with State Water Resources Control Board (SWRCB) staff, Lakeside School District staff, Kern County Public Health and Kern County Local Agency Formation Commission (LAFCo) to discuss the proposed public water system consolidation of three areas. During the meeting, SWRCB staff requested the City provide written correspondence for each of the three areas, outlining the City's stance on each of the proposed consolidations. This letter is specifically in regards to the South Kern Mutual Water System area.

Since January 2016, City staff has consistently engaged with the SWRCB in an attempt to identify a practical, long-term solution for domestic water service delivery for the existing users within the South Kern Mutual Water System area. From the onset of the discussions, the City has expressed the opportunity for this area to be consolidated with the City's domestic water system by way of annexation. The City has included staff from its Planning Division in multiple meetings to formally begin these discussions.

During the December 9th meeting, City staff indicated the next steps are to coordinate a meeting between SWRCB staff, City Planning staff and representatives from the South Kern Mutual Water System. SWRCB staff indicated they would be reaching out to the City to coordinate this meeting. As of the date of this letter, we have not been contacted regarding potential meeting dates. This meeting is a critical first step to inform the residents of the area about the annexation process and to outline the costs associated with this process to the SWRCB staff.

Upon annexation, the extension of services could occur assuming the SWRCB provides full funding for the planning, design and installation of necessary water infrastructure including looping water mains, laterals, meters and service

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Bakersfield • California • 93301
(661) 326-3751 • Fax (661) 324-1850

connections for the subsumed area. In addition to bringing the infrastructure within the South Kern Mutual Water System up to City standard, the City will require the SWRCB to reconstruct neighborhood streets and make pedestrian improvements within the neighborhood to ensure compliance with the Americans with Disabilities Act. Under this plan, an agreement outlining the State's financial commitment to make all of these improvements will need to be ratified by both the City Council and SWRCB prior to or concurrent with annexation.

Since our last meeting, there have been additional issues identified regarding the proposed pipeline. Old River Road is not aligned as it crosses State Route 119 (Taft Highway). City staff is aware that CalTrans has a planned project to make safety improvements to this intersection. Although final design is not yet complete, this project will likely have impacts on all utilities in the area, including the proposed pipeline. If the pipeline is constructed prior to the intersection improvements, it will need to be relocated. If it is constructed after the intersection improvements are complete, it will require redesign and may impact the new roadway. Either path will likely require longitudinal encroachment approval from CalTrans. This has not been taken into consideration by SWRCB staff.

We look forward to hearing from you regarding potential meeting times and dates to discuss potential opportunities for annexation of this area.

Sincerely,

Alan Tandy
City Manager

cc: *Chris Huot, Assistant City Manager*
Richard Iger, Deputy City Attorney
Art Chianello, Water Resources Manager
Jacqui Kitchen, Community Development Director
Thomas M. Berliner, Duane Morris LLP
Felicia Marcus, State Water Resources Control Board Chair
Thomas Howard, State Water Resources Control Board Executive Director
Blair Knox, Kern County Local Agency Formation Commission Executive Director

B A K E R S F I E L D

WATER RESOURCES DEPARTMENT
Art R. Chianello, P.E. • Water Resources Manager

May 4, 2017

Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
State Water Resources Control Board – Division of Drinking Water
265 W. Bullard Avenue, Suite 101
Fresno, CA 93704

Dear Mr. Carlucci:

This letter is the City of Bakersfield's response to the discussion regarding potential consolidation with the Old River and South Kern Mutual Water Companies that was held during our meeting of March 28, 2017. During the meeting, City staff indicated it would provide you with information as it relates to the estimated costs to annex and make the necessary improvements to the Old River and South Kern areas.

As discussed, upon annexation, the extension of domestic water services can occur assuming the SWRCB provides full funding for the planning, design and installation of necessary water infrastructure including looping water mains, laterals, meters and service connections for the subsumed area. In addition to bringing the water infrastructure within the South Kern/Old River Mutual Water Systems up to City standard, the City requested the SWRCB provided the necessary funding to reconstruct neighborhood streets and make pedestrian improvements within the neighborhood to ensure compliance with the Americans with Disabilities Act and City standards.

