



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Alan Matheson
Executive Director

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

Water Quality Board
Myron E. Bateman, Chair
Shane E. Pace, Vice-Chair
Clyde L. Bunker
Steven K. Earley
Gregg A. Galecki
Jennifer Grant
Dr. James VanDerslice
Michael D. Luers
Alan Matheson
Walter L. Baker
Executive Secretary

Utah Water Quality Board Meeting
DEQ Board Room 1015
195 N 1950 W
Salt Lake City, UT 84116
September 27, 2016

Work Meeting Begins @ 8:30 a.m.

SRF Loan Application and Financial Decision Making Case Study..... Lisa Nelson

Board Meeting Begins @ 9:30 a.m.

AGENDA

- A. Water Quality Board Meeting – Roll Call
B. (Tab 1) Minutes:
Approval of Minutes for August 24, 2016 WQ Board Meeting ..... Myron Bateman
C. 1. Executive Secretary’s Report ..... Walt Baker
D. (Tab 2) Funding Requests:
1. Financial Report ..... Emily Cantón
2. Plain City: Request for Hardship Planning Advance ..... Lisa Nelson
E. (Tab 3) Request for Approval of Norbest Settlement Agreement..... Jennifer Robinson
F. (Tab 4) Other Business:
1. Nonpoint Source Annual Report ..... Jim Bowcutt

Next Meeting October 26, 2016
DEQ Board Room 1015
195 N 1950 W
Salt Lake City, UT 84116

Revised 9/15/2016

In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Ashley Nelsen, Office of Human Resources, at (801) 903-3978, TDD (801) 903-3978, at least five working prior to the scheduled meeting



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**MINUTES**

**UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY**

**UTAH WATER QUALITY BOARD**

195 N 1950 W

Salt Lake City, UT 84116

August 24, 2016

**UTAH WATER QUALITY BOARD MEMBERS PRESENT**

Clyde Bunker	Steven Earley
Gregg Galecki	Myron Bateman
Michael Luers	James VanDerslice
Shane Pace	Scott Baird
Jennifer Grant	

**DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT**

Walter Baker, Leah Ann Lamb, Erica Gaddis, Jenny Potter, Nicole Froula, Linda Gould, Emily Cantón, Kari Lundeen, Lisa Nelson, John Mackey, Marsha Case, Skyler Davies, Beth Wondimu, Keven Okleberry, Scott Daly, Kim Shelley, Jodi Gardberg.

**OTHERS PRESENT**

<b><u>Name</u></b>	<b><u>Organization Representing</u></b>
Jesse Steward	Salt Lake City
Kelly Pehrson	San Juan County
Jerry McNeely	San Juan County
Randy Brown	Kane County Water
Shad West	CIB
Bryan Atwood	Snyderville Basin Water Reclamation
Joe Phillips	Kane County Water Conservancy
Jim Milligan	Gilson Engineering Summit Co.
Chris Palmer	Hinckley Town
Brian Florang	Hinckley Town
Judy Fahys	KUER
Corrie Forsliy	Summit County
Jan Bradshaw	U of U
Dan Hawley	Jones & DeMille Engineering
Ryan Jolley	Jones & DeMille Engineering
Rich Bullough	Summit County
Rich Mickelson	Provo City

Jim Olson  
Ramesh Goel  
Jon Adams

Olson Consulting  
U of U  
Timpanogos Special Service Dist.

Myron Bateman called the Board meeting to order at 9:42 AM and took roll call for the members of the Board and audience.

### **APPROVAL OF MINUTES OF THE JUNE 22, 2016 MEETING**

**Motion: It was motioned by Mr. Pace to approve the minutes for June 22, 2016 Board meeting. Mr. Galecki seconded the motion. The motion was unanimously passed. Ms. Grant abstained from voting.**

### **EXECUTIVE SECRETARY REPORT**

- Mr. Baker discussed the Utah Lake Algal Bloom. The Utah Lake Commission and Jordan River Commission have been presented with a Harmful Algal Bloom presentation as well as other interested stake holders. The events over the summer have brought an increased awareness of these algal blooms occurring around the state.
- DWQ became aware of sediment that was released from the Tibble Fork Dam Construction Project into the North Fork of the American Fork River. The dam is under construction for repair and enlargement and as a consequence, large amounts of sediment behind the reservoir were released into the River, killing all fish within the first 2 miles. Permits for the project were issued by the U.S. Department of Agriculture (NRCS), The Corp of Engineers, Utah Division of Water Rights, and the Forest Service. DWQ is investigating whether best management practices were used to control the release of the sediments. DWQ will keep the board updated as events progress.
- DWQ is working on a Master Service Agreement with a consultant. The consultant would be someone who DWQ can have on call at any moment to respond to and monitor emergencies so DWQ can perform its normal day- to- day work.
- Gold King Mine – Mr. Earley mentioned hearing about a settlement on the radio. He asked if DWQ has been made whole with EPA, as well if there is litigation between the State of Utah and EPA. Mr. Baker said that the state has retained outside counsel for litigation in the event the State chooses to sue EPA. Currently the State has not filed a lawsuit against EPA. New Mexico has sued EPA and the State of Colorado. The Navajo Nation has also sued EPA. The state of Utah did not detect water quality exceedances, anticipated, during spring run-off. DWQ will investigate the legacy aspect of the heavy metal deposition in the sediment as we are aware the metals are still in the system between Gold King Mine and Lake Powell. The State of Utah and DWQ has been completely reimbursed by EPA as a result of the costs incurred to respond to the spill.

