

**REGULAR MEETING STARTS AT 6:00 PM**

**Mayor Stacy Rhoades  
Vice Mayor Dominic Atlan  
Council Member Dan Epperson  
Council Member Rodney Plamondon  
Council Member Diane Wratten**

**DUE TO THE GOVERNOR'S EXECUTIVE ORDER N-25-20, THE CITY OF IONE  
WILL BE CONDUCTING ITS MEETING IN PERSON  
AT 1 E. MAIN STREET, IONE, CA 95640  
AND VIA ZOOM**

City of Ione is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://zoom.us/j/2351961316?pwd=d3lWTW0zbVJLbQpQNXBDQWtpZkRyUT09>

Meeting ID: 235 196 1316

Passcode: 95640

One tap mobile

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Meeting ID: 235 196 1316

Passcode: 95640

Find your local number: <https://zoom.us/j/2351961316?pwd=d3lWTW0zbVJLbQpQNXBDQWtpZkRyUT09>

**Tuesday, June 1, 2021**

**Ione City Hall  
1 E. Main Street  
Ione, CA 95640**

***THE CITY OF IONE IS A GENERAL LAW CITY DEDICATED TO  
PROVIDING LEADERSHIP, ACCOUNTABILITY, AND FISCAL INTEGRITY  
WHILE PROMOTING ECONOMIC OPPORTUNITIES AND MAINTAINING  
A HIGH QUALITY OF LIFE FOR OUR CITIZENS***

**PLEASE LIMIT PUBLIC COMMENT/TESTIMONY TO FOUR MINUTES**

**Gov't. Code §54954.3**

The Ione City Council welcomes, appreciates, and encourages participation in the City Council Meeting. The City Council reserves the right to reasonably limit the total time for public comment on any particular noticed agenda item as it may deem necessary. Full staff reports and associated documents are available for public review at the Office of the City Clerk, City Hall, 1 E. Main Street, Ione, CA. Hard copies may be obtained for

\$3.60 for pages 1-5 and \$.45 for each additional page. Documents that are not available when the agenda is posted will be made available for public review at the meeting.

## AGENDA

### A. ROLL CALL

### B. CLOSED SESSION:

- Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9 – One Case
- Conference with Legal Counsel – Existing Litigation (Paragraph (1) of Subdivision (d) of Section 54956.9): Bittick v. City of Lone 21-CV-12146

### C. PLEDGE OF ALLEGIANCE

### D. APPROVAL OF AGENDA

### E. PUBLIC COMMENT: **EACH SPEAKER IS LIMITED TO 4 MINUTES**

*NOTE: This is the time for members of the public who wish to be heard on matters that do not appear on the Agenda. Persons may address the City Council at this time on any subject within the jurisdiction of the Lone City Council.*

*Please be mindful of the **4 minute time limit per person**. Pursuant to the Brown Act, the City Council may not take action or engage in a detailed discussion on an item that does not appear on the Agenda. However, matters that **require Council action will be referred to staff for a report and/or recommendation for possible action at a future Council meeting. Is there anyone in the audience who wishes to address the Council at this time?***

### F. PRESENTATIONS/ANNOUNCEMENTS:

- Update on the Wildflower Project and Highway 104 & Foothills Blvd. Intersection Construction Project – Thomas Borge – Axios Homes

### G. CONSENT CALENDAR:

*Notice to the Public:* *All matters listed under this category are considered to be routine and will be enacted by one motion. Any item may be removed for discussion and possible action and made a part of the regular agenda at the request of a Council Member(s).*

1. Approval of Minutes – March 25, 2021 and April 1, 2021

### H. PUBLIC HEARING: None

### I. REGULAR AGENDA:

2. Planning Commission Meetings – Frequency of Meetings and Planning Commission Duties and Responsibilities

3. Response to Central Valley Regional Water Quality Control Board Inspection of March 30, 2021 of the City of Lone Waste Water Treatment Plant and the Tertiary Plant

J. REPORTS AND COMMUNICATIONS FROM CITY MANAGER

K. COUNCIL COMMENTS/COMMITTEE REPORTS/FUTURE AGENDA ITEMS

L. ADJOURNMENT

#### **NOTICE REGARDING CHALLENGES TO DECISIONS**

Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, this public hearing.

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#### **ADA COMPLIANCE STATEMENT**

In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Clerk Janice Traverso at (209) 274-2412, ext. 102. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

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I, Janice Traverso, the City Clerk of the City of Lone declare under penalty of perjury that the foregoing agenda for the Tuesday, June 1, 2021 meeting of the Lone City Council was posted on May 27, 2021.

  
\_\_\_\_\_  
Janice Traverso, City Clerk, City of Lone

#1

**CITY OF IONE COUNCIL MEETING MINUTES**  
**Meeting of March 25, 2021**

**Mayor Rhoades called meeting to order at 6:00 PM**

**A. ROLL CALL:**

Present: Stacy Rhoades, Mayor  
Dominic Atlan, Vice Mayor  
Dan Epperson, Councilmember (Closed Session Only)  
Rodney Plamondon, Councilmember  
Diane Wratten, Councilmember  
Staff: Lori McGraw, Interim City Manager/Finance Director  
Sophia Meyer, City Attorney (via Zoom)  
Janice Traverso, City Clerk

**B. PLEDGE OF ALLEGIANCE:**

Mayor Rhoades led the Pledge of Allegiance.

**C. APPROVAL OF AGENDA:**

It was moved by Councilmember Epperson, seconded by Councilmember Wratten and carried to approve the agenda as written.

**AYES:** Rhoades, Atlan, Epperson, Plamondon, Wratten

**NOES:** None

**ABSENT:** None

**ABSTAIN:** None

**D. CLOSED SESSION: Council convened to Closed Session to discuss the following:**

- Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: One Case

**E. DISPOSITION OF CLOSED SESSION: Council reconvened to Open Session and Mayor Rhoades announced information was received and direction was given on the following:**

- Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: One Case

**K. ADJOURNMENT:**

It was moved by Mayor Rhoades, seconded by Councilmember Wratten and carried to adjourn the meeting.

Respectfully submitted,

Janice Traverso  
City Clerk

**CITY OF IONE COUNCIL MEETING MINUTES**  
**Meeting of April 1, 2021**

**Vice Mayor Atlan called meeting to order at 6:00 PM**

**A. ROLL CALL:**

Present: Dominic Atlan, Vice Mayor  
Dan Epperson, Councilmember  
Rodney Plamondon, Councilmember (via teleconference)  
Diane Wratten, Councilmember  
Absent: Stacy Rhoades, Mayor  
Staff: Lori McGraw, Interim City Manager/Finance Director  
Sophia Meyer, City Attorney (via Zoom)  
Janice Traverso, City Clerk

**B. PLEDGE OF ALLEGIANCE:**

Vice Mayor Atlan led the Pledge of Allegiance.

**C. APPROVAL OF AGENDA:**

It was moved by Vice Mayor Atlan, seconded by Councilmember Wratten and carried to approve the agenda as written.

**AYES:** Atlan, Epperson, Plamondon, Wratten

**NOES:** None

**ABSENT:** Rhoades

**ABSTAIN:** None

**D. CLOSED SESSION: Council convened to Closed Session to discuss the following:**

- Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: One Case

**E. DISPOSITION OF CLOSED SESSION: Council reconvened to Open Session and Vice Mayor Atlan announced direction was given to staff on the following:**

- Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: One Case

**F. ADJOURNMENT:**

It was moved by Councilmember Epperson, seconded by Councilmember Wratten and carried to adjourn the meeting.