The following are estimates for each component of the process:

Annexation Fees and Costs	$34,600
Water System Improvements	$2,380,000
Right-of-Way Improvements	$1,562,000
Estimated Total	$3,976,600

In addition, the extension of sewer service to the area can be accomplished through the extension of a sewer trunk line, which is estimated to cost $1.36 million and is not included in the estimated costs outline above. Staff can provide more information regarding this component during a future meeting.

As discussed during the last meeting, the next steps will be to engage the Division of Financial Assistance to determine the eligibility of these costs as it relates to the goal of extending water service to these areas.

Water Resources Department • 1000 Buena Vista Road • Bakersfield • California 93311
(661) 326-3715 • Fax (661) 852-2127 • E-Mail: water@bakersfieldcity.us

It may be most beneficial to schedule another face-to-face meeting to discuss these issues, so please provide us with some available dates and times to meet.

Thank you,

Art Chianello, P.E.
Water Resources Manager
City of Bakersfield
1000 Buena Vista Road
Bakersfield, CA 93311
(661) 326-3715

Cc: Tricia Wathan, District Engineer, Visalia District Division of Drinking Water
Richard Iger, Deputy City Attorney, City of Bakersfield
Chris Huot, Assistant City Manager, City of Bakersfield
Nick Fidler, Public Works Director, City of Bakersfield
Jacquelyn Kitchen, Community Development Director, City of Bakersfield
Sherry Settlemoir 9609 Beam Ave, Bakersfield, CA 93311

City of Bakersfield

Summary of Comments and Concerns Regarding Water Consolidation with Old River Mutual and South Kern Mutual

Public Meeting – July 10, 2017

Since January 2016, City staff has consistently engaged with the SWRCB in an attempt to identify a practical, long-term solution for domestic water service delivery for the existing users within the Old River (ORMWC) and South Kern Mutual Water System (SKMWC) areas. It should be made clear that the City's consideration and evaluation of providing water service to these two areas are distinct and separate from any other consolidation efforts currently being made by the SWRCB, including the proposed Lakeside School consolidation. This distinction is made due to the fact these areas are potentially eligible for annexation to the City and are located in such an area where good engineering practices can be achieved as it relates to the installation and maintenance of the domestic water system.

From the onset of the discussions, the City has expressed the opportunity for these areas to be consolidated with the City's domestic water system by way of annexation. The City has included staff from its Planning Division in multiple meetings in an attempt to formally begin these discussions. Annexation allows these areas to become eligible for domestic water service pursuant to the City's Municipal Code and allows the City to properly manage and enforce water service-related policies, regulations and laws. Absent annexation, the City would be providing water service outside of its jurisdictional boundaries, which is not authorized pursuant to the City's Municipal Code. Additionally, annexation of the properties would include adjacent right-of-way, which is necessary for the City to have control over so that the City can adequately operate and maintain the domestic water delivery system.

On March 28, 2017, City staff met with representatives from the SWRCB in an attempt to initiate the process to annex the ORMWC and SKMWC areas. Subsequent to that meeting and at the request of the SWRCB, City staff sent a letter to the SWRCB outlining the necessary steps to ensure a successful consolidation.

Upon annexation, the extension of services to the ORMWC and SKMWC areas could occur assuming the SWRCB provides full funding for the planning, design and installation of necessary water infrastructure including looping water mains, laterals, meters and service connections for the subsumed area. In addition to bringing the infrastructure within the ORMWC and SKMWC areas up to City standard, the City is requesting the SWRCB provide funding to reconstruct neighborhood streets and make pedestrian improvements within the neighborhood to ensure compliance with the Americans with Disabilities Act. Under this plan, an agreement outlining the State's financial commitment to make all of these improvements will need to be ratified by both the City Council and SWRCB prior to or concurrent with annexation.

On June 26, 2017, the City received a response letter from the SWRCB indicating that annexation is not a prerequisite for consolidation under SB 88 and that the SWRCB will not ensure funding is made available for neighborhood improvements, including proper accessibility and drainage improvements.

The City recognizes that SB88 preempts state law as it relates to the customary requirement for a City to annex an area prior to providing municipal services. However, it has been the City's intent to work with the SWRCB and the property owners within the ORMWC and SKMWC areas to address the issue at hand

through a cooperative, reasonable approach. As previously mentioned, annexation directly assists the City with operation and maintenance of domestic water infrastructure. Staff believed the SWRCB was supportive of working with the City to create the best possible outcome for the residents within the ORMWC and SKMWC areas. The SWRCB forcing consolidation without assisting the City with annexation reflects poorly on the SWRCB and directly contradicts the findings necessary within SB88. Essentially, without the SWRCB's support for annexation of the ORMWC and SKMWC areas, the SWRCB will knowingly and intentionally create a potentially dangerous environment in which to operate a domestic water system.