### **UTAH ALGAL BLOOM JULY 2016**

**Update:** Ms. Gardberg and Mr. Okleberry presented to the board an update on the Utah Lake Algal Bloom in Utah Lake 2016. Federal, State and local agencies were involved with monitoring and checking conditions of the lake. Conditions that can cause harmful algal blooms include high

temperatures, ample sunlight and calm conditions in nutrient-rich waterbodies. For more information on Utah Lake Algal Bloom please visit: <http://deq.utah.gov/Pollutants/H/harmfulalgalblooms/bloom-2016/utah-lake-jordan-river/index.htm>

### **FUNDING REQUESTS**

**Financial Reports:** Ms. Cantón updated the Board on the Loan Funds, and Hardship Grant Funds, as seen in the Board Packet on pages 8-10.

**Kane County Water Conservancy District:** Ms. Nelson presented to the board staff recommendations for the Kane County project. The authorization is for a planning grant in the amount of \$53,000. An advance was not recommended as the expected project will require a significant grant component and the District has no sewer revenue to repay an advance.

**Motion:** Following a discussion, a motion was made by Mr. Pace to approve the funding request of a \$53,000 grant, Ms. Grant seconded the motion. The motion passed with Mr. Bunker opposing the motion.

**Hinckley Town:** Mr. Davies introduced a funding request from Hinckley Town for a hardship grant in the amount of \$160,000 to upgrade its four sewer lift stations and valve boxes. Staff recommended an advance for \$200,000 from the Hardship Grant fund to be paid back expeditiously following the completion of the project. The recommendation was made as a loan is unlikely to provide funds within the short term to meet the urgent needs for the project. Hinckley Town's maintenance staff is concerned that some of the pumps are beyond their useful life and may fail.

**Motion:** Following a discussion, a motion was made by Mr. Pace to approve the hardship grant for \$160,000, with no loan, as long as the special condition of an increase in rates is completed. Ms. Grant seconded the original motion. The motion passed with Mr. Galecki voting in opposition.

**Motion:** Following further discussion a substitute motion was made by Mr. Galecki to include the original staff recommendations of an advance of \$200,000 from the Hardship Grant fund to be paid back expeditiously. There was no second to the motion so the motion failed.

**Summit County:** Mr. Mackey introduced a grant request in the amount of \$400,000 for construction of a new wastewater collection system that will connect to the Snyderville Basin Water Reclamation District is (SBWRD) sewer line. Staff recommendations will be provided at a subsequent board meeting.

**San Juan -Spanish Valley:** Mr. Mackey introduced a funding request in the amount of a \$2,000,000 grant and a \$505,000 loan at an interest rate of 0.0% repayable over 30 years for construction of a new wastewater collection system that will connect to the Grand County Water and Sewer District's system and ultimately the Moab Regional treatment plant. The District also requested a design a advance in the amount of \$220,000. Staff's recommendations will be provided at an upcoming board meeting.

**Utah Lake Water Quality Studies:** Mr. Daly presented a request to approve a Hardship Grant to the Department of Environmental Quality in the amount of \$1,000,000 to conduct research for support of Phase 2 of the Utah Lake Water Quality Study.

**Motion:** Following a discussion, a motion was by Mr. Pace made the motion to approve the Hardship Grant for \$1,000,000. Mr. Earley seconded the motion. The motion was unanimously passed.

To listen to the full recording of the Board meeting go to: <http://www.utah.gov/pmn/index.html>

**Next Meeting September 27, 2016  
DEQ Board Room 1015  
195 N 1950 W  
Salt Lake City, UT 84116**

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Myron Bateman, Chair  
Utah Water Quality Board

## LOAN FUNDS FINANCIAL STATUS REPORT

STATE REVOLVING FUND (SRF)	State Fiscal Year 2017	State Fiscal Year 2018	State Fiscal Year 2019
<b>Funds Available</b>			
2014 Capitalization Grant	767,362	-	-
2015 Capitalization Grant	4,726,800	-	-
2016 Capitalization Grant	4,507,700	-	-
Principal Forgiveness	4,657,415	-	-
State Match	2,867,354	-	-
SRF - 2nd Round	97,586,399	116,622,787	62,994,685
Interest Earnings at 0.9%	878,278	1,049,605	566,952
Loan Repayments	10,036,479	12,442,293	12,632,187
Total Funds Available	126,027,787	130,114,685	76,193,824
<b>Project Obligations</b>			
Logan City	-	(39,131,000)	(30,000,000)
<b>Loan Authorizations</b>			
Duchesne City	(1,000,000)	(1,000,000)	(700,000)
Moab City	(8,405,000)	(2,000,000)	-
Salem City	-	(10,000,000)	(3,000,000)
<b>Planned Projects</b>			
Nutrient Projects - Various	-	(14,989,000)	(17,671,500)
San Juan Spanish Valley SSD	-	-	(500,000)
Total Obligations	(9,405,000)	(67,120,000)	(51,871,500)
<b>SRF Unobligated Funds</b>	\$ 116,622,787	\$ 62,994,685	\$ 24,322,324

UTAH WASTEWATER LOAN FUND (UWLF)	State Fiscal Year 2017	State Fiscal Year 2018	State Fiscal Year 2019
<b>Funds Available</b>			
UWLF	\$ 20,118,549	\$ 18,976,801	\$ 24,298,471
Sales Tax Revenue	2,395,621	3,587,500	3,587,500
Loan Repayments	2,553,484	3,156,170	2,837,662
Total Funds Available	25,067,655	25,720,471	30,723,633
<b>General Obligations</b>			
State Match Transfer	(2,867,354)	-	-
DWQ Administrative Expenses	(1,066,500)	(1,422,000)	(1,422,000)
<b>Project Obligations</b>			
Helper City	(557,000)	-	-
Murray City	(1,110,000)	-	-
<b>Loan Authorizations</b>			
Eagle Mountain City - White Hills	(490,000)	-	-
<b>Projects Requesting Funding</b>			
None at this time	-	-	-
Total Obligations	(6,090,854)	(1,422,000)	(1,422,000)
<b>UWLF Unobligated Funds</b>	\$ 18,976,801	\$ 24,298,471	\$ 29,301,633