Respectfully submitted,

Janice Traverso  
City Clerk

# Agenda Item

#2

DATE: June 1, 2021

TO: Mayor Rhoades and City Council

FROM: Michael Rock, Interim City Manager

SUBJECT: Planning Commission Meetings – Frequency of Meetings and Planning Commission duties and responsibilities

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## **RECOMMENDED ACTION:**

This is a discussion item only.

## **FISCAL IMPACT:**

There is no direct fiscal impact regarding this item.

## **BACKGROUND:**

On May 7, 2021 Michael Politi and I met in City Hall to discuss the Planning Commission meeting frequency and agenda items. This meeting was scheduled ahead of time. Several times during the next week I met with Mr. Politi both in person and over the phone and we again discussed the Planning Commission meetings and the performance of the Contract Planner, April Wooden. I also sent Mr. Politi an email explaining the role and responsibilities of the Planning Commission and the frequency of meetings of similar sized cities is about 6-9 meetings per year.

On May 18, 2021, Mr. Politi appeared before the City Council at a regular meeting of the Council and spoke under public comments and after some comments about the frequency of meetings he requested to speak at a future council meeting regarding the planning commission meeting schedule. The Mayor requested this item be put on the agenda.

The Lone Municipal Code defines the roles and responsibilities of the Planning Commission in Section 2.17.090 and is titled "Powers and duties designated". The Planning Commission may only hear items that are described in the Lone Municipal Code. If no items are ready for the Planning Commission at the next regularly schedule monthly meeting the meeting is canceled. There is no city the size of Lone that has enough items to meet every month that I am aware of in my thirty years in government service.

Greg Morris will be in attendance at the City Council to discuss this item in place of Mr. Politi who is unable to attend the meeting.

# Agenda Item

# 3

DATE: June 1, 2021

TO: Mayor Rhoades and City Council

FROM: Michael Rock, Interim City Manager  
John Wanger, City Engineer

SUBJECT: Draft Response Letters to the Central Valley Regional Water Quality Control Board's (CVRWQCB) letter regarding Notice of Violation for the Wastewater Treatment Plant and Review of Monitoring Reports and Site Inspection for the City of Lone Tertiary Plant (Castle Oaks Water Reclamation Plant)

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## **RECOMMENDED ACTION:**

Provide any comments to staff regarding the draft response letters and authorize the Interim City Manager to send the letters once any modifications are incorporated.

## **FISCAL IMPACT:**

None at this time. Long term impacts unknown.

## **BACKGROUND:**

The City has recently received 2 letters from the CVRWQCB regarding the City's Wastewater Treatment Plant (WWTP) and the Castle Oaks Water Reclamation Plant (COWRP.)

Staff has prepared draft response letter addressing the various issues raised in the letters. The draft letters have been attached for your review and comment.

Staff would like to finalize these letters and send them to CVRWQCB as soon as possible. Accordingly, staff is asking for any input that the Council may have.

## **Attachments:**

Draft Letter Responses

Supporting Documentation for the Responses



**CITY OF IONE  
P.O. BOX 398  
1 E. MAIN STREET  
IONE, CA 95640  
(209) 274-2412  
FAX (209) 274-2830**



June 1, 2021

Mr. Kenny Croyle  
Central Valley Regional Water Quality Control Board  
11020 Sun Center Drive #200  
Rancho Cordova, CA 95670

**RE: Response to May 13, 2021 Notice of Violation and Inspection Report, City of Ione  
Wastewater Treatment Plant**

Dear Mr. Croyle,

The City of Ione is in receipt of the above referenced letter from Howard Hold. We have reviewed the letter and offer the following responses to the various issues raised:

**Violations:**

*It does not appear disinfection has been added to the treatment train as required by the WDRs. This is a violation of Discharge Specification E.4 and Provision I.1.a of the WDRs.*

**Response:**

The letter appears to not take into account the amended Waste Discharge Requirements that were issued by the State (issued on Dec. 5, 2014). A copy is attached for your information. Item 6 in the amended WDR's states:

*6. Water Recycling Specification G.5 shall be amended as follows:  
"The recycled water shall be at least ~~disinfected~~ **undisinfected** secondary  
recycled water as defined in Title 22, section 60301.225900".*

The City specifically requested this after discussions with the State and explaining how the secondary treated water was going to be used. Once it was clarified with the State, the amended WDR's were issued that no longer required disinfection. The City has followed these amended WDR's since they were issued in 2014.



### **Areas of Concern**

- A. *Evidence of possible historical discharge of untreated or partially treated wastewater or sludge to unlined basins from vacuum trucks. Use of these basins is not described in the WDRs, would be a bypass of treatment, and would have the potential to impact groundwater. This is of particular concern given that the facility is under a Cease and Desist Order for groundwater impacts. Such a discharge would be a violation of Discharge Prohibitions A.5 and A.6, Discharge Specifications E.1 and E.3, and Solids Disposal Specifications H.2 and H.3 of the WDRs.*

#### **Response:**

Per the attached specifications and drawings, the sludge beds are underlined with tiles that drain to a subdrain system that is piped directly back to the headworks.

- A. *It is unclear when or why the clarifier was taken out of service. This appears to be a bypass of treatment and a failure to optimize the quality of the discharge. This is potentially a violation of Discharge Prohibition A.5 and Discharge Specification E.4 of the WDRs.*

#### **Response:**

Based on recommendations contained in a 1991 Master Plan for the WWTP, the clarifier on the site was taken out of service in the early 1990s and has not been part of the treatment system for approximately 30 years. Excerpts from the 1991 Master Plan stating the reason why the clarifier was eliminated is contained in the verbiage.

### **Compliance Concerns with Industrial Wastewater from Mule Creek State Prison (MCSP)**

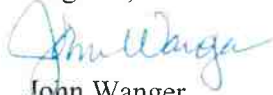
*CDCR Mule Creek State Prison (MCSP) currently operates a combined domestic and industrial wastewater system and treats the combined waste stream at an onsite domestic wastewater treatment facility. The onsite plant is not designed nor operated to treat industrial waste compounds. Industrial waste compounds considered designated wastes have been detected in CDCR's effluent, which is part of an ongoing enforcement action. CDCR has in the past discharged to Preston Reservoir. Although the Ione WWTP is permitted to accept secondary disinfected effluent from Sutter Creek and ARSA via the Preston Reservoir it is not permitted to accept or dispose of industrial wastewater or designated waste. Further, the permit does not describe or allow the acceptance of wastewater effluent from the MCSP facility. Accepting effluent from the MCSP WWTP, especially as it is currently operated, would be a violation of Discharge Prohibition A.4, A.5, and A.6, and Discharge Specifications E.1, E.3, and E.4 of the WDRs.*

**Response:**

Per the 2007 agreement between the City of Ione, ARSA and CDCR, item 4 of the agreement stipulates that MSCP must provide the City with wastewater that is compliant with the City's WDRs. The City will discuss this issue with MCSP and review their effluent quality reports. If any constituents are found to be above permitted levels, we will work with MCSP and CVRWQCB to ensure that any treated effluent received from MCSP will be in compliance. This may require an interim request for a variance so the City can take MCSPs discharge until the prison can stop discharging VOC's. **It should be noted that from the information the City has, the VOCs are very low and should not represent ground water issues.**

If you have questions regarding any of these responses or would like to meet to discuss, please contact Michael Rock at [mrock@ione-ca.com](mailto:mrock@ione-ca.com) or (209) 274-2412 x116 or the Plant Operator, Brett Moroz at (714) 514-8879 or [bmoroz@percwater.com](mailto:bmoroz@percwater.com).

