

STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 94-39

REQUEST BY THE CITY OF WATSONVILLE FOR WAIVER OF BOARD POLICIES
ON LIMITING GRANT INCREASES, RESOLUTION NO. 82-38;
NOT INCREASING GRANTS FOR CLAIM DEFENSE COSTS, RESOLUTION NO. 87-104;
AND USE OF CARRYOVER GRANT FUNDS AND DEOBLIGATIONS, RESOLUTION NO. 89-69

WHEREAS:

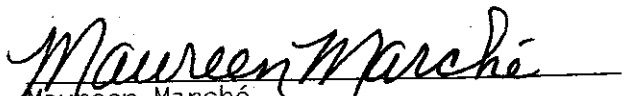
1. The State Water Resources Control Board has adopted three policies regarding grant increases -- Resolution Nos. 82-38, 87-104, and 89-69;
2. The City of Watsonville (City) has a cost overrun on Clean Water Grant No. C-06-1128-120 mainly due to a contractor claim settlement;
3. On May 29, 1992, the SWRCB signed the Memorandum of Agreement (MOA) regarding water quality protection for the Monterey Bay National Marine Sanctuary;
4. In the MOA the signatories agreed to assist Watsonville to achieve secondary treatment of sewage; and
5. Providing increased federal grant funds for this project will make available additional local funds which can be used by the City to meet their obligation to achieve secondary treatment in accordance with the May 29, 1992 MOA.

THEREFORE BE IT RESOLVED THAT THE STATE BOARD:

1. Waives its policies on limiting grant increases, Resolution Nos. 82-38, 87-104, and 89-69 for Grant No. C-06-1128-120;
2. Approves a federal grant increase of \$2,535,202 for the City for Grant No. C-06-1128-120;
3. Directs staff to condition the grant increase contract such that (1) the City must achieve secondary treatment by November 1, 1998 in accordance with the MOA; and (2) as part of the planning process for secondary treatment, the City must fully evaluate reclaiming their effluent as a means of assisting in a solution of ground water quality and quantity problem in the area; and
4. Will seek repayment of the \$2,535,202, in the event that the City fails to meet the conditions of the grant contract.

CERTIFICATION

The undersigned, Administrative Assistant to the Board, does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on May 18, 1994.


Maureen Marché
Administrative Assistant to the Board