

This attachment is only necessary if the proposal includes a project that specifically addresses a critical water supply or water quality need of a DAC. See Exhibit G for instructions on preparations for this attachment. DWR will use the information in Attachment 12 to evaluate the application with regard to DAC program preference, DAC funding targets, and waiver of funding match. If a DAC waiver is granted, a term of the grant agreement will require the grantee to verify that the claimed DAC benefits have been provided.

A. Documentation of the Presence and Needs of Disadvantaged Communities

Overview of Project and Ventura County Waterworks District No. 16

Ventura County Waterworks District No. 16 (VCWWD No. 16) provides water and sewer service to the community of Piru, a disadvantaged community (DAC) in the unincorporated area of the County of Ventura within the IRWM Region. Piru is located within the Santa Clara River Watershed and the Piru groundwater basin. Figure 1 shows the extent of VCWWD No. 16's service area shaded in light blue.

The Piru Wastewater Treatment Plant (PWWTP) provides sewage treatment for the Piru community. This phase of the PWWTP Upgrade/Expansion Project the Piru Tertiary Upgrade, will construct a tertiary treatment facility to provide recycled water, in lieu of groundwater, for landscaping and agricultural purposes within the Piru DAC. In addition to providing a less expensive local source of water, the project will also address Regional Quality Control Board (RWCB) Water groundwater guality concerns by eliminating the discharge to the percolation ponds.

DAC Identification

Piru DAC status was determined in 2004 when VCWWD No. 16 applied for a State Water Resources Control Board (SWRCB) Small Community Grant (SCG) for Phase I of the PWWTP Upgrade/Expansion Project. To determine whether VCWWD No. 16 would be eligible to apply for the SCG as a DAC, VCWWD No. 16 reviewed 2000 Census information relative to the Piru Census Designated Place (CDP) to determine the Median Household Income (MHI) in the Piru community. The boundaries of the Piru CDP are also found on Figure 1 and are shown as a blue line. Based on the 2000 Census, the MHI for the Piru CDP is \$41,490 which is less than the statewide MHI of \$47,493, but not less than \$37,994 or 80 percent of the statewide MHI, the threshold for DAC. However, on a Census Block level, as shown on Figure 2, many areas around Piru have MHI less than \$37,994 based on the 2000 Census.

The available 2000 Census information based on CDP and blocks was not conclusive. VCWWD No. 16 established that the Piru CDP included areas outside the VCWWD No. 16 boundaries, while portions of the VCWWD No. 16 service area were not part of the CDP. Therefore, neither the Piru CDP nor the census block MHI accurately represented the MHI within the VCWWD No. 16 service area which is shown on both Figures 1 and 2. To obtain more accurate income information, a survey was sent to all residential property owners within the VCWWD No. 16 boundaries in 2004.