Regards,



John Wanger  
City Engineer

CC Michael Rock – Interim City Manager  
Todd Waklee – Public Works Superintendent  
Brett Moroz – PERC Water  
Stacy Rhodes - Mayor  
Diane Wratten – Councilmember  
Dan Epperson – Councilmember  
Dominic Atlan – Vice Mayor  
Rodney Plamondon - Councilmember

AGREEMENT TO REGULATE USE OF HENDERSON/PRESTON WASTEWATER  
DISPOSAL SYSTEM

This agreement is made this 18<sup>th</sup> day of Sept., 2007, by and between the California Department of Corrections and Rehabilitation, a California State Agency ("CDCR"), the City of Ione, a municipality formed pursuant to the laws of the State of California ("Ione"), and the Amador Regional Sanitation Authority, a joint powers agency formed pursuant to the laws of the State of California ("ARSA") (collectively, CDCR, Ione, and ARSA, shall be referred to as the "Parties"). The Parties hereby agree as follows:

WHEREAS, as settlement of past litigation, Ione and ARSA entered into an agreement and grant of easement entitled "Preston Farmlands Wastewater Disposal Contract and Grant of Easement" dated July 30, 1990 ("1990 Settlement Agreement"); and,

WHEREAS, the 1990 Settlement Agreement has been amended or assigned by the parties to the 1990 Settlement Agreement; and,

WHEREAS, this agreement will reallocate and govern the wastewater disposal rights and obligations among the Parties, but will not alter the 1990 Settlement Agreement, any and all amendments thereto, and any agreements implementing the 1990 Settlement Agreement, as those agreements govern the relationship and obligations between Ione or ARSA and any developer of the Preston Farmlands, as referred to in the agreements and amendments, and their successors and assigns and except as those agreements govern the relationship and obligations between Ione or ARSA and the present and future owners, operators, and lessees of the Castle Oaks Golf Course and their successors and assigns; and,

WHEREAS, pursuant to the 1990 Settlement Agreement, as amended, Ione was required to pay ARSA an annual payment (currently \$20,000.00), which payment Ione in turn imposed on Castle Oaks Golf Course. The Parties intend to eliminate such fee for Ione and for Castle Oaks Golf Course by not including it herein as part of this agreement; and,

WHEREAS, this agreement does not extend to, or otherwise affect, Portlock International, Ltd.'s obligation to pay for operation of the Ione Tertiary Plant, which obligation ends December 31, 2013 and is governed by other agreements; and,

WHEREAS, CDCR owns a series of pipelines and reservoirs, including Henderson Reservoir, Preston Forebay and Preston Reservoir, each of which is interconnected so as to allow the transport of water and or wastewater from a point of diversion along Sutter Creek to the Preston Reservoir, in Ione, California ("Henderson/Preston System") (described in Exhibit 1); and,

WHEREAS, CDCR and ARSA have in place a lease agreement whereby ARSA has the right to use the Henderson/Preston System, subject to the terms and conditions contained therein, which lease expires in July 2008 ("ARSA/CDCR Lease"); currently ARSA uses the Henderson/Preston System to transport ARSA's secondary-treated wastewater to Preston Reservoir and then to Ione for treatment, disposal and use; and,

WHEREAS, ARSA and CDCR intend to execute a new lease or extend the existing ARSA/CDCR lease governing the use of the Henderson/Preston System. The new or extended lease will be for thirty (30) years. With regard to the lower system (as hereinafter described), the lease will contain a five (5) year cancellation clause that can be invoked by either party, subject to ARSA's continuing obligations to supply secondary treated wastewater to the CDCR's Preston Youth Correctional Facility and to maintain CDCR's water right from Sutter Creek, which obligations shall remain in effect unaffected by any such cancellation as will their rights to usage to the extent necessary to carry out those obligations; and,

WHEREAS, this agreement will govern the relationship and respective rights between the Parties with regard to the Henderson/Preston System; and,

WHEREAS, the upper Henderson/Preston System as referred to in this agreement includes the parts of the Henderson/Preston System from the outfall of the Sutter Creek Treatment Plant to Preston Youth Correctional Facility, including all pipelines, rights of way, reservoirs, water rights, etc; and,

WHEREAS, the lower Henderson/Preston System as referred to in this agreement includes the components of the Henderson/Preston System from below Preston Forebay to the outfall of the pipeline where it enters Castle Oaks property, including Preston Reservoir; and,

WHEREAS, ARSA will continue to deliver effluent to the Ione tertiary plant subject to the five-year termination clause provided herein in sections 8a and 8b; and,

WHEREAS, CDCR operates Mule Creek State Prison ("MCSP") and the Preston Youth Correctional Facility, both located within Ione City limits, and which two facilities along with the California Department of Forestry utilize the wastewater treatment plant at MCSP for their wastewater disposal; and,

WHEREAS, Ione operates two wastewater treatment plants, a portion of one treatment plant is located within the boundaries of Ione providing secondary level treatment of wastewater, and the other located in Amador County providing tertiary treatment of wastewater; and,

WHEREAS, each of the Parties' wastewater disposal systems are interrelated and interconnected; and,

WHEREAS, all of the Parties wish to work together to achieve a solution that addresses their respective wastewater needs; and,

WHEREAS, a water balance study was conducted by Lee and Ro, Inc. and completed on April 11, 2007 to determine the amount, if any, of surplus disposal capacity that currently exists in the Henderson/Preston System; and

WHEREAS, the water balance study resulted in an estimated surplus capacity that is allocated pursuant to this agreement.

IT IS AGREED by and among the parties hereto as follows:

1. Pursuant to the water balance and on the effective date of this agreement, the surplus capacity described above is allocated and each party's total allowable discharge to Preston Reservoir is as follows:

	Total Allowable Discharge to Henderson/Preston System
ARSA	650 acre-feet (af)
CDCR	350 af (counted against ARSA's 650 af disposal amount)
Ione	150 af (this amount is essentially a negative capacity amount to the extent that it relieves Ione of the obligation to take this amount from the other Parties)

2. Ione shall be obligated annually to accept from ARSA/CDCR a combined total of 650 af of secondarily treated wastewater for disposal. The method and location of disposal shall be the concern and obligation of Ione.

3. CDCR may dispose of up to 350 af (increased from its current allowance of 130 af) of treated wastewater into Preston Reservoir annually. CDCR's 350 af allowance shall be counted against ARSA's 650 af disposal right.

4. The effluent discharged to Preston Reservoir must be in compliance with the Waste Discharge Requirements established by the Regional Water Quality Control Board for the discharging party, and shall not contain constituents that cause the Ione tertiary plant to violate its Waste Discharge Requirements. Each party agrees to share all non-privileged wastewater effluent quality data with the other parties including monthly, quarterly, and annual reports submitted to the Central Valley Regional Water Quality Control Board. This information shall be furnished in a timely fashion to permit the City of Ione tertiary plant staff to evaluate potential impacts to operation of the plant. If requested, data shall be transmitted by facsimile or email. Such requests shall include all public information and shall not be limited to monitoring data that the party is required to provide pursuant to its Waste Discharge Requirements.