Additionally, the request for pedestrian and street improvements are reasonable given that when the City utilizes state and federal monies for projects within the public right-of-way, the City is required to bring these areas up to current ADA standards. It should be no different for a state-sponsored and funded project. The City believes the SWRCB wants to ensure not only the quality of the water delivered to these areas, but that all state and federal accessibility laws are followed. Absent these improvements, the City is potentially liable for all accessibility-related issues that may arise in the future.

In summary, the City is open to further discussion in regards to providing the ORMWC and SKMWC areas with domestic water service under the following conditions:

1. Annexation of the properties and any adjacent properties is completed;
2. The SWRCB installs all domestic water delivery infrastructure to City standards, including the looping of the main line within Taft Highway to provide for necessary redundancy; and
3. The SWRCB collaborates with the residents and the City by funding the necessary curb, gutter and sidewalk facilities within the residential areas.

Absent these commitments and assurances, the City remains opposed to the SWRCB's plan to order consolidation with the City's domestic water system. The following comments and supporting documents contained within this packet shall be considered public comments pursuant to the SWRCB's "Notice of Public Meeting" sent to the City on June 26, 2017.

Required Findings Under SB 88 Not Met

- All reasonable efforts to negotiate consolidation or extension of service between the City of Bakersfield, the State Water Resources Control Board, ORMWC and SKMWC were not made;

- Extension of service as currently proposed by the SWRCB, from the City of Bakersfield's domestic water system to the ORMWC and SKMWC is not appropriate and technically and economically feasible;

- Concerns regarding water rights and water contracts of the City of Bakersfield have not been adequately addressed;

- The extension of service is not the most effective and cost-effective means to provide an adequate supply of safe drinking water;

- The capacity of the proposed interconnection needed to accomplish the consolidation is not limited to serving the current customers of the subsumed water system;

City Municipal Code and Jurisdictional Issues

- Per section 14.04.030 of the City of Bakersfield Municipal Code, "no application for water connection to the city-owned system shall be approved for an unincorporated area."

- The City has no jurisdiction outside of the City limits and no way to enforce its water regulations, including drought-related mandates within the ORMWC and SKMWC areas;

- Without annexation, the pipeline is proposed to be located within right-of-way controlled by the County of Kern; Without an easement or separate agreement, the City does not have a legal right to perform maintenance or routine work on the pipeline outside of its jurisdiction;

- Any cost associated with gaining access to the right-of-way will need to be passed on to rate payers, which is not permitted under SB 88;

- The City of Bakersfield is currently working toward meeting State Groundwater Management Act requirements, however the City of Bakersfield has been provided no clarity has to how a domestic water connections outside of the City's jurisdictional boundaries will be contemplated within SGMA;

- Extending pipelines for many miles outside the City limits will encourage disorderly growth, as proposed developments may request to attach on to the new pipelines, which is out of compliance with Senate Bill 375 and Assembly Bill 32;

- City of Bakersfield staff believes there may be conflicts with Proposition 218 as it relates to proportionate costs of providing services;

- City of Bakersfield owns pre-1914 water rights and the State Water Resources Control Board has not provided any information to the City as to how the City's concerns associated with the use of this water right is authorized under SB 88;

Inadequate Analysis

- State Water Resources Control Board staff has continuously stonewalled the City's request to perform a study, conducted solely by a third party and financed by the State, to evaluate impacts to the City by extending services to the ORMWC and SKMWC via direct connection to the city-owned water system;

- State Water Resources Control Board staff initially delayed providing information about funding opportunities for such a study for nearly four months;

- After City of Bakersfield staff compiled a significant amount of documentation and completed the state funding application, City staff was told that the State Water Resources Control Board would not fund a study that analyzed anything other than the pipeline;

- No prior studies commissioned by State Water Resources Control Board and/or ORMWC and SKMWC has been completed to determine the most logistically-sound plan of action to install the necessary water delivery infrastructure and all ADA-required improvements;