## HARDSHIP GRANT FUNDS FINANCIAL STATUS REPORT

HARDSHIP GRANT FUNDS (HGF)	State Fiscal Year 2017	State Fiscal Year 2018	State Fiscal Year 2019
<b>Funds Available</b>			
Beginning Balance		\$ 713,105	\$ 1,032,299
Federal HGF Beginning Balance	4,710,467	-	-
State HGF Beginning Balance	1,072,827	-	-
Interest Earnings at 0.9%	52,050	6,418	9,291
UWLF Interest Earnings at 0.9%	45,267	42,698	54,672
Hardship Grant Assessments	1,062,382	1,346,351	1,225,888
Interest Payments	310,326	323,727	282,239
Advance Repayments	-	-	-
<b>Total Funds Available</b>	<b>7,253,319</b>	<b>2,432,299</b>	<b>2,604,388</b>
<b>Project Obligations</b>			
Big Plains - Planning Grant	(38,000)	-	-
Duchesne City - Construction Grant	(400,000)	-	-
Eagle Mountain City - White Hills - Construction Grant	(580,000)	-	-
Emigration Sewer Imp Dist - Planning Grant	(60,000)	-	-
Francis City - Construction Grant	(513,000)	-	-
Hinckley Town - Hardship Grant	(160,000)	-	-
Kane County Water Conservancy District - Planning Grant	(53,000)	-	-
Tri-County - Construction Grant	(221,000)	-	-
<b>Non-Point Source Project Obligations</b>			
(FY11) Gunnison Irrigation Company	(48,587)	-	-
(FY11) DEQ - Willard Spur Study	(113,326)	-	-
(FY12) Utah Department of Agriculture	(689,758)	-	-
(FY13) DEQ - Great Salt Lake Advisory Council	(260,717)	-	-
(FY14) UACD	(47,394)	-	-
(FY15) DEQ - Ammonia Criteria Study	(70,674)	-	-
(FY15) DEQ - Nitrogen Transformation Study	(123,849)	-	-
(FY16) DEQ - Harmful Algal Bloom Study	(94,000)	-	-
(FY16) DEQ - San Juan River Monitoring	(194,615)	-	-
(FY17) DEQ - Utah Lake Water Quality Study	(300,000)	(400,000)	(300,000)
FY 2012 - Remaining Payments	(23,334)	-	-
FY 2013 - Remaining Payments	(25,076)	-	-
FY 2014 - Remaining Payments	(119,041)	-	-
FY 2015 - Remaining Payments	(295,272)	-	-
FY 2016 - Remaining Payments	(709,569)	-	-
FY 2017 Allocation	(1,000,000)	-	-
FY 2018 Allocation	-	(1,000,000)	-
FY 2019 Allocation	-	-	(1,000,000)
<b>Planned Projects</b>			
San Juan Spanish Valley - Design Advance/Construction Grant	-	-	(2,000,000)
Summit County - Construction Grant	(400,000)	-	-
<b>Total Obligations</b>	<b>(6,540,213)</b>	<b>(1,400,000)</b>	<b>(3,300,000)</b>
<b>HGF Unobligated Funds</b>	<b>\$ 713,105</b>	<b>\$ 1,032,299</b>	<b>\$ (695,612)</b>



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WATER QUALITY BOARD  
REQUEST FOR HARDSHIP PLANNING ADVANCE TO  
PREPARE WASTEWATER COLLECTION/TREATMENT FEASIBILITY STUDY  
AUTHORIZATION

APPLICANT: Plain City  
4160 W 2200 N  
Plain City, Utah 84404  
Telephone: 801-309-5206

PRESIDING OFFICIAL: Mayor Bruce Higley

CONTACT PERSON: Bren Edwards, Public Works Director

TREASURER: Diane Hirschi

CONSULTING ENGINEER: Brad Rasmussen, P.E.  
Aqua Engineering  
533 W 2600 S, Suite 275  
Bountiful, Utah 84010

CITY ATTORNEY: Brandon Richards  
2568 Washington Blvd, Suite 200  
Ogden, Utah 84401  
801-394-0231

