



State of Utah

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GREG BELL
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF WATER QUALITY
Walter L. Baker, P.E.
Director

Water Quality Board
Jay I. Olsen, *Chair*
Paula Doughty, *Vice-Chair*
Lou Ann Christensen
David F. Echols
Merritt K. Frey
Darrell H. Mensel
Leland J. Myers
Amanda Smith
Gregory L. Rowley
Steven P. Simpson
Daniel C. Snarr
Phil Wright
Walter L. Baker
Executive Secretary

MINUTES

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY

UTAH WATER QUALITY BOARD

168 North 1950 West, Room 101
Salt Lake City, Utah 84116
Wednesday November 25, 2009

UTAH WATER QUALITY BOARD MEMBERS PRESENT

Lou Ann Christensen	Dave Echols	Jay Olsen
Leland Myers	Steve Simpson	Dan Snarr
Darrel Mensel	Greg Rowley	Phil Wright
Merritt Frey	Amanda Smith	

ABSENT: Paula Doughty

DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT

Walt Baker, Faye Bell, Ed Macauley, Emily Canton, Kari Lundeen, Carl Adams, Jeff Ostermiller, Bill Moellmer

OTHERS PRESENT

<u>Name</u>	<u>Organization Representing</u>
Kevin Brown	Sunrise Engineering
Curtis Christensen	Weber County
Chad Meyerhoffer	Weber County
Rex Harris	Huntsville Town
Trevor Lindley	J-U-B Engineering
Lowell Peterson	Wolf Creek
Dale A. Christensen	SLC WREC
Craig Miller	Utah Water Resources

Chair Olsen called the Board meeting to order at 9:00 a.m. He welcomed those in attendance and invited the members of the audience to introduce themselves.

APPROVAL OF MINUTES OF THE OCTOBER 28, 2009 MEETING

Motion: It was moved by Ms. Frey and seconded by Mr. Wright to

approve the minutes of the October 28, 2009 meeting. The motion was unanimously approved.

Executive Secretary's Report:

The state budget for the remainder of the year and probably next year looks pretty grim. Gov. Herbert has created an optimization Task Force to look at where state funds are going and whether programs are necessary. DWQ has responded to the committee request. Presently they are looking at a 1%, 3% or 5% budget cuts the coming years and possibly the present year.

The State Revolving Fund with a new capitalization grant will include some changes. Part will go to ARRA and Green projects. All funds will be tainted by Davis-Bacon wages, which we understand will not be imposed on existing projects.

LOAN ITEMS

Financial Assistance Status Report – Ms. Canton updated the Board on the “Summary of Assistance Program Funds,” as outlined on page 2.1.

American Recovery and Reinvestment Act (ARRA) Update – Mr. Macauley updated the Board on the status of the ARRA Funds and the Financial Projections as outlined on page 2.3.

Wolf Creek Request for Reduced Interest Rate – Mr. Macauley introduced Lowell Peterson from Wolf Creek SID. On March 5, 2007 the Water Quality Board (WQB) authorized a \$5,300,000 loan at 3.0% interest repayable over 20 years to replace Wolf Creek SID's existing wastewater lagoon system with a membrane bioreactor (MBR) capable of producing high-quality effluent. The new MBR facility is now up and running and Wolf Creek SID has increased monthly sewer fees to \$55 per month. However, due to a dramatic decrease in growth resulting in a substantial loss of revenues combined with expensive start-up and ongoing operational costs for the MBR plant, Wolf Creek SID is unable to make its April bond payment. Therefore, Wolf Creek SID is requesting a reduced interest rate on its loan. Wolf Creek SID recognizes that Pineview reservoir is impaired, and that this impairment is due, in part, to the proliferation of septic systems in the upper Ogden Valley. Therefore, Wolf Creek SID has agreed that as a condition of this loan it will serve as the regional wastewater treatment provider in the North Fork area of the upper Ogden Valley. Staff recommends that the Board authorize Wolf Creek SID a zero percent loan in the amount of \$4,901,000 repayable over 20 years to replace the balance of the \$5,300,000 loan previously authorized March 5, 2007, subject to these special conditions. Mr. Myers suggested the Board authorize Wolf Creek interest forgiveness for three years while a master plan is developed to include the North Fork area of the upper Ogden Valley at which time the Board would re-evaluate the 3% interest rate on Wolf Creek's loan, if they've had only limited growth during that time. The motion was approved with Mayor Snarr opposing.

Motion: **It was moved by Mr. Myers, and seconded by Mr. Echols, to replace the balance of Wolf Creek's 2007 loan with a new loan in the amount of \$4,901,000 at 3% interest repayable over 20 years subject to these special conditions:**

- 1. The new loan would carry no interest for the first three years.**

2. **Wolf Creek SID agrees to offer sewer service outside its current boundary to any property desiring service, including new development. Naturally, it is under no obligation to provide such service until all impact and other appropriate fees have been paid and all collection and trunk lines have been constructed, and accepted, to convey wastewater to Wolf Creek SID's sewer system.**
3. **Wolf Creek SID agrees to prepay loan principal annually in the amount of \$250 per ERU for each ERU in excess of 1,150 ERUs, where the term ERU means "active ERUs served."**
4. **Wolf Creek SID agrees not to lower its current monthly user fee of \$55 per ERU until such time as its loan reserve accounts are fully funded.**

Request to Proceed with Rulemaking to Amend R317-1: Definitions and General Requirements; and R317-2: Standards of Quality for Waters of the State: Mr. Ostermiller and Mr. Moellmer presented to the Board the proposed revisions to the Water Quality Standards of R317-1 and R317-2. A summary of the EPA's actions are:

Deferred Action: on the selenium numeric criterion for the Great Salt Lake (EPA letter p.17)

Disapproved the changes to R317-2-3.5(b)(5) that defines losses of assimilative capacity considered *de minimis* and not requiring a Level II review (EPA letter pp.10-15)

Disapproved of the antidegradation trigger established in the footnote for the Great Salt Lake selenium standard (EPA letter pp.10-17)

Approved all other changes to the WQ Standards approved by the Board.

Federal regulations require that any disapproval of a water quality standard be accompanied with options to solve the problem (CWA 303(b)(2) and provides States with 90-days to incorporate changes into their standards. Otherwise, the Regional Administrator is required to promulgate a federal standard. Following some discussion it was agreed that the Executive Secretary will inform the Board concerning protocols and guidelines regarding the GSL methodology as they develop.

Motion: **It was moved by Mr. Myers to approve staff's request to proceed with rulemaking on the proposed changes to Utah's Water Quality Standards (R317-1 and R317-2. The motion was seconded by Ms. Frey and was unanimously approved.**

NEXT MEETING

Conference Call Board Meeting on Wednesday, December 16, 2009 @ 8:00 a.m.
Public can attend by going to the
Cannon Health Bldg, 288 N 1460 W, SLC Room 336

Jay Olsen, Chairman
Utah Water Quality Board