Operational Issues Not Addressed by SWRCB

- As proposed, the pipeline will not be looping or have redundant connections, creating health, safety and engineering issues;

- Non-looping pipeline requires weekly flushing to maintain water quality standards;

- No study has been completed to determine ;

- This is in direct conflict with the State Water Resources Control Board recent extension of statewide drought regulations (See tab 4);

- Flushing will create a potentially adverse demand on a number of existing City wells;

- The flushed water will have a chlorine residual, and therefore should be dechlorinated before it gets discharged, further increasing costs to operate the pipeline that were not contemplated by the State Water Resources Control Board;

- There is no plan for the discharge of the flushed water and any associated costs have not been identified by the State Water Resources Control Board;

- A non-looped, single point of use connection has significant exposure to damage caused by natural disaster or human error, potentially leaving the ORMWC and SKMWC areas without drinking water for unknown periods of time, which was not considered by the State Water Resources Control Board;

- Extending pipelines for many miles outside the City limits will encourage unauthorized hook ups to the system, creating potential health, safety and costs issues not contemplated or calculated by the State Water Resources Control Board;

- The pipeline would be installed in existing right-of-way adjacent to undeveloped unincorporated properties, which will necessitate the pipeline be relocated at a point in time when or if part or all of the adjacent property is developed;

- The California Department of Transportation (Caltrans) has previously made the City aware of a planned project to align Old River Road at the State Route 119 intersection (See Exhibit A), which will impact the timing and the location of the proposed pipeline;

- This Caltrans project has not been considered by the State Water Resources Control Board during this process;

- This Caltrans project may result in increased cost to potentially relocate the pipeline should it be constructed prior to the road alignment project;

- The City of Bakersfield has been made aware of a recently completed, federally-funded road project that included complete reconstruction of the asphalt within the right-of-way of the proposed pipeline;

- The City of Bakersfield understands that because the proposed pipeline would follow these recently completed road projects, that the County of Kern would require the State Water Resources Control Board to provide a paved surface similar to that of the reconstructed area, which is to mean full lane width paving and no trenches - this cost was not considered in prior cost analysis by State Water Resources Control Board;

Alternatives

- City of Bakersfield staff has, with its own resources, diligently researched various logical alternatives to the proposed non-looping pipeline;

- In the best interest of the residents and the operation and maintenance of the domestic water system, the City has requested a redundant, looping pipeline be installed as part of the project;

- The looping pipeline will ensure quality domestic water service is made available to the ORMWC and SKMWC areas;

- The City's plan includes state funding for the installation of necessary water infrastructure including looping water mains, laterals, meters and service connections for the ORMWC and SKMWC areas;

- To comply with state and federal accessibility laws, the City is requesting state funding for all necessary access

- For public health and safety reasons, the City is requesting state funding to ensure proper drainage within the streets inside the ORMWC and SKMWC areas.

Exhibit "A"

Old River Road and State Route 119 Current Alignment

Subject to future Caltrans project

BAKERSFIELD
Alan Tandy • City Manager

September 11, 2017

Kurt Souza, P.E., Assistant Deputy Director
California Water Boards
State Water Resources Control Board
Division of Drinking Water – So CA DWFOB
1180 Eugenia Place
Carpinteria, CA 93013

Re: City of Bakersfield Water System Consolidation Meeting Recap

Dear Mr. Souza,

Thanks to your staff and you for meeting with City staff on August 25th to discuss the opportunities and challenges associated with consolidating Lakeside School, South Kern Mutual and Old River Mutual into the City's domestic water system. We feel the meeting was productive and hope it will lead to mutual, positive outcomes to address the State's concerns for these water systems.

As promised, below are the summary bullets and action items City staff believes exist for the three areas.

Lakeside School

- Concept: City and State Water Resources Control Board (SWRCB) agree to pursue on-site treatment solution under a voluntary managerial consolidation agreement.
- City to be the lead agency in applying for grant through the SWRCB for funding to fully design and construct on-site treatment facility within the Lakeside School property.
- If the full grant is awarded, City will become domestic water provider for Lakeside School by operating and maintaining an on-site wellhead treatment facility.
- City desires to not own or otherwise maintain or operate the existing on-site well.
- School district would maintain and operate the existing well.
- City prefers to only operate and maintain future installed on-site wellhead treatment facility.