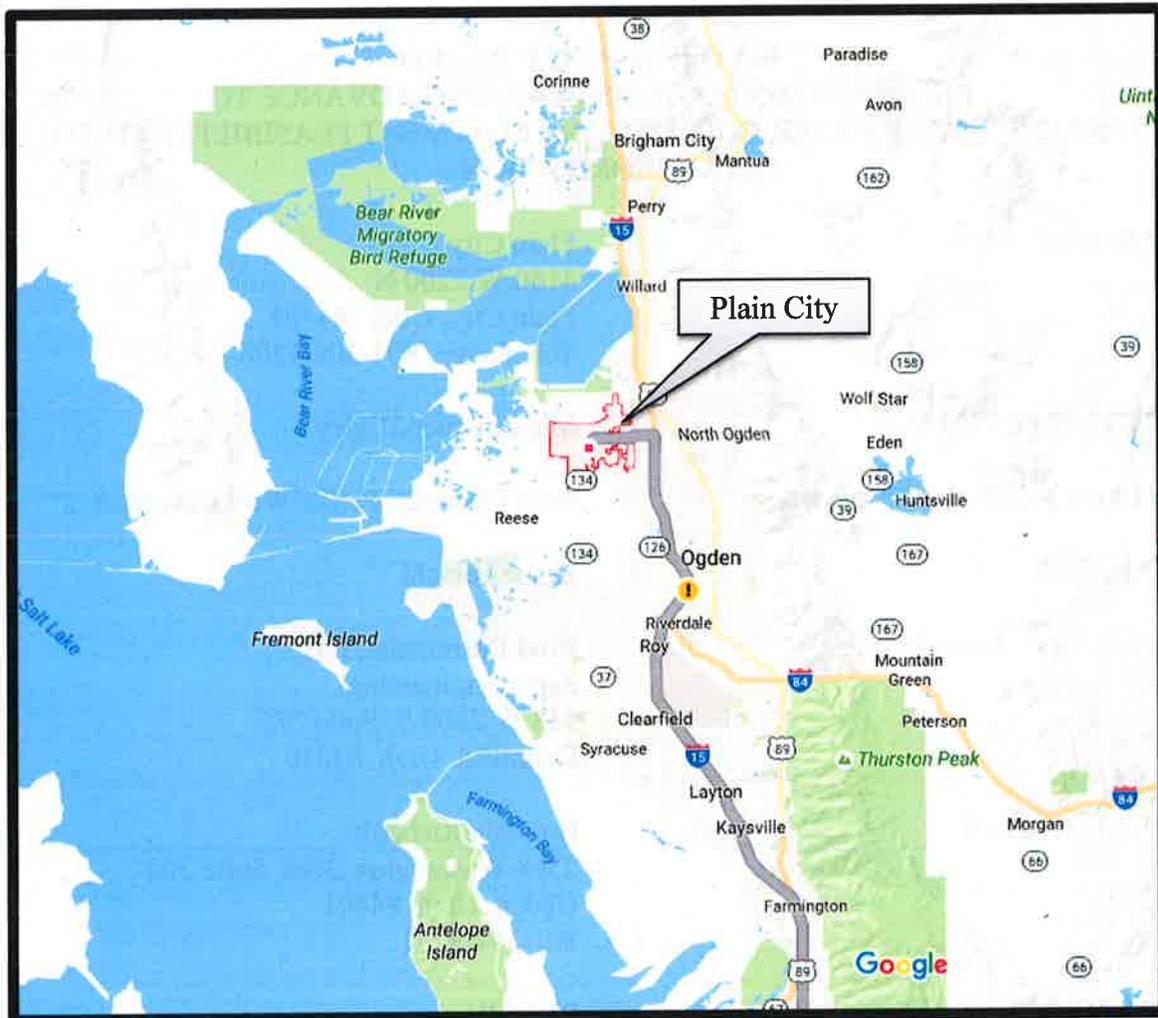
BOND COUNSEL: Blake Wade  
Ballard Sparh  
201 S. Main Street, Suite 800  
Salt Lake City, Utah 84111  
801-531-3000

**APPLICANT'S REQUEST:**

Plain City is requesting a **hardship planning advance in the amount of \$55,000** to complete a wastewater Facility Plan to evaluate alternatives to meet expected growth and phosphorus limits.

**APPLICANT’S LOCATION**

Plain City has a population of approximately 5,500 and is located in Weber County, 45 miles north of Salt Lake City.



**BACKGROUND**

Plain City owns and operates a collection system with sixteen (16) lift stations and a six cell discharging aerated lagoon (a pair of three cell tracks) which was constructed in 1970. The lagoons have a design flow of 1.75 mgd and an average flow of 0.60 mgd that discharge into a drainage ditch that flows from Dix Creek to the Harold S. Crane Waterfowl Management Area and ultimately to the Willard Spur area of the Great Salt Lake.

The City intends to commission a Facility Plan to explore alternatives to plan for and accommodate future growth and the recently enacted phosphorus limit.



**PROJECT DESCRIPTION:**

The wastewater Facilities Plan will provide a comprehensive review of the City’s wastewater collection and treatment system, including a thorough alternatives evaluation with life cycle cost analysis for a minimum 20 year planning window.

The study shall include:

- Analysis of present and future conditions
- Alternatives analysis (including the no-action alternative) for future flows and the facility’s phosphorus limit
- Recommendation of a preferred alternative
- Project and implementation plan
- Life cycle financial analysis of all alternatives and long term planning recommendations including rate increases.
- Public participation
- Preliminary environmental review

**IMPLEMENTATION SCHEDULE:**

The Facility Plan is scheduled to take eighteen months with an estimated completion date of March 1, 2018.

**PROJECT PRIORITY LIST**

This is a planning project. It will be ranked when a recommended project alternative has been identified and a request for funding has been submitted.

**COST ESTIMATE:**

The base planning effort for this Facility Plan is \$65,000. The City is contributing \$10,000 towards this planning effort and is requesting \$55,000 from the Water Quality Board to assist with this project.

**STAFF RECOMMENDATION:**

Staff recommends the Board **authorize a hardship planning advance of \$55,000** to Plain City to be repaid when a project is identified and funded.

**SPECIAL CONDITIONS:**

- The Division of Water Quality must approve the engineering agreement and plan of study before the advance will be executed.
- An approvable Facility Plan must be submitted to the Division of Water Quality at the completion of the project.



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MEMORANDUM

TO: Water Quality Board

THROUGH: Walter L. Baker  
Director

FROM:  Jennifer Robinson  
Environmental Scientist III

DATE: September 7, 2016

SUBJECT: Request for Approval of Settlement Agreement for Norbest, UPDES Permit No. UT0020222

The Utah Water Quality Act, UCA 19-5-104 (3) (h) (i, ii), requires that any Settlement Agreement (SA) negotiated by the Director in excess of \$25,000 must be reviewed and approved or disapproved by the Water Quality Board.