5. Unless otherwise agreed upon by the parties, discharges from Preston Reservoir to Ione, on a monthly basis, shall be as follows:

- a. October 1 through March 31st: discharges shall be limited to 10 af per month;
- b. April 1 through September 31st: discharges shall be limited to 95 af per month; and

- c. The above limitations may be waived by agreement of the parties in the event of an emergency and where necessary for the prevention of environmental damage or civil liabilities attendant to wastewater violations, and in such event and prior to any deviation from these limits the parties agree to meet and confer and attempt to reach mutual agreement regarding the exceedance amounts necessary to accomplish the prevention or mitigation of the emergency.

6. Subject to five-year termination clauses in sections 8a and 8b, in any year, ARSA and CDCR will continue to provide effluent from Preston Reservoir to the Ione tertiary plant for use on the Castle Oaks Golf Course, if such effluent is available. As provided for in the 1990 Agreement, as amended, Castle Oaks Golf Course will continue to utilize wastewater treated at the Ione tertiary plant prior to using water from any other source until December 31, 2013.

7. From the effective date of this agreement, ARSA agrees to eliminate all flows to Ione's secondary treatment ponds within four years. ARSA holds existing deeded disposal rights, transmittal rights, and rights of way and easements, to dispose of 1300 acre feet of treated effluent on the former Noble Ranch (County Assessor parcel numbers: 011330001501; 011330002501; and 011330003501) comprising approximately 850 acres of arable ranch land. A golf course resort has been entitled to be constructed on the property to be known as "Gold Rush Golf, LLC." A mitigated negative declaration for this project, including effluent disposal options, was adopted February 18, 2003, under City of Sutter Creek Resolution Number 02-03-27. Portions of the project have been constructed (e.g. conduit construction under the Highway 49 Bypass) and the remainder will be completed prior to the four-year deadline described in this section. The completion of the effluent disposal options are independent of the construction of the golf course resort project.

8. This agreement will be in effect for thirty (30) years from the time of its enactment, subject to the following:

- a. With regard to the lower Henderson/Preston System, ARSA agrees to eliminate all flows to the lower Henderson/Preston System within five years of receiving a written request to this effect from Ione, CDCR, or MCSP. Such written notice may only be given after Ione and CDCR have resolved how to provide adequate reclaimed water for both Castle Oaks Golf Course and Preston Youth Correctional Facility. Such resolution may include completing any necessary environmental review pursuant to CEQA for the new source of water; a contract between the new provider of water, MCSP, Ione, the golf course operator; and any necessary permits of modifications to existing permits pursuant to the Porter-Cologne Water Quality Control Act (Cal. Water Code, §§ 13000 et. seq.).
- b. ARSA shall have a right to cancel all discharges to the lower Henderson/Preston System five (5) years after it gives written notice to Ione and CDCR of its intent. ARSA agrees to work with the Parties to

attempt to coincide its withdrawal with the other parties' ability to find an alternate water source.

9. Beginning January 1, 2015, each party whose wastewater is being treated at the Ione Tertiary Plant agrees to pay a proportionate share of the tertiary plant operation and maintenance costs based on the amount of flows the party contributes to the tertiary plant. If any of the parties has withdrawn flows prior to 2014, that party will have no such operation and maintenance obligation. Each party's "proportionate share" will be defined by the JPA proposed herein, if it is formed. If the JPA is not formed, "proportionate share" will be defined by joint agreement of the Parties. To the extent that additional treatment, beyond what the discharging party is required to perform, is necessary to allow recycled water use of water treated at the Ione Tertiary Plant, that party will not be required to pay for such additional treatment, unless required under this agreement. Where the tertiary treated water from the Ione Tertiary Plant is sold to a recycled water user, the revenue generated from the sale will be distributed to the Parties in proportion to the amount of water the each party contributed to the tertiary plant.

10. MCSP shall endeavor to reduce its wastewater disposal into Preston Reservoir as soon as possible by implementing projects, which may include some or all of the following:

- a. Installing flushometers on toilets located in cells at MCSP; and
- b. Installing shower timers, as able, at MCSP.

In addition, CDCR shall conduct a preliminary feasibility study to determine the cost and feasibility for CDCR to increase the Preston Reservoir Dam height by sixteen (16) inches, increasing the capacity of the reservoir thereby.

11. To implement the provisions of this agreement, the Parties may prepare implementation memoranda, as opposed to amendments to this agreement, unless all Parties agree an amendment is necessary. Such implementation agreements may be executed by authorized representatives of the Parties.

12. The Parties to this agreement agree to explore and work towards creating a Joint Powers Authority to develop a sub-regional wastewater master plan for the Ione Valley. This plan may involve the following elements:

- a. Developing a permanent source of reclaimed water for the Castle Oaks Golf Course, Preston Youth Correctional Facility and other potential reclaimed water users within the Ione area.
- b. Developing a master plan and joint projects to improve the treatment and disposal capabilities of the MCSP and Ione wastewater facilities.
- c. ARSA's participation in the JPA will end when ARSA's discharges to the lower Henderson/Preston System end pursuant to sections 8a and 8b of this agreement.

13. Each of the Parties shall work to obtain all necessary permits, approvals, and authorizations to carry out this agreement in compliance with all pertinent Federal, State, and local laws and regulations.

14. In the event of a breach or default of this agreement, the aggrieved party will give written notice to the other parties within ten (10) days. After receiving such written notice, the Parties will meet and confer in an attempt to bring the violating party into compliance with this agreement. If, after meeting and conferring, the Parties fail to agree upon a plan to bring the violating party into compliance, the Parties may pursue mediation or other means agreed upon by the parties, including other remedies available by law.

15. Such non-performance provisions shall not apply if the nature of the breach or default is the result of a force majeure occurrence or is otherwise of a nature such that it cannot be fully cured within thirty (30) days, the party in default shall have such additional time as is reasonably necessary to cure the default so long as the party in default is proceeding diligently to complete the necessary cure after service of written notice by a non-defaulting party.

16. Each party retains any and all remedies it may have at law or in equity against each and every party hereto for breach of any duty established by this agreement.

17. Invalidity of any of the provisions contained in this agreement, or of the application thereof to any party by judgment or court order, shall in no way affect any of the other provisions hereof or the application thereof to any other party and said agreement shall remain in full force and effect except for the invalidated provision.

18. This agreement may be amended only by written instrument signed by all the parties.

19. Any notice to any party shall be in writing and by fax or email and given by delivering the notice to such party in person or by sending the notice by registered or certified mail, return receipt requested with postage prepaid, to the party's mailing address. The respective mailing addresses of the parties are:

City: City Manager  
City of Ione  
Post Office Box 398  
Ione, CA 95640

ARSA: Rob Duke  
General Manager  
18 Main Street  
Sutter Creek, CA 95685



CDCR:                      Warden  
                                Mule Creek State Prison  
                                4001 Highway 104  
                                Ione, CA 95640

Either party may change its mailing address at any time by giving written notice of such change to the other parties in the manner provided herein at least ten (10) days prior to the date such change is effected. All notices shall be deemed given, received, made or communicated on the delivery date or attempted delivery date shown on the return receipt.

20. Nothing contained in this agreement shall act as a prohibition on the formation of additional contracts and agreements by and between the Parties to further implement the intentions of the Parties.

21. Failure of a party to insist upon the strict performance of any of the provisions of this agreement by any other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict compliance by the other party in the future. No waiver by a party of an act constituting breach or default shall be effective or binding upon such party unless the waiver is made in writing by such party, and no such waiver shall be implied from any omission by a party to take any action with respect to such breach or default under any provision of this agreement.


22. This agreement may be signed in counterparts, and shall have the same force and effect as if all signatures existed on the same document.

