



State of Utah

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Environmental Quality

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DIVISION OF WATER QUALITY
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Leland J. Myers
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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

Dixie Convention Center

Entrada B & C

St. George, Utah 84770

Wednesday, April 6, 2011

UTAH WATER QUALITY BOARD MEMBERS PRESENT

Jay Olsen	Dave Echols	Daniel Snarr
Leland Myers	Steve Simpson	Darrell Mensel
Greg Rowley	Paula Doughty	Merritt Frey
Myron Bateman	Neal L. Peacock	

Absent: Amanda Smith

DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT

Walt Baker, Faye Bell, Leah Ann Lamb, John Whitehead, Ed Macauley, Jeff Ostermiller, John Cook, Lisa Nelson, Beth Wondimu, John Mackey, Hilary Arens, Judy Etherington, Jim Bowcutt, John Kennington,

OTHERS PRESENT

<u>Name</u>	<u>Organization Representing</u>
John Newman	SVWRF
Rex Harris	Huntsville Town
Regan Bolt	Ephraim City
Scott Hacking	DEQ – District Engineer
Doug Gadd	Monroe City
David Krueger	Bureau of Reclamation
David Torgersen	Sunrise Engineering/Huntsville
Ed Oldroyd	Monroe City
John Chartier	DEQ District Engineer
Cindy Gooch	JUB/Coalville
Trevor Lindley	JUB/Coalville
Danny Astill	Murray City
Jim Olson	HDR Engineering
Kevin Brown	Sunrise Engineering/Huntsville
Dan James	CVWRF
Steve Harris	Washington Terrace City
Duane Schmidt	Coalville City

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Darin Robinson	Jones & DeMille Engineering
Dale A Christensen	SLC Public Utilities
Theron Miller	SR/FBWQC
Thomas Halstrom	Central Valley Water Reclamation
Susan Holmes	CDS
Jill Houston	CDS/WEAU
Carol Page	CDS

Chair Olsen called the Board meeting to order at 8:30 a.m. and invited the members of the audience to introduce themselves.

APPROVAL OF MINUTES OF THE FEBRUARY 23, 2011 MEETING

Corrections noted were on page 2 under *Executive Secretary's* Report halfway into the paragraph it should read "There's also HB 438 sponsored by Representative Wright" instead of HB132. On page 4 at the end of Monroe City Introduction, the statement needed to be added that "*the board requested staff report back on other sources of funding available*" and finally on page 5 under Rulemaking, it should read "*EPA Region 8*" instead of Region *.

Motion: It was moved by Mr. Rowley and seconded by Mayor Peacock to approve the minutes of the February 23, 2011 meeting with the recommended changes. The motion was unanimously approved.

Executive Secretary's Report: Mr. Baker briefed the Board on events pertaining to the Division. The legislative session has closed. HB438, sponsored by Representative Wright, which proposed adding two agriculture representatives to the Board, replacing one "at large" and one "Environmental" member, never made it onto the floor for final Senate vote. HB132, also sponsored by Representative Wright, did pass. This bill allows agricultural storm water runoff in certain circumstances. It also requires the Board to get the approval of the Conservation Commission if the Board wishes to make a rule affecting agricultural water that would be more strict than the Federal Rules. HB420, sponsored by Rep Fisher, requires that any TMDL which costs more than \$100 million to implement to be approved by the Legislature, effective July 1, 2012. This will require an economic evaluation to be included in each TMDL, which has not previously been part of a TMDL evaluation. HB246, sponsored by Rep. Sandstrom, did not pass and the phosphate ban on dishwashing detergent still remains in effect. The final outcome of the budget impact is a 2-1/2% cut of general funds. DWQ will lose 1 FTE position presently left vacant by Shelly Andrews and will incur some cutbacks in other areas.

PRESENTATIONS

Certification Council 2010 Annual Report: Ms. Etherington introduced Dan James from the Certification Council. Mr. James presented the 2010 Annual Report, as noted on pages 2.2 through 2.7.

Annual Non-Point Source (NPS) Report: Mr. Bowcutt presented the NPS Annual Report for Fiscal Year 2010, directing the Board to Tab 2 pages 2.8 through 2.18.