On June 24, June 25, and August 22, 2015, Norbest, formerly known as Moroni Feed Company, overflowed its equalization basin (EQ Basin). These overflows were reported by Norbest to the Division of Water Quality (DWQ) as required by their permit. DWQ subsequently issued a Notice of Violation for these overflows and negotiated the attached SA. The negotiated penalty is \$57,000. Attached for your reference is the proposed SA, I15-03SA.

The terms of the financial settlement in the I15-03SA:

Monetary Penalty paid to DEQ	\$7,000
Mitigation Projects (future)	<u>\$50,000</u>
<b>Total Settlement</b>	<b>\$57,000</b>

The severity of the penalty for I15-03SA is due to the reoccurrence of the violations. On June 11, 2014 an enforcement action was taken against Moroni Feed for overflowing the EQ basin 10 times from April 11, 2014 to April 26, 2014. Moroni Feed also failed to report the overflow to

the DWQ which is a requirement of the permit. The NOV was settled with negotiated settlement of \$37,003. The terms of the financial settlement in the I14-05SA:

Monetary Penalty paid to DEQ	\$2,003
Mitigation Projects (future)	<u>\$35,000</u>
<b>Total Settlement</b>	<b>\$37,003</b>

The public comment period for the proposed SA ran from July 27, 2016 through September 14, 2016 (copy attached). At this time, no comments have been received. If comments are received, then copies of the comments will be provided to the Board at the next Board Meeting.

The proposed SA represents a fair and reasonable settlement. It is Staff's recommendation that this settlement be approved.

**Attachments:**

1. Settlement Agreement (DWQ-2016-011081)
2. Public Notice (DWQ-2016-011808)

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

<b>IN THE MATTER OF MORONI FEED COMPANY 350 SOUTH 300 WEST MORONI, UTAH 84646</b>	<b>DOCKET NUMBER I15-03 SETTLEMENT AGREEMENT</b>
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This **SETTLEMENT AGREEMENT** (hereinafter "**AGREEMENT**") is entered into by and between **MORONI FEED COMPANY** (hereinafter "**OPERATOR**") and the **DIRECTOR OF THE DIVISION OF WATER QUALITY** (hereinafter the "**DIRECTOR**"), concerning violations of the *Utah Water Quality Act* (the *Act*), *Utah Code Annotated*, and the *Utah Administrative Code*.

1. The **DIRECTOR** has authority to administer the *Utah Water Quality Act, as amended 1953*, (hereinafter the "**ACT**").
2. The **UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ)** has been delegated authority by the U.S. Environmental Protection Agency (EPA) to administer the *National Pollutant Discharge Elimination System (NPDES)* permit program under the *Federal Clean Water Act (CWA)*.
3. The parties now desire to resolve this matter fully without further administrative proceedings except to the extent provided herein by entering into this **AGREEMENT**. Entering into this **AGREEMENT** is not an admission of liability or factual allegation set out in the **NOTICE OF VIOLATION AND ORDER**, Docket Number I15-03 (hereinafter the "**NOTICE**"), nor is it an admission of or an agreement to any disputed facts or disputed legal theories, nor is it an admission of any violation of any law, rule, regulation or permit by the **OPERATOR**.
4. The **DIRECTOR** will administer the terms and provisions of this **AGREEMENT**.
5. This **AGREEMENT** resolves the **NOTICE**, issued to the **OPERATOR** on July 23, 2015, by the **DIRECTOR**. It does not in any way relieve the **OPERATOR** from any other obligation imposed under the Act or any other State or Federal laws.

6. The **OPERATOR** agrees to the following settlement terms:

- A. The **OPERATOR** agrees to pay a penalty in the amount of \$7,000.00 within thirty (30) days of the effective date of this **AGREEMENT** by check made payable to the State of Utah delivered or mailed to:

Department of Environmental Quality  
Division of Water Quality  
P. O. Box 144870  
Salt Lake City, Utah 84114-4870

- B. The **OPERATOR** further agrees to fund the mitigation project(s), in the amount of \$50,000 as a part of the penalty assessment pursuant to *UAC R317-1-8.4*. The mitigation project funds must be utilized no later than three years from the effective date of this **AGREEMENT**, unless the **DIRECTOR** grants an extension in writing. The **OPERATOR** agrees to comply with the following regarding the mitigation project(s):

1. The **OPERATOR** must submit within ninety (90) days of the effective date of this **AGREEMENT** for the **DIRECTOR's** approval, a project implementation plan for each project that includes a detailed description of the mitigation project, a cost breakdown showing how the funds will be used, and a plan for implementation of the project, which shall include a time frame for implementation and completion of the project and submission of final document(s) indicating completion of the project. The implementation plan should also include a funding schedule which specifies who receives the mitigation funds and when.
2. The **OPERATOR** participation in the mitigation project(s) must fully adhere to *UAC R317-1-8.4*. The **OPERATOR** agrees not to attempt to gain or generate any positive publicity, and further agrees not to deduct or otherwise attempt to obtain a tax benefit from the foregoing funding of the mitigation projects.
3. Once a mitigation project is approved by the **DIRECTOR**, the **OPERATOR** will provide an update on the mitigation project every 90 days.

- C. If the **OPERATOR** fails to fund the mitigation project(s) within the time specified in Paragraph 6.B., or fails to submit the outline(s) as described in Paragraph 6.B. above, or if the mitigation projects will not utilize the full funds allotted, the **OPERATOR** shall remit the remaining unspent funds as per the method and address in Paragraph 6.A. within thirty (30) days of demand to do so by the **DIRECTOR**.