CITY OF IONE

Dated:

9-20-07

By:

  
Jerry Sherman  
Mayor, City of Ione

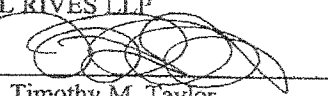
Approved as to form:

STOEL RIVES LLP

Dated:

9-26-07

By:

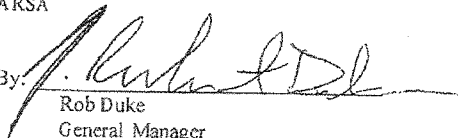
  
Timothy M. Taylor  
Attorneys for the City of Ione

ARSA

Dated:

9-18-07

By:

  
Rob Duke  
General Manager


Approved as to form:

Dated:

9/04/07

By:

MCDONOUGH HOLLAND & ALLEN

  
Harriet Steiner  
Attorneys for ARSA

Dated:

\_\_\_\_\_

CDCR

By:

\_\_\_\_\_  
Deborah Hysen  
Chief Deputy Secretary  
Facility Planning, Construction, and Management

Approved as to form:

CALIFORNIA DEPARTMENT OF CORRECTIONS  
AND REHABILITATION, OFFICE OF LEGAL  
AFFAIRS

Dated:

\_\_\_\_\_

By:

\_\_\_\_\_  
Chris Swanberg  
Senior Staff Counsel  
Attorneys for CDCR

ARSA

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Rob Duke  
General Manager

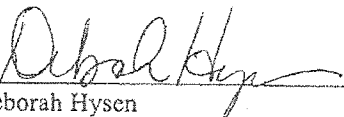
Approved as to form:

MCDONOUGH HOLLAND & ALLEN

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Harriet Steiner  
Attorneys for ARSA

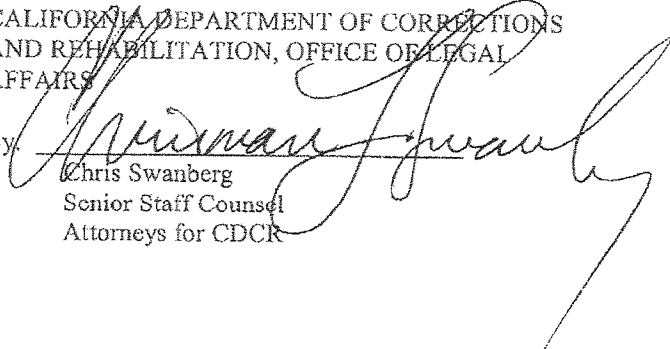
Dated: \_\_\_\_\_

CDCR  
By:  \_\_\_\_\_  
Deborah Hysen  
Chief Deputy Secretary  
Facility Planning, Construction, and Management

Approved as to form:

Dated: \_\_\_\_\_

CALIFORNIA DEPARTMENT OF CORRECTIONS  
AND REHABILITATION, OFFICE OF LEGAL  
AFFAIRS

By:  \_\_\_\_\_  
Chris Swanberg  
Senior Staff Counsel  
Attorneys for CDCR

(e) Protective Metal Painting - All pipe, pipe hangers, and metal work inside the Imhoff Tank and the wet well shall be given two (2) coats of Inertol Standard Thick (Black) after application of a suitable primer coat in the shop or in the field.

(f) Exposed Metal Painting - All pipework, pumps, motors, steelwork and other metal surfaces in the pump pit and pump house, and the pipe railing on the Imhoff tank, not otherwise provided with finish painting or other permanent finish at the factory, shall receive one (1) priming coat of Inertol No. 626 and two (2) coats of Rigortex Enamel.

#### Sludge Drying Beds

(a) General - Upon completion of the sludge drying bed enclosures and the proper grading and preparation of the sludge bed site including the laying of the sludge bed underdrain system, the Contractor shall furnish and install the sludge drying bed aggregate as specified below and as shown on the plans.

(b) Gravel - Base layer of gravel shall be clean gravel or crushed rock, graded between the sizes of 3/4" to 1-1/2". In placing the gravel, the Contractor shall take particular care not to disturb the underdrain system and not to allow any obstruction to enter the underdrain lines. Gravel shall be spread uniformly over the sludge bed area and brought to a horizontal surface at the elevation shown on the plans.

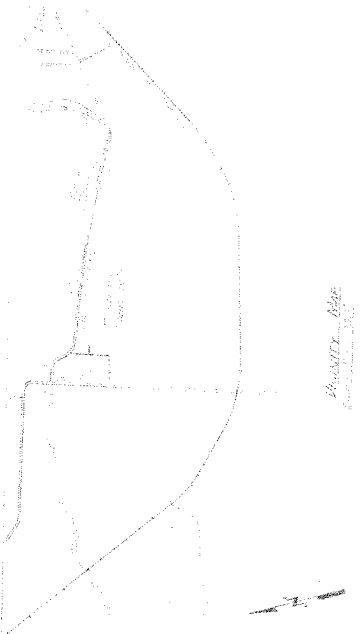
On top of the base layer shall be placed a two (2) inch layer of pea gravel.

(c) Sand - After the gravel has been placed to the satisfaction of the Engineer, the Contractor shall cover each sludge bed area with a layer of clean sand six (6) inches in depth and shall bring the surface of all beds to a uniform level at the elevation shown on the plans. The sand shall consist of hard, durable particles free from clay, loam or organic matter. It shall be equivalent to bank-run sand screened to an effective size of 0.3 to 0.5 millimeters.

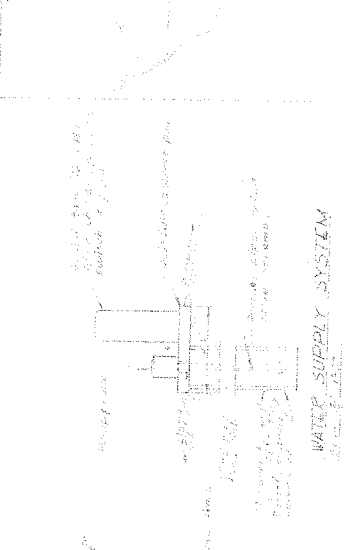
Lumber for Walkways - The Contractor shall furnish and install the wooden walkways and supporting beams for the Imhoff tank as shown on the plans, using first class workmanship and materials. All wood shall be select heart grade structural redwood.

Miscellaneous Steel and Metalwork - The Contractor shall furnish and install all steel and metalwork as shown on the plans and specified herein. Among the items included are pipe rails, manhole steps, ladders, manhole frames, and covers, bar screen and hoisting apparatus, effluent troughs, metal anchors, etc.

All fabricated items of steel and iron as called for or required throughout the work shall be neatly and rigidly fabricated in accordance with details in a first class, finished workmanlike manner. All members shall be of sizes called for and all shall be welded, bolted, or riveted; and furnished complete with proper anchorage, bolts, washers, etc.