Willard Spur Study Update: Mr. Ostermiller gave the Board an update on the Willard Spur Project. The Willard Spur Steering Committee met on February 17th. A Monitoring Subcommittee comprised of representatives from DWQ, CH2MHill, USFWS, and POTW scientists was created to develop a study plan for 2011 to provide the Science Panel with preliminary data. On March 2nd DWQ collected 5 co-located water chemistry, biological and sediment samples. In accordance with Steering Committee directions, the Monitoring Subcommittee created a draft collection plan for 2011 (included in the packet). In order to proceed with the sampling as discussed with the Steering Committee, DWQ will have to reallocate the

\$260,000 previously released by the Board to conduct this work (\$160,000 was allocated for project management support \$100,000 for monitoring) so that an increased percentage of these funds is allocated to the monitoring activities in 2011.

FUNDING REQUEST

Financial Assistance Status Report – Mr. Macauley updated the Board on the “Summary of Assistance Program Funds,” as outlined on page 3.1. He also explained that Utah Wastewater Loan Funds (UWLF) cannot be used to make “principal forgiveness loans” or “negative interest loans” referring to page 3.3 of the packet page.

Prioritizing and Funding Nonpoint Source Projects: Ed Macauley and John Whitehead directed the board to pg. 3.4.1. Mr. Whitehead explained to the Board that the annual allocation of up to \$1 million in grant funds by the Water Quality Board for nonpoint source water quality improvement projects is serving a critical role in the implementation of TMDLs throughout the state. Many high priority nonpoint source projects that would otherwise not have been possible have been completed in the short amount of time that these funds have been available. These funds help fill the gap in the growing need for nonpoint source control and the amount of financial resources available to address this critical water quality problem. Staff recommends to the Board that the \$1 million allocation continue to be set aside each year for high priority nonpoint source projects to address water quality problems.

Coalville Request for Funding Authorization: Ms. Nelson introduced Mayor Duane Schmidt, and Chantel Pace from Coalville City, and Cindy Gooch and Trevor Lindley with JUB Engineering. Coalville City is requesting financial assistance in the amount of a \$6,834,000 grant and \$2,650,000 loan at an interest rate of 0.0% repayable over 20 years for the construction of a new wastewater treatment facility to replace the existing facility located on leased Bureau of Reclamation (BOR) property that must be relocated off of federal property. Coalville City is also requesting an additional Planning Advance of \$25,000 to fund the work required to prepare a Rural Development funding application package, which requires the environmental work to be completed at the time of application. Walt Baker and several staff met with Curtis Pledger, Bureau of Reclamation (BOR) and determined that even if the Coalville WWTP could remain on the current site, the facility is land-locked and would be unable to expand in the future. Therefore, Coalville must abandon the existing plant and construct a new facility on nearby property. BOR agreed that if the new facility could be completed by 2014, then the city could walk away from the existing plant, and BOR would be responsible for any demolition and cleanup of the existing wastewater treatment facility.

Staff agrees that Coalville needs a new facility, but recommends that Coalville pursue matching funding from USDA Rural Development. To this end staff recommends that the Board authorize a loan in the amount of \$1,650,000 at 0% interest over 20 years, a construction grant in the amount of \$3,092,000, and an additional hardship planning advance in the amount of \$25,000 for the city to complete a funding application to USDA Rural Development..

Motion: **It was moved by Mr. Myers to approve staff’s recommendations to authorize a loan in the amount of \$1,650,000 at 0% interest over 20 years and a construction grant in the amount of \$3,092,000 for Coalville City to construct a new wastewater treatment plant, and an additional hardship planning advance in the amount of \$25,000 for the city to complete a funding application to USDA Rural Development. A special condition was added to the construction funding that Coalville obtain a legal letter from the BOR that it accepts responsibility for any demolition and cleanup costs for the existing wastewater treatment facility. A special condition was added to the**

hardship advance that Coalville agree to repay the planning advance within two years if there is no construction project. The motion was seconded by Mayor Snarr, and unanimously approved.

Bluff Service Area Project Update: Mr. Mackey explained to the Water Quality Board that the Bluff Service Area (BSA) determined to take no action regarding its proposed wastewater project. The BSA received a \$164,000 planning advance from the Water Quality Board to develop the Facility Plan for Bluff. In accordance with the conditions of the two grant authorization agreements, failure on the part of the Grantee to implement the construction project authorizes the Board to seek repayment of the grant on such terms and conditions as it may determine. Staff recommended that the Board consider its requirement for repayment of \$164,000 and direct staff how it wishes to proceed.

