



State of Utah

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Lieutenant Governor

Department of
Environmental Quality

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Executive Director

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

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

MINUTES

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY
UTAH WATER QUALITY BOARD
DEQ Building Board Room #1015
195 North 1950 West
Salt Lake City, Utah 84116
Wednesday October 20, 2010

UTAH WATER QUALITY BOARD MEMBERS PRESENT

Jay Olsen	Merritt Frey	Myron Bateman
Leland Myers	Steve Simpson	Neal Peacock
Greg Rowley	Paula Doughty	

Absent: Amanda Smith, Daniel Snarr, Darrell Mensel and Dave Echols

DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT

Walt Baker, Faye Bell, Emily Canton, Leah Ann Lamb, John Whitehead, Ed Macauley, Carl Adams, Mike Allred, Candace Cady, Stacy Carroll, Dani Walsh, Matt Garn, Lisa Nelson, Scott Daly, Beth Wondimu, Chris Bittner, John Cook, Kari Lundeen, Nick von Stackelberg, John Kennington

OTHERS PRESENT

<u>Name</u>	<u>Organization Representing</u>
Danny Boore	Twelve Mile Project
Ryan Tingey	Willard City
Kevin McFaha	Willard City
Denise Chancellor	Attorney General's Office
Doug Nielsen	Sunrise Engineering
Jay Aguilar	Willard City
Erica Gaddis	SWCA Environmental Consultants
Scott Archibald	Sunrise Engineering
Ott Dameron	Lindon City
David Thurgood	Lindon City
Don Peterson	Lindon City
Mark Christensen	Lindon City
Chris Webb	Blanding City
Jeff Hollingsworth	Willard/Perry
Allen Dyrong	Gunnison Irrigation Co.
Rex Ausburn	Broadbent & Associates

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Jim Olson	Private Citizen
Justin Anderson	Ogden City
Jay Lowder	Ogden City
Caroline Bradford	Ogden City
Robert Dibbler	Trout Unlimited
John Isenhart	USFWS
Gary Weeks	Trapper Trails Council BSA
Jim Bowcutt	USU Extension
Garrick Willden	Jones& DeMille Eng
Danny Delwan	Mayfield Irrigation Co
Brandy Cannon	Division of Air Quality
Shanna Johnson	Perry City
Eve Davies	PacifiCorp
Stan Pettrigilli	Perry City
Matthew Godfrey	Ogden City
Duncan Murray	Perry City
Nathan Caugs	UALD

Chair Olsen called the Board meeting to order at 10:00 a.m. and invited the members of the audience to introduce themselves.

APPROVAL OF MINUTES OF THE AUGUST 25, 2010 MEETING

Mr. Myers requested that the wording in the motion of the Petition for Rulemaking Utah Administrative Code R317-2-12 or R317-2-13 be changed to match exactly the same wording written by the Attorney General's Office of the "*Denial of Petition for Rulemaking*".

Motion: **It was moved by Mayor Peacock and seconded by Mr. Batemen to approve the minutes of the August 25, 2010 meeting with the recommended changes suggested by Mr. Myers. The motion was unanimously approved.**

Introduction of new staff: Ms. Carroll introduced Dani Walsh to the Water Quality Board explaining that Ms. Walsh will now be the afternoon receptionist for the division. Ms. Lamb introduced Nick von Stackelberg to the Board. Mr. von Stackelberg fills the position left vacant when Dr. Moellmer retired.

Executive Secretary's Report: Mr. Baker explained that included in the upcoming Legislative Session will be a budget proposal for permit fee increases, which has been submitted to the Governor's office. Additionally a request for on-going funding to support DWQ's basic monitoring program has been made as a Building Block. These activities were previously funded out of the 319 NPS and 106 grants and cannot be sustained through those grants. We are requesting \$100,000 to fund biological monitoring which has been handled by temporary FTEs during the summer. The request is to hire two FTEs permanently. To help cover the total cost of \$312,000 to fund these positions, ground water monitoring, and biological monitoring, we recommended the legislature fund this through the State Loan Program Account.