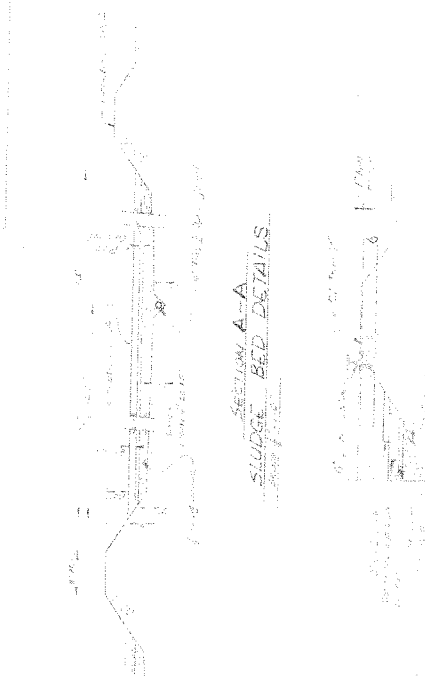
WATER SUPPLY SYSTEM



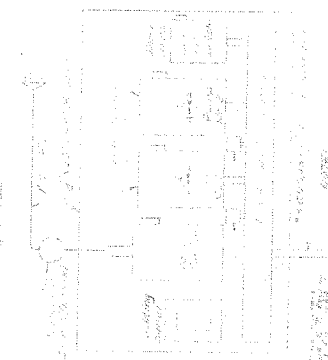
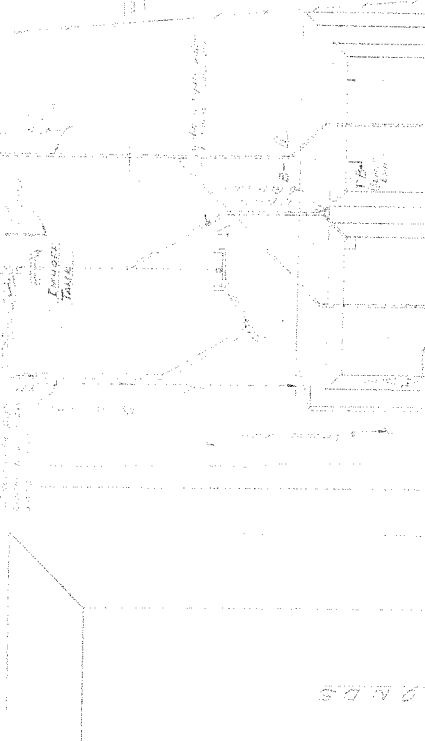
SECTION A-A  
SLUDGE BED DETAILS



GENERAL LAYOUT



SECTION B-B



SWITCH GEAR  
PUMP HOUSE

PLANS  
FOR THE CONSTRUCTION OF A  
SEWAGE TREATMENT PLANT  
CITY OF LOS ANGELES  
CALIFORNIA

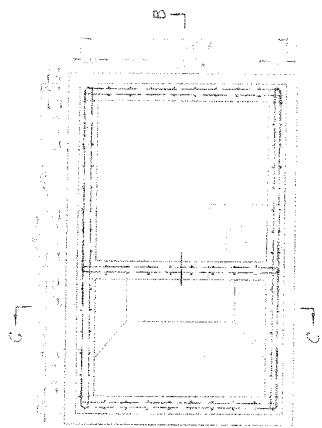
DESIGNED BY  
A.C. ALLEN, JR.  
L.C. BARTLETT  
G.M. FARRER, JR.  
R.A. MARSH  
E.H. GROVER

Submitted: *Ready for Construction* E.E. 6433

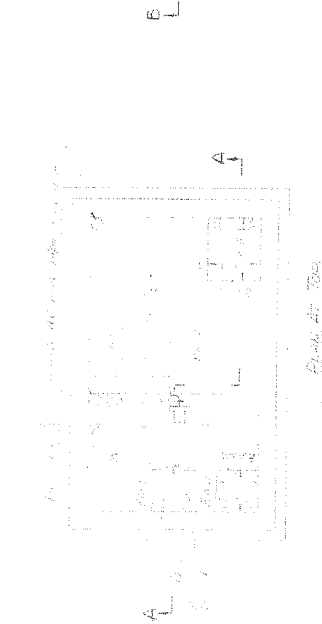
Approved: *By the City Engineer*  
*By the City Clerk*