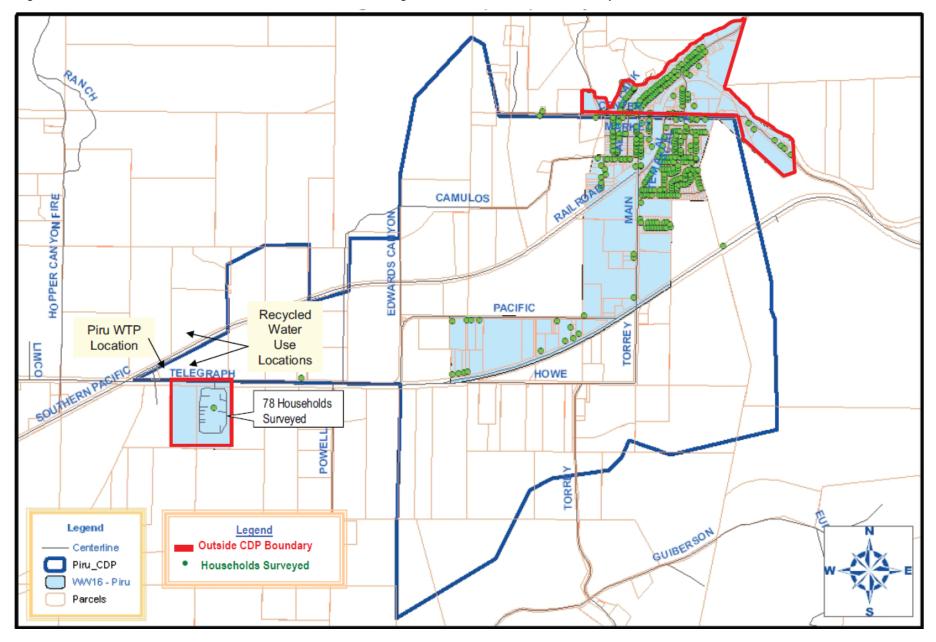
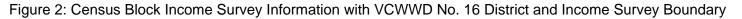
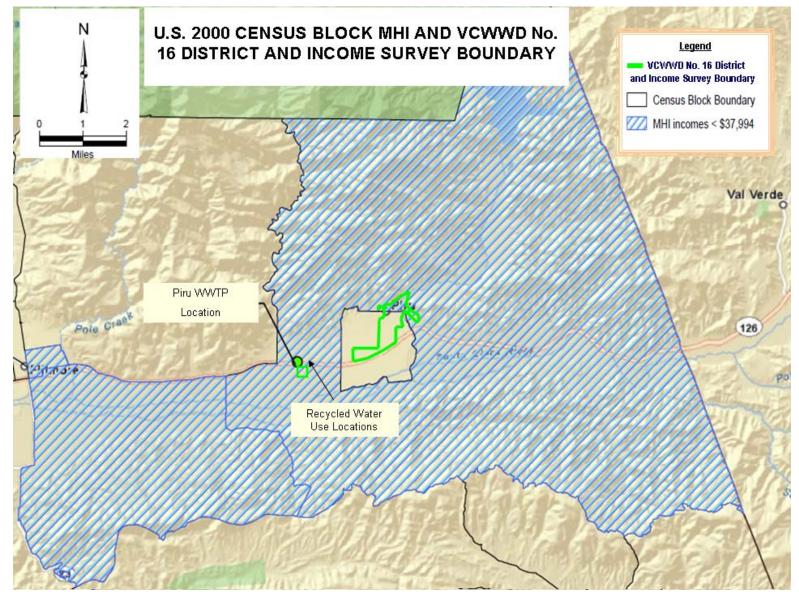


Figure 1: VCWWD No. 16 – Piru Service Area Census Designated Place and Income Survey Information





The income survey was conducted using guidelines supplied by the SWRCB, which includes the same methodology as referenced in Exhibit G of the Proposition 84 IRWMP Implementation Grant Proposal Solicitation Package. A total of 495 surveys were sent out and 376 surveys (76 percent) were returned, above the state-required 75 percent minimum response to validate the survey results. The survey form is provided in Exhibit 12-1 ((Att12_IG1_DAC_2of3.pdf in BMS).

MHI for VCWWD No. 16 DAC and Statewide MHI

The MHI based on the surveys returned was \$21,000, which is 44 percent of the State's MHI (\$47,493) based on the 2000 value. The California Department of Finance's (DOF) estimate of State MHI in 2004 is \$49,185; the VCWWD No. 16 MHI of \$21,000 is 43 percent of the DOF 2004 MHI estimate. A comparison of the VCWWD No. 16 MHI to the State MHI from either 2000 or 2004 indicates that the VCWWD No. 16 MHI is well below 80 percent of the State MHI, confirming that the VCWWD No. 16 service area is a DAC. Exhibit 12-1 (Att12 IG1 DAC 2of3.pdf in BMS) contains the VCWWD No. 16 staff memo dated 9 April survey 2004 reporting the results, a spreadsheet of residences surveyed with income data, and the State MHI summary from 1979 to 2007.

In addition, the survey results clearly supported the Piru community eligibility as a DAC for SCG, numerous state grants and loans, and most recently in 2009 for federal American Recovery and Reinvestment Act (ARRA) funding for Phase 1 of the PWWTP Upgrade/ Expansion Project. An analysis was performed in December 2009 to determine the DAC eligibility for the ARRA funding. Based on information presented to the SWRCB, which included the 2004 survey results, and discussion regarding the CDP boundary versus the VCWWD No. 16 boundary, VCWWD No. 16 was awarded ARRA funding as a DAC.

Critical Water Supply and Water Quality Needs of VCWWD No. 16 DAC

For several years, California has experienced drought conditions. Critical water supply sources, including imported and groundwater supplies, have become less dependable. In addition, water is becoming more expensive. Projects that will provide additional, reliable sustainable water supply, even in times of drought, have become a priority.

Piru and the VCWWD No. 16 service area are particularly vulnerable to these water supply issues. They are located in the Piru groundwater basin, which is managed by the United Water Conservation District (UWCD). No imported surface water is delivered directly to this groundwater basin, although occasional imported water purchases by UWCD are released to recharge the groundwater basins in the Santa Clara River Watershed.

