

Item 5 LATE REVISION

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION**

MEETING OF NOVEMBER 9-10, 2016

**SOUTH LAKE TAHOE
VICTORVILLE**

**Item 5. Resolution Authorizing the Allocation of Squaw Valley Ski Corporation
Consent Agreement Funds for a Water Quality Improvement Project**

1. Please remove "Enclosure 1 – Proposed Resolution" in its entirety (Bates 5-7 to 5-10) and replace with the following revised Enclosure 1.
2. Please remove slides no. 1 and 2 on Bates (Page 5-73 and 5-74) from "Enclosure 6 – Power Point Presentation by Water Board Staff" and replace with the following revised slides no. 1 and 2.

REVISED ENCLOSURE 1

PROPOSED RESOLUTION

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION**

RESOLUTION NO. R6T-2016-(PROPOSED)

**AUTHORIZING THE ALLOCATION OF
SQUAW VALLEY SKI CORPORATION CONSENT AGREEMENT FUNDS
FOR WATER QUALITY IMPROVEMENT PROJECT
WDID NO. 6A310118070**

WHEREAS, the California Regional Water Quality Control Board, Lahontan Region (Water Board) finds:

1. The Water Board issued Waste Discharge Requirements (Board Order No. 6-93-25) to Squaw Valley Ski Corporation (now Squaw Valley Resort) on April 8, 1993. Those requirements remain in effect.
2. The Water Board and Squaw Valley Ski Corporation entered into a Consent Agreement and Stipulation for Judgment on August 26, 2005 to address multiple permit violations. The Consent Agreement was entered in the Superior Court of the State of California in and for the County of Placer (Case No. SCV 12916).
3. The Consent Agreement, in part, required, Squaw Valley Ski Corporation to remit a \$900,000 settlement payment and to complete specific projects. A portion of the settlement payment was set aside for legal fees incurred by the Department of Justice to manage the Consent Agreement.
4. The Water Board and Squaw Valley Ski Corporation successfully satisfied their Consent Agreement responsibilities and the Court terminated the Consent Agreement on August 26, 2010.
5. On March 15, 2011, the Water Board received \$354,187.67 from the California Attorney General's Office for money set aside and not spent by the Department of Justice for its legal fees in managing the Consent Agreement. The use of these funds, plus any additional accrued interest, is unrestricted for the Water Board.
6. At its May 12, 2016 meeting, the Water Board heard an informational item on the current status of Squaw Valley Resort compliance, including the availability of the remaining funds from the Department of Justice. Prior to and subsequent to that meeting, Water Board staff reached out to local non-profit watershed-based groups to solicit potential water quality related projects that can be completed with these funds. Four project proposals were submitted.
 - A. Squaw Creek Meadow Restoration project, sponsored by the Friends of Squaw Creek;

- B. Donner Creek Bank Stabilization Downstream of Railroad project, sponsored by the Truckee River Watershed Council;
 - C. Donner Creek Bank Stabilization and Channel Enhancement Adjacent to Highway 89 project, sponsored by the Truckee River Watershed Council; and
 - D. Hope Valley Restoration and Aquatic Habitat Enhancement project, sponsored by the Alpine Watershed Group.
7. On September 30, 2016, Water Board staff solicited comments on the four projects that were submitted for consideration [See Enclosure 3]. Water Board staff also evaluated the technical merits of each project [see Enclosure 2].
 8. Seven comments were received in support of the Squaw Creek Meadow Restoration project [see Enclosure 4]. In general, the comments highlight the geographic and programmatic nexus provided by the project in addition to its water quality benefits.
 9. Eight comments were received in support of the Hope Valley Restoration and Aquatic Habitat Enhancement project [see Enclosure 5]. In general the comments noted water quality benefits provided by the project, how it incorporates benefits derived from surrounding projects, and the benefits the project provides to nearby disadvantaged communities.
 10. The Water Board reviewed comments and technical merits for each of the four projects. The Water Board concluded that the Squaw Creek Meadow Restoration project best meets the geographic and programmatic nexus along with assisting in achieving sediment Total Maximum Daily Load targets set by the Water Board for Squaw Creek. The Water Board also concluded that the Hope Valley Restoration and Aquatic Habitat Enhancement project best meets the State of California's goals to support nearby disadvantaged communities. Funding these two identified projects provides appropriate water quality benefits and builds institutional capacity for two small watershed groups within the Lahontan region
 11. The Water Board has notified interested parties throughout the Lahontan Region of its intent to adopt this Resolution by posting to a list server and on the Water Board's web site.
 12. The Water Board, in a public meeting, heard and considered all comments regarding the Resolution.

THEREFORE, BE IT RESOLVED THAT:


1. The Water Board authorizes the Water Board Executive Officer ~~to enter into a contract in the amount of~~ pursue a funding agreement and administration of the funds from the State Water Resources Control Board in the amount of \$118,550 with the Alpine Watershed Group for funding the design and permitting portion (Phase I) of the proposed Hope Valley Restoration and Aquatic Habitat Enhancement project using funds remaining from the Consent Agreement identified in Finding No. 5,

above

2. The Water Board authorizes the Water Board Executive Officer to ~~enter into a contract in the amount of~~ pursue a funding agreement and administration of the funds from the State Water Resources Control Board in the amount of \$235,637.67 (plus any ~~additional available~~ accrued interest) with the Friends of Squaw Creek for funding a portion of the proposed Squaw Creek Meadow Restoration project using funds remaining from the Consent Agreement identified in Finding No. 5, above.
3. The Water Board delegates the authority to its Executive Officer to review or prepare any necessary CEQA documentation, issue any findings required by CEQA, and approve or reject the release of funds necessary for project construction. Nothing in this Resolution removes from the Executive Officer's discretion the ability to require mitigation measures or alternatives, including the no project alternative, after review of any environmental documents. If after the completion of any environmental review the Executive Officer concludes that a project may cause potentially significant environmental impacts, the Executive Officer may issue a statement of override, if appropriate, and approve the project or identify an alternative project for consideration.
4. The Water Board directs staff to post the ~~contracts the funding agreements~~ with the Friends of Squaw Creek and with the Alpine Watershed Group in a prominent location on the Water Board's web site once the funding agreements are finalized by the State Water Resources Control Board.
5. The Water Board authorizes the Water Board Executive Officer to approve any change orders in the funding agreement that do not involve an increase in funding level.

I, Patty Z. Kouyoumdjian, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of a Resolution adopted by the California Regional Water Quality Control Board, Lahontan Region, on November 9, 2016.

PATTY Z. KOUYOUMDJIAN
EXECUTIVE OFFICER



**RESOLUTION AUTHORIZING THE
ALLOCATION OF SQUAW VALLEY SKI
CORPORATION CONSENT
AGREEMENT FUNDS FOR A WATER
QUALITY IMPROVEMENT PROJECT**

**Item 5
November 9, 2016**

A BRIEF HISTORY...

- **Consent Agreement Issued**
- **Compliance Achieved**
- **\$354,187.67 Unspent From Department of Justice (DOJ)**

PEOPLE OF THE STATE OF CALIFORNIA, ex rel. BILL LOCKYER, ATTORNEY GENERAL OF CALIFORNIA, and PEOPLE OF THE STATE OF CALIFORNIA, ex rel. the CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, LAHONTAN REGION,

Plaintiffs,

v.

SQUAW VALLEY SKI CORPORATION;
SQUAW VALLEY DEVELOPMENT COMPANY; SQUAW VALLEY PRESERVE; ALEXANDER C. CUSHING, an individual; NANCY R. WENDT, an individual; HANS A. BURKHART.

Defendants.