- D. The **OPERATOR** must submit all documentation to the **DIRECTOR** including receipts, once the funds have been spent for the approved mitigation project(s). This information must include who was paid, what the payment was for, and the dates when the payment was made.
- E. In accordance with UAC R317-6-6.15 the **OPERATOR** shall perform a site investigation and possible corrective action after determining the extent of soil and ground water contamination resulting from the wastewater treatment plant equalization basin overflows. The characterization of pollution should include among other things, the concentration, environmental fate and transport, and other significant characteristics of substances present, for both ground water contaminants and any contributing surficial contaminants. This report is due within ninety (90) days of the effective date of this **AGREEMENT**. The R317-6-6.15 contaminant investigation, and any subsequent investigations and corrective action will be included in the Moroni Wastewater Treatment Plant Ground Water Discharge Permit UGW390005 as a compliance schedule item with the appropriately determined dates of completion.
7. The penalty has been determined using the *Penalty Criteria for Civil Settlement Negotiations, Utah Administrative Code ("UAC") R317-1-8* which considers such factors as the nature, severity and extent of the violations, history of noncompliance, degree of willfulness and/or negligence, good faith efforts to comply, and economic benefit. Submittals required under this **AGREEMENT** shall be delivered or mailed to the Division of Water Quality, Department of Environmental Quality, 195 North 1950 West, P.O. Box 144870, Salt Lake City, Utah 84114-4870.
8. If an agreement between the **OPERATOR** and the **DIRECTOR** cannot be reached in a dispute arising under any provision of this **AGREEMENT**, then the **OPERATOR** or the **DIRECTOR** may commence a proceeding with the **DEQ** under the *Administrative Procedures Act* to resolve the dispute. A final decision in any adjudicative proceeding shall be subject to judicial review under applicable state law.
9. Nothing in this **AGREEMENT** shall constitute a waiver by the **OPERATOR** to raise in defense any legal or factual contention for future allegations of noncompliance.

10. Nothing contained herein shall be deemed to constitute a waiver by the **DIRECTOR** to initiate enforcement action for the violations stipulated herein, including the assessment of civil penalties, against Norbest in the event of non-compliance with the terms and conditions of this Consent Order. The **DIRECTOR** is not precluded from taking action in the event of any future non-compliance with the Utah Water Quality Act or regulations.
11. This **AGREEMENT** shall become effective and final on the date signed by the **DIRECTOR**.

AGREED to this \_\_\_\_ day of \_\_\_\_\_, 2016.

**NORBEST, LLC**

**UTAH DIVISION of WATER  
QUALITY**

By \_\_\_\_\_  
Authorized Agent

By \_\_\_\_\_  
Director



State of Utah

GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

Department of  
Environmental Quality

Alan Matheson  
Executive Director

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

June 27, 2016

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY  
DIVISION OF WATER QUALITY

PUBLIC NOTICE OF SETTLEMENT AGREEMENT, DOCKET NO. I15-03SA

PURPOSE OF PUBLIC NOTICE

This notice is to declare that the State of Utah has reached a settlement agreement with Norbest. This Public Notice is issued pursuant to Utah Administrative Code R317-8-1.9, to provide opportunity for public comment on the proposed settlement of an enforcement action. The proposed settlement agreement is for the purpose of resolving alleged violations of Utah Code Annotated 19-5 (Water Quality Act), and is a resolution of enforcement proceedings brought against Norbest.

PUBLIC COMMENTS

Public comments are invited any time prior to close of business September 14, 2016. Comments may be directed to the Department of Environmental Quality, Division of Water Quality, 195 North 1950 West, P.O. Box 144870, Salt Lake City, Utah 84114-4870.

FURTHER INFORMATION

The settlement agreement is available for public review under "Public Participation" at [www.waterquality.utah.gov/PublicNotices](http://www.waterquality.utah.gov/PublicNotices). If internet access is not available, a copy may be obtained by calling Jennifer Robinson at 801-536-4383. Written public comments can be submitted to: Jennifer Robinson, P.O. Box 144870, Salt Lake City, Utah 84114-4870 or by email at: [jenrobinson@utah.gov](mailto:jenrobinson@utah.gov). The deadline to receive comments is close of business August 29, 2016. After considering public comment the Director of the Division of Water Quality may execute the settlement agreement, revise it, or abandon it.