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- Under this concept Lakeside School would cease being a public water system as defined by the State of California.

- Upon execution of the agreement, the Lakeside School property would be managerially consolidated into the City of Bakersfield's domestic water service system under the City's existing domestic water supply permit.

- SWRCB would fund all necessary improvements including, but not limited to on-site well head treatment vessels, piping, facility screening, security systems, on-site storage tank, electrical, SCADA systems and other infrastructure as mutually agreed upon by the City, SWRCB and school district.

- City would be lead on competitive bidding process for design and construction for on-site treatment facility within the Lakeside School property.

- City would assess school the same rate structure as all other domestic water service customers within the City's system.

- All future rate adjustments for Lakeside School would be pursuant to state law and be applied the same as all other domestic water service customers within the City's system.

South Kern and Old River Mutual Water Systems

- Concept: City and SWRCB to analyze opportunity to physically consolidate two mutual water companies via looping the City's existing domestic water system along Taft Highway at Ashe Road to a new well and storage tank within or adjacent to the two mutual water systems.

- City to be the lead agency in in applying for grant through the SWRCB for funding to fully design and construction of new well and storage tank and looping of mainline along Taft Highway to existing City domestic water system connection point at Ashe Road.

- SWRCB will provide funding for the installation and/or replacement of all necessary infrastructure within the two mutual water service areas, including, but not limited to mainlines, service lines, and meters for each individual customer.

- If the full grant is awarded and all improvements are constructed, City will become domestic water provider for the existing mutual water company customers.

- SWRCB staff to evaluate potential opportunities to fund all necessary infrastructure to loop domestic water system from a new proposed well site and storage tank near the two mutual areas to existing domestic water system infrastructure at Taft Highway and Ashe Road.

- SWRCB to identify all necessary treatment for new well site, including, but not limited to uranium and TCP treatment facilities.
- City to confirm ultimate right of way widths for Taft Highway and number of parcels necessary for acquisition under this plan.
- City would assess existing mutual customers the same rate structure as all other domestic water service customers within the City's system.
- All future rate adjustments for the mutual customers would be pursuant to state law and be applied the same as all other domestic water service customers within the City's system.

It may be necessary to meet again soon to discuss in further detail each of the concepts that were outlined during the previous meeting. I am happy to extend an offer to meet again at City Hall North at your staff's convenience. Please contact my office at (661) 326-3751 to coordinate a meeting time and date that works for the group.

Sincerely,

Alan Tandy
City Manager

cc: *Chris Huot, Assistant City Manager*
Art Chianello, Water Resources Manager
Richard Iger, Deputy City Attorney
Tricia Wathen, State Water Resources Control Board

Attachment E

MWCs Compliance Alternatives Memo

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

September 5, 2018

RE: Old River and South Kern Mutual Water Companies Compliance Alternatives

Old River and South Kern Mutual Water Companies

Old River Mutual Water Company (MWC) and South Kern MWC are community water systems that serve residential and commercial properties. Each MWC operates using a single well that is in violation of the uranium maximum contaminant level (MCL). In addition, the South Kern MWC's well also exceeds the 1,2,3-TCP MCL. Both MWCs lack source reliability and storage capacity. The MWCs also lack technical, managerial, and financial (TMF) capacity. In order to solve the MWCs' water quality issues, three alternatives were considered: consolidation, extension of service, and uranium and 1,2,3-TCP treatment.

Alternative 1: Full consolidation with City of Bakersfield

- City would own and maintain the pipeline and the MWC's distribution system
- Each resident would become an individual customer of the City
- No capital costs to the City for construction
- MWCs would no longer be regulated public water systems
- Supports regional consolidation project, which would include two community systems, Old River MWC and South Kern MWC, along pipeline alignment

Alternative 2: Extension of Service with City of Bakersfield

- MWCs would own and maintain the pipeline & distribution system
- MWCs would buy water from the City through a water meter located on City property
- No capital costs to the City for construction
- MWCs would remain public water systems
- MWCs do not have adequate Boards to run and manage the water systems

Alternative 3: Uranium and 1,2,3-TCP Treatment at the MWCs

- Existing wells are 50+ years old
- New well would need to be drilled & treatment installed
- Treatment of future contaminants would be the responsibility of the MWCs
- Pilot study required to evaluate treatment alternatives (1-1.5 years)
- MWCs would remain public water systems
- MWCs do not have adequate Boards to run and manage the treatment plant