Huntsville Request for Funding Authorization: Ms. Wondimu introduced Rex Harris from Huntsville and Kevin Brown and Dave Torgersen from Sunrise Engineering. Huntsville Town is requesting financial assistance in the amount of a \$10,838,000 loan repayable over 30 years at an interest rate of 0.0% and a \$3,613,000 grant for construction of a wastewater collection and IFAS or SBR wastewater treatment system. Staff recommends that the Water Quality Board authorize Huntsville Town a grant in the amount of \$3,613,000 and a loan in the amount of \$10,838,000 repayable over 30 years at an interest rate of 0%.

Motion: **It was moved by Mr. Bateman to approve staff's request to authorize a grant in the amount of \$3,613,000 and a loan for \$10,838,000 at 0% interest over 30 years with the special conditions that Huntsville: 1) agrees to prepay the loan at \$250 per year per ERU for each ERU served in excess of 1000 ERUs; and 2) agrees to provide service outside of its municipal boundary provided that all costs for such service are borne by those requesting the service, including but not limited to any construction needed to connect to Huntsville's sewer system and appropriate impact and user fees. The motion was seconded by Mr. Echols and unanimously approved with the special conditions,**

Monroe City Request for Funding Authorization: Ms. Wondimu introduced Mayor Robert Nilsson from Monroe City, Darin Robinson with Jones & DeMille Engineering, Inc., and John Chartier who is DEQ's district engineer for the central part of the state. Monroe City is requesting financial assistance in the amount of a \$4,058,000 grant and a \$3,254,000 loan at an interest rate of 0.0% repayable over 30 years for construction of a wastewater collection system, lift station, and force main to convey its wastewater to Richfield City's wastewater treatment lagoon system. Due to the present shortage of grant funds on the part of the WQB, staff recommended the Board not authorize funding at this time, but recommended that Monroe seek funding from USDA/RD in addition to the city's request for funding from the CIB and WQB.

Washington Terrace Funding Modification Request: Ms. Nelson introduced Steve Harris from Washington Terrace. On June 23, 2010 the Water Quality Board authorized a loan in the amount of \$835,000 to fund the sewer replacement related costs associated with the infrastructure repair project along 4800 south and elsewhere in Washington Terrace. The original authorization required a local share of \$120,000 for sewer related expenses. The City requested that its local share of \$120,000 be allowed to be reassigned toward the construction of the roadway, sidewalk and other related improvements rather than only the wastewater collection system costs.

Motion: **It was moved by Mr. Myers to approve staff's recommendation and let Washington Terrace apply its local contribution of \$120,000 toward other street improvements related to the project. The motion was seconded by Mr. Bateman. The motion was unanimously approved.**

RECOGNITION AWARD for Kiran Bhayani: Mr. Baker presented a recognition award to Kiran Bhayani who recently retired after 32 years of service working in the Division of Water Quality.

RULEMAKING:

Rulemaking on East Canyon Reservoir TMDL R317-1-7: Mr. Whitehead explained that comment period on the TMDL R317-1-7 has ended with no comments received. Staff recommended that the Board incorporate by reference the revised East Canyon Creek and East Canyon Reservoir TMDLs into R317-1-7.

Motion: It was moved by Mr. Rowley to adopt the changes to R317-1-7. The motion was seconded by Mr. Echols and was unanimously approved.

Rulemaking on Utah Sewer Management Plan R317-801: Mr. Kennington directed the Board to the draft rule R317-801 "Utah Sewer Management Program" that would pertain to all public wastewater collection systems in the State of Utah. Staff requested the Board initiate formal rulemaking for R317-801. One change requested by the Board was to change the implementation date from Jan 15th to April 15th 2012.

Motion: It was moved by Mr. Echols to proceed to rulemaking on R317-801. The motion was seconded by Mr. Simpson and was unanimously approved.

Prior to ending the meeting the Board agreed it would like to have a work meeting to discuss project funding, how to prioritize available funds and the 1.4% MAGHI target for affordable sewer user fees. The work meeting should begin at 8:30 a.m. with a break for lunch followed by the Board meeting.

Mr. Baker asked for volunteers to be on the Sudweeks Award selection committee. Mr. Myers, Ms. Frey, Mr. Simpson and Mr. Olsen volunteered.

**-NEXT MEETING -
Wednesday May 18, 2011 @ 8:30 a.m.
DEQ Building Board Room #1015
195 North 1950 West
Salt Lake City, Utah 84116**

Jay Olsen, Chairman
Utah Water Quality Board