A new law has gone into effect on July 1, 2010 which will reduce the amount of phosphorus used in dish washing detergent.

Attorney General's Office Information on permit appeals: Ms. Chancellor from the Attorney General's Office updated the board on the process to be followed in requests for agency action.

LOAN ITEMS

Financial Assistance Status Report – Ms. Cantón updated the Board on the “Summary of Assistance Program Funds,” as outlined on page 3.1.

Blanding request for planning advance: Ms. Nelson introduced Chris Webb from Blanding City. The City of Blanding is requesting a Hardship Planning Advance in the amount of \$39,900 to assist with the development of a sewer master plan. The total combined planning effort will cost \$54,900 with a local contribution of \$15,000. Mr. Rowley of the Board requested that a set number of years be reflected under *SPECIAL CONDITIONS* instead of using the term “expeditiously”. Following some discussion it was decided the planning advance should be repaid within five years if the study does not lead to a project.

Motion: **It was moved by Mr. Myers to approve staff’s request to authorize a planning advance to the City of Blanding in the amount of \$39,900. If the planning advance does not lead to a project, then the advance must be repaid within five years. The motion was seconded by Mr. Simpson. The motion was unanimously approved.**

Lindon City Introduction: Ms. Wondimu introduced Ott Dameron and Don Peterson from Lindon City and David Thurgood and Mark Christensen from J-U-B Engineers, Inc. Lindon City is requesting financial assistance in the form of a \$4,506,000 loan at an interest rate of 2.5% repayable over 20 years to upgrade its trunk sewer line and force main. This was a project introduction, so no action was taken.

Ogden River Restoration Project Introduction: Ms. Lundeen introduced Mayor Matthew Godfrey, Justin Anderson, and Jay Lowder from Ogden City; Robert Dibbler with Trout Unlimited; and Gary Weeks with Boy Scouts of America. Ogden City is requesting a final hardship grant of \$1,000,000 to be used as the match for \$1,000,000 in private and corporate contributions totaling \$2,000,000 which is needed to complete the initial phase of the river restoration construction without having to stop the project and incur the added expense of remobilization or rebidding the project. The Project will be completed by the Fall 2011.

Motion: **It was moved by Mr. Myers to approve Ogden City’s request to authorize a hardship grant in the amount of \$1,000,000 to complete the Ogden River Restoration Project. The motion was seconded by Ms. Frey. The motion was approved with Mr. Olsen opposing.**

Twelve Mile Canyon Water Quality Project Introduction: Mr. Daly introduced Garrick Wilden with Jones & DeMille Engineering, Doug Wilden, from Mayfield Irrigation Co. and Danny Boore and Allan Dyreng with Gunnison Irrigation Co. The Gunnison and Mayfield Irrigation Companies requested a grant in the amount of \$727,400 to implement the sediment management projects recommended by the Twelvemile Creek Water Quality Study. These projects will increase the potential for preventing sediment from entering the creek from the watershed and also increase the sediment removal capacities of the irrigation companies thereby improving the water quality so the water can be beneficially used and prevent the sediment from flowing downstream.

Motion: **It was moved by Mr. Myers to approve Gunnison Irrigation Company’s request and authorize a hardship grant in the amount of \$727,400 to construct irrigation improvements that reduce sediment loading to the creek. The motion was seconded by Ms. Frey. The motion was approved unanimously approved.**

Willard and Perry Status Report and Request for Reconsideration of Funding Terms: Mr. Macauley introduced Mayor Tingey with Willard City and Mayor Nelson from Perry City. On December 16, 2008 Perry and Willard cities closed on a \$28 million in combined funding provided by the Water Quality Board to construct various sewer improvements in Perry City and a city-wide sewer system in Willard City and a regional wastewater treatment facility to be managed jointly by the two cities through an interlocal agreement. On June 20, 2010 the Willard-Perry wastewater treatment facility was completed and ready for operation, except it didn't have a UPDES permit to discharge.