SEWAGE TREATMENT PLANT  
GENERAL LAYOUT  
# SLUDGE BED  
CITY OF LOS ANGELES  
CALIFORNIA  
E.E. 6433  
1920

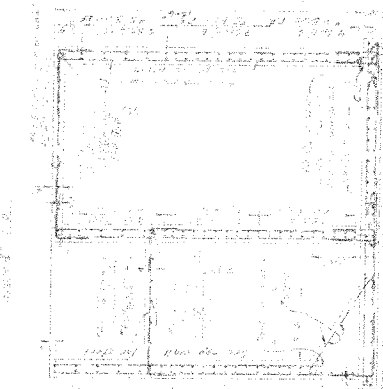




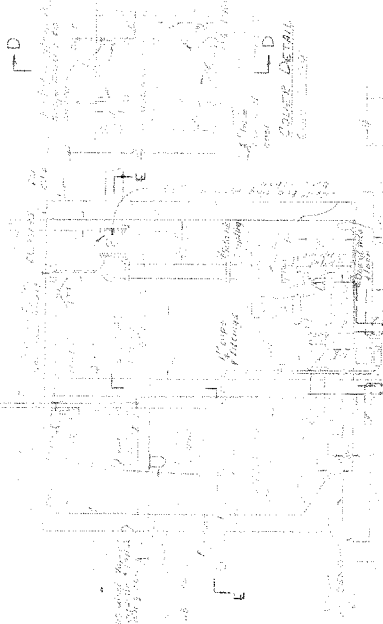
SECTIONAL PLAN A-A



SECTIONAL PLAN B-B



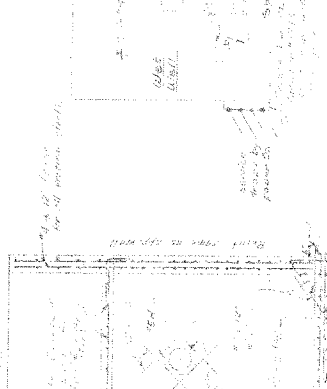
SECTIONAL PLAN C-C



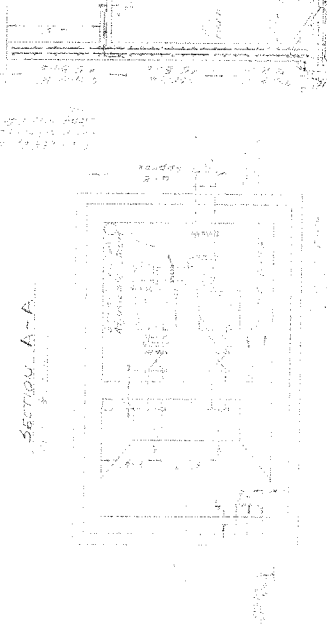
SECTIONAL PLAN D-D



SECTIONAL PLAN E-E



SECTIONAL PLAN F-F



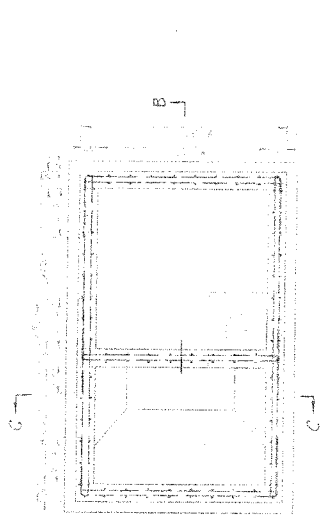
SECTIONAL PLAN G-G



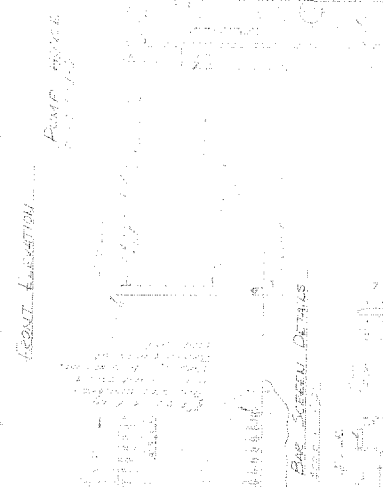
SECTIONAL PLAN H-H



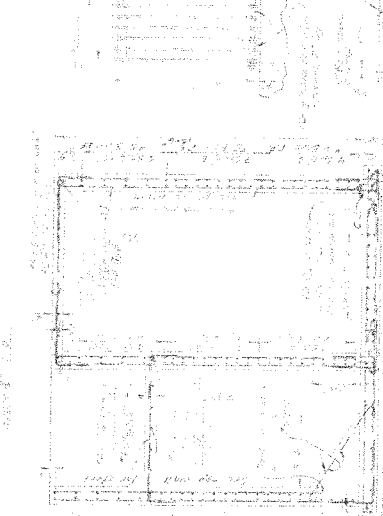
SECTIONAL PLAN I-I



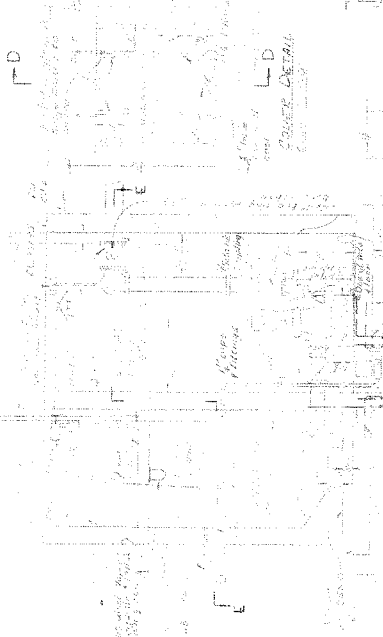
SECTIONAL PLAN J-J



SECTIONAL PLAN K-K



SECTIONAL PLAN L-L



SECTIONAL PLAN M-M



SECTIONAL PLAN N-N



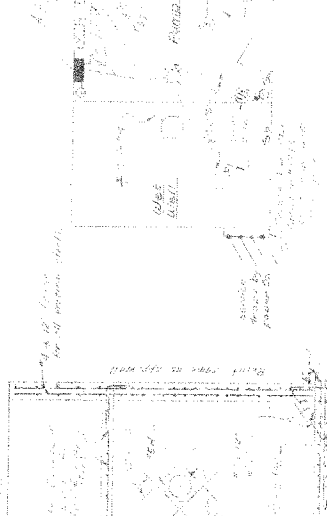
SECTIONAL PLAN O-O



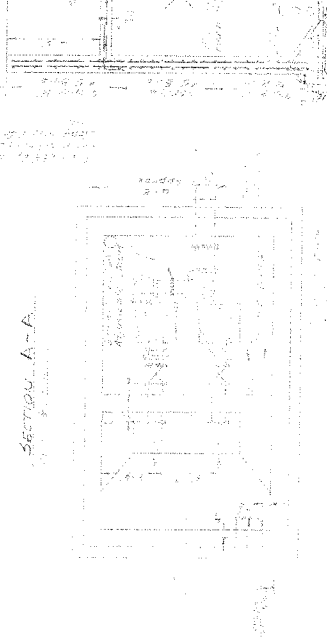
SECTIONAL PLAN P-P



SECTIONAL PLAN Q-Q



SECTIONAL PLAN R-R



SECTIONAL PLAN S-S



SECTIONAL PLAN T-T



SECTIONAL PLAN U-U



SECTIONAL PLAN V-V

PLAN A-A TOP

PLAN B-B TOP

PLAN C-C TOP

PLAN D-D TOP

PLAN E-E TOP

PLAN F-F TOP

PLAN G-G TOP

PLAN H-H TOP

PLAN I-I TOP

PLAN J-J TOP

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PLAN M-M TOP

PLAN N-N TOP

PLAN O-O TOP

PLAN P-P TOP

PLAN Q-Q TOP

PLAN R-R TOP

PLAN S-S TOP

PLAN T-T TOP

PLAN U-U TOP

PLAN V-V TOP

PLAN W-W TOP

PLAN X-X TOP



SECTION A-A  
SECTION B-B  
SECTION C-C

SECTION A-A  
SECTION B-B  
SECTION C-C

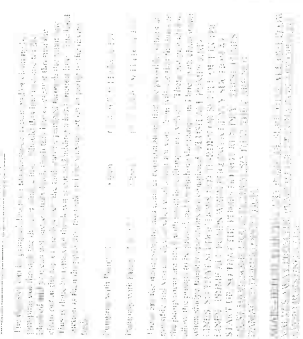
SECTION A-A  
SECTION B-B  
SECTION C-C

SECTION A-A  
SECTION B-B  
SECTION C-C



## TREATMENT PLANT FLOW DIAGRAM

Figure 1. Schematic diagram of the experimental setup. The sample is placed in a vacuum chamber and irradiated by a laser beam. The scattered light is collected by a lens and detected by a photodiode. The scattered light is also collected by a lens and detected by a photodiode. The scattered light is also collected by a lens and detected by a photodiode.



Construction costs for Plan A excluding off-site raw sewage pumping and conveyance facilities would be \$3,640,000 including land and administration costs, engineering and contingencies as shown in Table 5-1. Annual treatment O&M costs for the expanded plant are estimated at \$200,000. Total present worth costs would therefore be \$5,560,000. The principal advantages of this plan are that it has a relatively low cost and involves the same treatment processes and disposal methods as presently employed. However, it is land intensive, and additional expansions would require additional land purchase for disposal pond area or conversion to an alternate treatment/disposal method. This plan also continues the separate sludge handling operation, which can be a nuisance.

Plan B: Convert to Aerated Pond Treatment with Land Disposal.

This plan involves elimination of the existing primary clarification, aerobic digestion and sludge drying processes in favor of more extensive aerated pond treatment. Sludge that would otherwise have been removed from the process flow on a daily basis as is presently practiced, would accumulate and undergo anaerobic decomposition at the bottom of treatment ponds. Periodic draining and cleaning of the treatment ponds would be required every 8 to 10 years rather than every 10 to 12 years, which would be necessary if a clarification step were involved. A schematic diagram of the plan is presented in Figure 5-3.

Plan B would be similar to Plan A except that in lieu of continued operation and expansion of the primary clarification, digestion, and sludge drying operations, additional aerated treatment ponds capacity will be provided. Specifically, two new 1.5 acre ponds each provided with 30 horsepower of aeration will be required instead of the single 1.5 acre pond as in Plan A.

Specific improvements would be as follows:

- . New headworks structure as per Plan A.

Environmental Considerations. From a water quality perspective, once the existing pond system is rehabilitated as necessary to meet Regional Board criteria, the land disposal system is considered superior to other methods of disposal. While higher levels of treatment certainly produce a higher quality of effluent, the disposal methods associated with such treatment are potentially more damaging to the water quality environment. This is also true from a public health perspective because of the ease of access to surface streams and, in the case of reclamation, to irrigated pasture, golf course areas, etc.

The additional pond area associated with Plan B over Plan A is not considered significant from an environmental perspective.

Land use considerations would favor mechanical type treatment systems as proposed in Plan E because they are significantly less land intensive than pond treatment and disposal systems. In addition, the potential for nuisance odors is more controllable because of the smaller site and higher level of treatment provided.