State of Utah

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*Governor*

SPENCER J. COX  
*Lieutenant Governor*

Department of  
Environmental Quality

Alan Matheson Jr.  
*Acting Executive Director*

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

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**MEMORANDUM**

**TO:** Water Quality Board Members

**THROUGH:** Walter L. Baker, Director 

**FROM:** Jim Bowcutt, Nonpoint Source Program Coordinator

**DATE:** September 13, 2016

**SUBJECT:** State Nonpoint Source Program Annual Report for Fiscal Year 2016

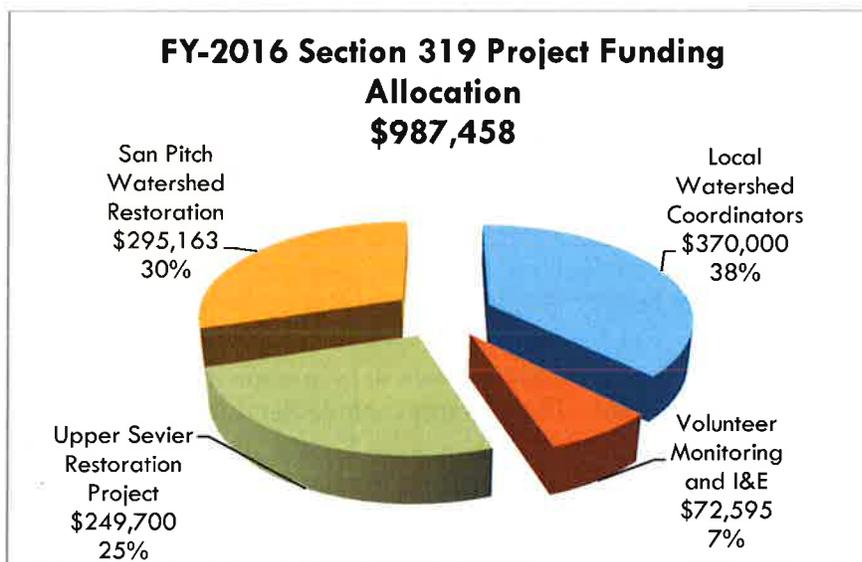
The Division of Water Quality receives grant funds to help implement nonpoint source pollution control projects throughout the state. These grants include Section 319(h) funds from the Environmental Protection Agency and State Nonpoint Source funds authorized by the Water Quality Board. Every year an annual report is submitted to EPA on the accomplishments of the State's Nonpoint Source Program. Staff will present a summary of this report to the Water Quality Board during the meeting scheduled for September 27, 2016.

Attached is an executive summary of the Annual Nonpoint Source Program Report and grant applications received for the 2017 fiscal year.

## State of Utah Nonpoint Source (NPS) Annual Report Utah Water Quality Board Meeting June 22<sup>nd</sup>, 2016

### Section 319 Nonpoint source funds

- In FY-16 the State of Utah received \$1,428,000 in Federal Section 319(h) funds. Of these funds, \$440,542 was used for staffing and support, while the remaining \$987,458 was dedicated to 4 projects.



- In addition to the FY-16 funds Utah continues to manage five other federal grant awards, which have been expended to a varied degree. Table 1 summarizes grant awards by year and the approximate percentage that has already been expended in each grant.

**Table 1**

<b>Section 319(h) Nonpoint Source Funding Project Allocations</b>			
<b>Federal Fiscal Year</b>	<b>Grant Award</b>	<b>Total Expenditures</b>	<b>Percent Expended</b>
<b>FY-11</b>	\$832,921	\$824,741	<b>99%</b>
<b>FY-12</b>	\$830,800	\$764,318	<b>92%</b>
<b>FY-13</b>	\$861,621	\$830,008	<b>96%</b>
<b>FY-14</b>	\$893,621	\$633,933	<b>71%</b>
<b>FY-15</b>	\$879,521	\$374,142	<b>43%</b>
<b>FY-16</b>	\$987,458	\$0	<b>0%</b>
<b>Total</b>	<b>\$5,285,942</b>	<b>\$4,168,672</b>	<b>65%</b>

- The targeted basin funding cycle is now being fully implemented (See Table 2). Since the State has begun using the targeted basin funding cycle projects are being implemented faster, the quality of projects has improved, the effectiveness of projects is more easily identified, and more partners have begun to align their technical and financial assistance programs with the targeted basin schedule.

**Table 2**

<b>Basin Priority Funding Schedule</b>						
<b>Watershed</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>(1) Jordan/ Utah lake</b>						
<b>(2) Colorado River</b>						
<b>(3) Sevier, Cedar-Beaver</b>						
<b>(4) Bear River</b>						
<b>(5) Weber River</b>						
<b>(6) Uinta Basin</b>						

- The Bear River is the targeted basin for 2016. Table 3 shows the projects that will be funded using Section 319 funding during the FY-2017 fiscal year.

**Projects Funded in FY-2017**

- 57 Grant Applications were received totaling \$4,636,508 (See Table 3).
- These projects have been ranked and those selected for funding will be provided at the Board Meeting.