Table 1: MWC Pipeline Costs

Old River MWC & South Kern MWC Pipeline Alternative					
Supplies	**Initial Cost (P)**	**Interest (i)**	**Years (n)**	**Annual Cost (A) (A/P,i,n)**	**Capitalized Cost (A/i)**
Pipeline to MWCs (1 mile of 12 inch @ $125/ft)	$660,000	3%	40	($28,553)	**($951,772)**
Highway and Canal Crossings	$100,000	3%	40	($4,326)	**($144,208)**
New Well for Bakersfield	$1,000,000	3%	40	($43,262)	**($1,442,079)**
Storage Tank (100,000 gal)	$200,000	3%	30	($10,204)	**($340,128)**
Booster Pumps (2)	$20,000	3%	10	($2,345)	**($78,154)**
Pressure Tank	$30,000	3%	20	($2,016)	**($67,216)**
Hypochlorinator	$5,000	3%	10	($586)	**($19,538)**
TOTAL	**$2,015,000**			**($91,292)**	**($3,043,095)**

Table 2: MWC Treatment Costs

Old River & South Kern MWC Treatment Alternative					
Supplies	**Initial Cost (P)**	**Interest (i)**	**Years (n)**	**Annual Cost (A) (A/P,i,n)**	**Capitalized Cost (A/i)**
Uranium Treatment Plant	$500,000	3%	15	($41,883)	**($1,396,110)**
Adsorptive Media	$10,000	3%	1	($10,000)	**($333,333)**
1,2,3-TCP Treatment Plant	$500,000	3%	15	($41,883)	**($1,396,110)**
GAC Media	$20,000	3%	1	($20,000)	**($666,667)**
New Well	$500,000	3%	40	($21,631)	**($721,040)**
Hypochlorinator	$5,000	3%	10	($586)	**($19,538)**
Plant Building	$100,000	3%	30	($5,102)	**($170,064)**
Storage Tank (100,000 gal)	$200,000	3%	30	($10,204)	**($340,128)**
Booster Pumps (2)	$20,000	3%	10	($2,345)	**($78,154)**
Pressure Tank	$30,000	3%	20	($2,016)	**($67,216)**
TOTAL	**$1,885,000**			**($155,650)**	**($5,188,360)**

Regional Compliance Project

A regional compliance project would benefit the Old River MWC and South Kern MWC. Connecting these two small disadvantaged community water systems into the City of Bakersfield's existing distribution system would serve as the most cost effective long-term solution. Under Alternative 1, the MWCs would no longer be regulated public water systems. The MWC residents would be individually metered and direct customers of the City. The City of Bakersfield offers redundancy, system reliability, and water system expertise.

As shown in Tables 1 and 2 above, the regional pipeline alternative has much lower annual costs and capitalized costs than the regional treatment alternative. The regional pipeline consolidation alternative is the proposed project that is highly preferred by the State Board and the two Mutual Water Companies.

Attachment F

Notification of Receipt

ATTACHMENT F – NOTIFICATION OF RECEIPT

Compliance Order Number: Order No. 03_12_18R_002

Name of Water System: City of Bakersfield

System Number: 1510031

Certification

I certify that I am an authorized representative of the **City of Bakesrfield** and that Compliance Order No. 03_12_18R_002 was received on _____. Further I certify that the Order has been reviewed by the appropriate management staff of the **City of Bakersfield** and it is clearly understood that Compliance Order No. 03_12_18R_002 contains legally enforceable directives with specific due dates.

_____ _____

Signature of Water System Representative Date

THIS FORM MUST BE COMPLETED AND RETURNED TO THE STATE WATER BOARD, DIVISION OF DRINKING WATER, NO LATER THAN OCTOBER 26, 2018

Disclosure: Be advised that the California Health and Safety Code, Sections 116725 and 116730 state that any person who knowingly makes any false statement on any report or document submitted for the purpose of compliance with the Safe Drinking Water Act may be liable for, respectively, a civil penalty not to exceed five thousand dollars ($5,000) for each separate violation or, for continuing violations, for each day that violation continues, or be punished by a fine of not more than $25,000 for each day of violation, or by imprisonment in the county jail not to exceed one year, or by both the fine and imprisonment.