Groundwater Management Plan Activities by UWCD described in Exhibit 1-2 (Att1_IG1_Eligible_3of5.pdf in BMS) indicate that the Piru groundwater basin responds quickly to both pumping and recharge. Therefore during drought periods, high rates of groundwater pumping to respond to the predominantly agricultural irrigation water needs can rapidly lower groundwater levels and remove groundwater from storage.

If the drought is of short duration and followed by average and/or higher than average rainfall years, the groundwater levels can quickly recover. However, if the drought occurs over several years, such as occurred from 1984 to 1991, groundwater levels can drop precipitously and jeopardize the agricultural and municipal water supply in Piru.

Providing a reliable source of tertiary-treated recycled water to agriculture will allow agriculture to continue to operate during droughts, while preserving groundwater supplies to meet municipal water needs.

In addition, the PWWTP is presently operated under permit No. R4-2009-0029 issued by the Los Angeles RWQCB. The previous permit was issued in January 2004, with the requirement to upgrade the plant to comply with the treatment process required by the Waste Discharge Requirements (WDR). The WDRs indicate that the current disposal method of percolation ponds is causing an exceedance of the groundwater quality objective for chloride of 100 mg/l because the treated wastewater contains chlorides up to 160 mg/l.

Construction of the tertiary treatment facilities will allow the recycled water to be beneficially applied to nearby agricultural lands, thus eliminating the discharge to the percolation ponds. It is anticipated that offsite reuse of the recycled water will allow VCWWD No. 16 to comply with RWQCB requirements and contribute to regional achievement of the groundwater quality objectives.

B. Description of Proposed Project and Targeted Benefits to DAC

The Piru Tertiary Upgrade will provide improvements necessary to produce recycled water that complies with Title 22 of the California Code of Regulations (CCR), issued by the California Department of Public Health. improvements These will include site development of an existing approximately 14,000 square foot area at the existing PWWTP, pump lift station, installation of tertiary filters, and chemical disinfection facilities. The site area was reserved in the master plan of the recently upgraded and expanded PWWTP, and includes the anticipated infrastructure connections, such as plant effluent piping, spare electrical and control conduits, and reserved space in the electrical cabinets for power supply. The PWWTP has been designed and constructed to treat an average flow of 500,000 gallons per day. The Piru Tertiary Upgrade will divert this flow from its current discharge into off-site percolation ponds, into recycled water for use by neighboring nurseries and citrus farmers, as well as for landscape irrigation at the PWWTP.

The targeted benefits to the DAC in the Piru area are:

- 1. Providing a local reliable water supply for landscape and irrigation purposes that will reduce the impact of drought on both the agricultural and municipal groundwater supplies.
- 2. Providing recycled water to local agriculture at a cost lower than that of potable water. Reduced costs of agricultural production

increase the probability that agricultural operations will continue and will provide employment to residents of the DAC.

3. Eliminating the discharge to the PWWTP percolation ponds and allowing the PWWTP to meet RWQCB mandated local groundwater quality objectives.

Without grant funding, the Piru DAC could not afford to implement this important water supply and quality project. Local residents simply cannot pay for this project with their limited income, which averages 43 percent of the statewide MHI, well below the threshold required for classification as a DAC.

C. Documentation of DAC Representation and Participation

The PWWTP is located within the Santa Clara River Watershed, one of the three watersheds included in the Integrated Regional Water Management (IRWM) Plan prepared by the Watersheds Coalition of Ventura County (WCVC). VCWWD No. 16 is a stakeholder in the WCVC and participated in the IRWM process to assess water issues and identify appropriate projects, including the Piru Tertiary Upgrade.

A Piru Neighborhood Council (PNC) has been appointed by the Ventura County Board of Supervisors to address issues within the Piru community. VCWWD No. 16 staff regularly attends PNC meetings to provide updates and discuss items of mutual concern. VCWWD No. 16 staff has met with the PNC to discuss the upgrade/expansion of the PWWTP and the value of the project to the community. Letters of support have been submitted by the current and past presidents of the PNC as well as Ventura County Supervisor Kathy Long who is a board member of VCWWD No. 16. Copies of the letters are included Exhibit 12-2 as (Att12_IG1_DAC_3of3.pdf on BMS).

List of Exhibits

- Exhibit 12-1: Income Survey Form, VCWWD No. 16 Staff Memo, 2004 Income Survey Results, and State MHI in 2004 (Att12_IG1_DAC_2of3.pdf)
- Exhibit 12-2: Support Letter from Piru Neighborhood Council (Att12_IG1_DAC_3of3.pdf)