## FY-2017 Grants Funded with State NPS Funding

Project Title	Watershed	Sponsor	Contact	Project Type	Amount Requested	Amount Awarded
Local Watershed Coordinators	Statewide	Utah Division of Water Quality	Jim Bowcutt	Technical Assistance	\$400,000.00	\$30,000.00
Utah Watershed Coordinating Council	Statewide	Utah Watershed Coordinating Council	Jim Bowcutt	Watershed Group Support	\$10,000.00	\$10,000.00
Little Mountain Cattle Co. Feedlot Relocation	Lower Bear River	Private Landowner	Buzz Nelson	AFO/CAFO	\$40,000.00	\$40,000.00
2016-2017 Water Week Library Program	Statewide	Intermountain Section AWWA	Alane Boyd	I & E	\$5,200.00	\$4,000.00
Watershed Education in the Provo River Watershed	Utah Lake	Provo River Watershed Council	D Smith	I & E	\$15,000.00	\$10,000.00
Producer Website	Statewide	USU	Rhonda Miller	I&E	\$10,000.00	\$10,000.00
South East Colorado Technical Assistance	South East Colorado	Grand Conservation District	Mike Allred	Technical Assistance	\$35,000.00	\$35,000.00
Homgren Brother's Fencing	Middle Bear River	Private Landowner	Buzz Nelson	Stream Bank	\$34,250.00	\$34,250.00
Engaging Youth Livestock Producers in Manure Management	Statewide	Utah State University	Joshua Dallin	I&E	\$8,276.00	\$8,276.00
Thurston Ranch Riparian Fence	Weber	Trout Unlimited	Paul Burnett	Stream Bank	\$8,855.00	\$8,855.00
Stuart Nature Park	Middle Bear River	Blacksmith Fork Conservation District	Margie	Stream Bank	\$127,500.00	\$80,000.00
Jordan River Ecosystem Restoration at 1700 South	Jordan River	Salt Lake County	Robert Thompson	Streambank	\$554,565.00	\$71,530.00
Terry Welch Stream Restoration	Upper Sevier	Private Landowner	Wally Dodds	Stream Bank	\$28,700.00	\$28,700.00
Cameron Parry Stream Bank	San Pitch	San Pete Conservation District	John Saunders	Stream Bank	\$19,800.00	\$19,800.00
Thanksgiving Point ECO Challenge	Utah lake/Jordan River	Thanksgiving Point Institute	K Shoemaker	I&E	\$7,000.00	\$5,000.00
Pamela Bingham Stream Bank	Middle Sevier	Private Landowner	Pam Bingham	Stream Bank	\$19,740.00	\$19,740.00
Chris Allen Cover Crop	Middle Bear River	Private Landowner	Margie	Cover Crop	\$13,590.00	\$13,590.00
Otter Creek Restoration Project	Middle Sevier	Bureau of land Management	Justin Jimenez	Stream Bank	\$60,000.00	\$60,000.00
Norm Weston Stream Bank	Upper Bear River	Bear Lake Regional Commission	Mitch Poulsen	Stream Bank	\$23,606.00	\$23,606.00
E.coli Source I.D and Pet Waste I&E	Jordan River	Salt Lake County	Marinan Rice	Research/I&E	\$159,297.00	\$60,000.00
Fremont project	Middle Sevier	Private Landowner	Leon Chapel	Streambank	\$22,000.00	\$22,000.00
Pearl Land and Livestock Spring Restoration	Upper Bear River	Bear Lake Regional Commission	Mitch Poulsen	Stream Bank	\$12,140.00	\$12,140.00
Duchesne River Areal Survey	Uinta Basin	Utah Division of Wildlife Resources	Trina Hedrick	Project Planning	\$28,200.00	\$28,200.00
Otter Creek Watershed Plan Development	Middle Sevier	Piute Conservation District	Tracy Balch	Watershed Planning	\$60,000.00	\$40,000.00
New MST Protocols in the Bear and Jordan River	Bear/ Jordan River	University of Utah	Ramesh Goel	Research	\$52,096.00	\$26,307.00
Onsite Set-aside	Statewide	UDWQ	Carl Adams	Septic	\$10,000.00	\$10,000.00
Ron Boyer Stream Bank Project	Weber	Private Landowner	Andy Pappas	Stream Bank	\$36,250.00	\$36,250.00
Stephens and Pace Ranch Conservation Easement	Weber	Summit Land Conservancy	Jennifer Buchi	Conservation Easement	\$10,000.00	\$10,000.00
Charles Rex Streambank Stabilization	Upper Bear River	Bear Lake Regional Commission	Mitch Poulsen	Stream Bank	\$33,000.00	\$33,000.00
Jason Morgan Irrigation Project	Weber	Private Landowner	Andy Pappas	Irrigation	\$20,000.00	\$5,000.00
Envirothon	Statewide	UACD	Loralie Cox	I&E	\$5,000.00	\$5,000.00
Pelican Lake Drainage Watershed Plan	Uinta Basin	Utah Division of Wildlife Resources	Trina Hedrick	Watershed Planning	\$40,000.00	\$40,000.00
Helper City Project	Colorado River	Helper City	Jona Skerl	Stream Bank	\$37,448.00	\$25,000.00
Steve Redd	South East Colorado	Private Landowner	Arne Hultquist	AFO/CAFO	\$127,537.00	\$127,537.00
Water Quality Monitoring of Juniper Treatment Programs	Raft River/GSL	UGS	Hugh Hurlow	Research	\$7,219.00	\$7,219.00
<b>Total</b>					<b>\$2,081,269.00</b>	<b>\$1,000,000.00</b>

## Projects Funded with Section 319 Funding

Local Watershed Coordinators	Statewide	Utah Division of Water Quality	Jim Bowcutt	Technical Assistance	\$370,000.00	\$370,000.00
Mantua's Maple and Dam Creek Projects	Lower Bear River	Northern Utah Conservation District	Margie	Stream Bank	\$45,740.00	\$45,740.00
Logan River Restoration	Middle Bear River	Blacksmith Fork Conservation District	Margie	Stream Bank	\$818,488.00	\$497,366.00
Utah Water Watch	Statewide	Utah State University	Nancy Mesner	I&E	\$75,630.00	\$75,630.00
Main Creek Stream Restoration Below Roundy Lane	Provo River	Wasatch Conservation District	Daniel Gunnell	Stream Bank	\$21,682.00	\$21,682.00
Little Hobble Creek Restoration above Round Valley	Provo River	Wasatch Conservation District	Daniel Gunnell	Stream Bank	\$6,420.00	\$6,420.00
Main Creek Restoration Below Round Valley Lane	Provo River	Wasatch Conservation District	Daniel Gunnell	Stream Bank	\$16,050.00	\$16,050.00
Spring Creek Restoration Above Roundy Lane	Provo River	Wasatch Conservation District	Daniel Gunnell	Stream Bank	\$22,470.00	\$22,470.00
Lower Spring Creek Restoration	Provo River	Wasatch Conservation District	Daniel Gunnell	Stream Bank	\$32,100.00	\$32,100.00
<b>Total</b>					<b>\$1,408,580.00</b>	<b>\$1,087,458.00</b>

### Funding Available

2017 Section 319 funding	\$	987,458.00
2015 Section 319 Funding	\$	100,000.00
NPS	\$	1,000,000.00
<b>Total</b>	<b>\$</b>	<b>2,087,458.00</b>