At the August 25, 2010 Water Quality Board meeting the Board took action on Willard Spur. Staff has modeled the potentially deleterious effects on Willard Spur wetlands due to nutrients in the treatment plant effluent and discussed the preliminary results with Perry City, Willard City, representatives of the Bear River Migratory Bird Refuge and other stakeholders. Staff recommended that the Board provide relief to the two cities as follows:

- 1) Provide a grant to cover engineering costs to investigate the cost of constructing anoxic basins for nitrogen removal, adding filters for enhanced phosphorous removal (below 1 mg/L), and examining the feasibility of using Perry's lagoons during the critical summer period (\$24,000);
- 2) Provide a grant to pay the capital cost to add chemical phosphorous removal equipment to treat down to 1 mg/L, not to meet a permit limit, but rather as a proactive measure to protect the water quality that is also in the cities' interest, as DWQ studies, the effect of the discharge on the receiving water quality to determine the appropriate level of protection (\$90,000);
- 3) Delay repayment of Willard City's bond until one year following issuance of the UPDES permit to allow the city time to collect its debt service payment in a sinking fund. Willard's first payment on the bond is currently scheduled for April 1, 2011. Loan terms were \$12,000,000 at 0% interest over 30 years;
- 4) Waive interest on Perry City's bond until the date of issuance of a UPDES permit that enables Perry City to utilize the new joint treatment plant. Loan terms were \$11,350,000 at 3% interest over 20 years;
- 5) Provide a grant to Perry and Willard cities to operate the wastewater treatment facility from June 20, 2010 to the date of issuance of the UPDES permit to reimburse the cities for labor and utility costs associated with maintaining the new plant in readiness to operate without the ability to discharge (\$81,000 through Dec. 20, 2010 = \$13,000 per month). The O & M cost for phosphorus removal will also be granted by the Board until the study has been completed and a new discharge permit, that stipulates the level of nutrient removal (if any), has been issued.

Motion: **It was moved by Mr. Myers to approve staff's recommendations as negotiated between staff and the cities of Willard and Perry. The motion was seconded by Ms. Frey. The motion was unanimously approved.**

APPROVALS:

Rulemaking on Cutler Reservoir TMDL R317-1-7: Mr. Allred and Mr. Adams explained to the Board that at the June Water Quality Board Meeting, the Board voted to initiate rulemaking for incorporating the revised Middle Bear River and Cutler Reservoir TMDL into R317-1-7 and publish the rule to receive public comment. No comments were received during the comment period. The Board requested to incorporate the revised Middle Bear River and Cutler Reservoir TMDL into R317-1-7.

Motion: It was moved by Ms. Frey to approve staff's recommendations to incorporate the revised language into the TMDL and R317-1-7. The motion was seconded by Mr. Myers and was unanimously approved.

OTHER BUSINESS

Update on Carbon Capture and Geologic Sequestration Rulemaking: Ms. Cady explained during the 2008 General Session, the Utah Legislature passed Senate Bill 202, which Governor Jon M. Huntsman, Jr. signed into law in March 2008 and resulted in amendments to the Energy Resource Procurement Act. One of the amendments was Section 54-17-701, which required the development of recommended rules governing carbon dioxide capture and geologic sequestration by the Department of Environmental Quality (DEQ) Divisions of Water Quality and Air Quality in collaboration with the Public Service Commission and the Department of Natural Resources (DNR) Division of Oil, Gas and Mining, and Utah Geological Survey. This amendment required the agencies identified to submit a progress report on the development of the recommended rules to the Legislature's Public Utilities and Technology and Natural Resources, Agriculture, and Environment Interim Committees on or before July 1, 2009, and submit the recommended rules to the Legislature's Administrative Rules Review Committee by January 1, 2011. A Carbon Capture and Geologic Sequestration Workgroup was formed and is now ready to finalize the recommended rules and present them to the Administrative Rules Review Committee.

**-NEXT MEETING -
Thursday, December 2, 2010 @ 8:30 AM
DEQ Building Board Room #1015
195 North 1950 West
Salt Lake City, Utah 84116**

Jay Olsen, Chairman
Utah Water Quality Board