It is, of course, known that residential development will occur up to within several hundred feet of disposal ponds that can be located on the 15.7 acre site adjacent and to the east of the existing plant. This matter is potentially significant; however, properly designed and operated pond systems can be relatively nuisance-free. In addition, the plant and its designated expansion area has been defined for many years and only recently has development extended into the area.

Summary Comparison of Alternatives. Plan B is selected as the most desirable program for treatment and disposal expansion in the future. Plan A is considered a close second considering non-economic factors. Plan D construction costs are low, but conversion to a surface water discharge is not advisable when other land disposal options are comparably cost effective. Plans C and E are

7. Construction of at least 20 acres of additional disposal ponds on 33-acre City land north of Sutter Creek; ponds to be similar to those at the plant site, except that they will be filled by pumping rather than by gravity flow.
8. A disposal transfer pump station to convey treated effluent to offsite disposal ponds; nominal dependable capacity 0.3 mgd, with expansion capability.
9. Abandonment of existing clarifier, digester and pumping equipment; facilities to be mothballed for possible future use.
10. Modification of existing control building and installation of electrical switchboard and motor control center and all electrical conduits.
11. Construction of new equipment building and modification of the existing control building.
12. Installation of new standby power generator and control panel in equipment building.
13. Construction of 12 foot pond embankment roadways of aggregate material, site paving and miscellaneous sitework, including landscape planting of plant perimeter.
14. Security fencing around all treatment and disposal facilities.

Potential Modifications. The recommended plan was selected because it incorporates the most cost effective and implementable improvements of the options considered.





**CITY OF IONE  
P.O. BOX 398  
1 E. MAIN STREET  
IONE, CA 95640  
(209) 274-2412  
FAX (209) 274-2830**



June 1, 2021

Mr. Kenny Croyle  
Central Valley Regional Water Quality Control Board  
11020 Sun Center Drive #200  
Rancho Cordova, CA 95670

**RE: Response to May 14, 2021 Review of Monitoring Reports, and Site Inspection Report  
for the Ione Tertiary Plant**

Dear Mr. Croyle,

The City of Ione is in receipt of the above referenced letter from Howard Hold. We have reviewed the letter and offer the following responses to the various issues raised:

*The California Department of Corrections and Rehabilitation (CDCR) Mule Creek State Prison (MCSP) currently operates a combined domestic and industrial wastewater system and treats the combined waste stream at an onsite domestic wastewater treatment facility. The CDCR plant is not designed nor operated to treat industrial waste compounds. Industrial waste compounds considered designated wastes have been detected in CDCR's effluent. CDCR has in the past discharged into Preston Reservoir or directly to the Ione Tertiary WWTP.*

*Further, as issued by the Regional Board, the WDRs do not describe or allow the acceptance of any wastewater effluent from the MCSP facility. Accepting effluent from the MCSP WWTP, especially as it is currently operated, would be a violation of Discharge Prohibition C.2, C.3, and potentially C.7 of the WDRs.*

*Accepting effluent with industrial constituents is not described or envisioned in the WDRs. Consequently, industrial compounds are not monitored in the MRP, making it impossible to determine compliance with many requirements of the WDRs. The disposal of this waste onto the Castle Oaks Golf Course poses a threat to groundwater quality that has not been properly evaluated nor is it monitored under the current regulatory requirements. If the Dischargers intend to accept this effluent going forward, they need to first show that the waste stream is being properly treated and monitored in a technical report (see below Required Actions).*

*It should also be noted that by accepting this waste without the proper permit and without performing adequate monitoring the Discharger is exposed to enforcement by the Regional Board or third parties. However, as the discharge is not described in the WDRs, CDCR is not named in the WDR and therefore may not share the same liability if the Regional Board pursued enforcement.*

**Response:**

The agreement between the City of Ione and MCSP stipulates that MSCP must provide the City with wastewater that is compliant with the City's WDRs. The City will discuss this issue with MCSP and review their effluent quality reports. If any constituents are found to be above permitted levels, we will work with MCSP and CVRWQCB to ensure that any treated effluent received from MCSP will be in compliance. This may require an interim request for a variance so the City can take MCSPs discharge until the prison can stop discharging VOC's. It should be noted that from the information the City has, the VOCs are very low and should not represent ground water issues.

**Review of Monitoring Reports**

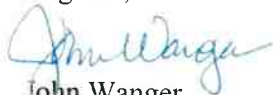
*After review of recent monitoring reports Board staff determined that several reports have not been submitted and are delinquent. The Discharger submits multiple reports each month, with each report being prepared by a different responsible party and covering different requirements of the MRP. These include the November 2020, February 2021, and March 2021 reports typically submitted by Perc Water Corporation, the current contract operator. If the plant was not operating during these months the Discharger is still required to submit monitoring reports stating that the plant is out of operation. Additionally, it does not appear that any of the monitoring required under the Castle Oaks Golf Course Disposal Field Monitoring section of the MRP has not been submitted This is a violation of the WDRs.*

**Response:**

The City is working with the Wastewater Treatment Plant Chief Operator and will have the reports submitted no later than June 15, 2021.

If you have questions regarding any of these responses or would like to meet to discuss, please contact Michael Rock at [mrock@ione-ca.com](mailto:mrock@ione-ca.com) or (209) 274-2412 x116 or the Plant Operator, Brett Moroz at (714) 514-8879 or at [bmoroz@percwater.com](mailto:bmoroz@percwater.com).

Regards,



John Wanger  
City Engineer

CC Michael Rock – Interim City Manager  
Todd Waklee – Public Works Superintendent  
Brett Moroz – PERC Water  
Stacy Rhodes - Mayor  
Diane Wratten – Councilmember  
Dan Epperson – Councilmember  
Dominic Atlan – Vice Mayor  
Rodney Plamondon - Councilmember

AGREEMENT TO REGULATE USE OF HENDERSON/PRESTON WASTEWATER  
DISPOSAL SYSTEM

This agreement is made this 18<sup>th</sup> day of Sept., 2007, by and between the California Department of Corrections and Rehabilitation, a California State Agency ("CDCR"), the City of Ione, a municipality formed pursuant to the laws of the State of California ("Ione"), and the Amador Regional Sanitation Authority, a joint powers agency formed pursuant to the laws of the State of California ("ARSA") (collectively, CDCR, Ione, and ARSA, shall be referred to as the "Parties"). The Parties hereby agree as follows:

WHEREAS, as settlement of past litigation, Ione and ARSA entered into an agreement and grant of easement entitled "Preston Farmlands Wastewater Disposal Contract and Grant of Easement" dated July 30, 1990 ("1990 Settlement Agreement"); and,

WHEREAS, the 1990 Settlement Agreement has been amended or assigned by the parties to the 1990 Settlement Agreement; and,

WHEREAS, this agreement will reallocate and govern the wastewater disposal rights and obligations among the Parties, but will not alter the 1990 Settlement Agreement, any and all amendments thereto, and any agreements implementing the 1990 Settlement Agreement, as those agreements govern the relationship and obligations between Ione or ARSA and any developer of the Preston Farmlands, as referred to in the agreements and amendments, and their successors and assigns and except as those agreements govern the relationship and obligations between Ione or ARSA and the present and future owners, operators, and lessees of the Castle Oaks Golf Course and their successors and assigns; and,

WHEREAS, pursuant to the 1990 Settlement Agreement, as amended, Ione was required to pay ARSA an annual payment (currently \$20,000.00), which payment Ione in turn imposed on Castle Oaks Golf Course. The Parties intend to eliminate such fee for Ione and for Castle Oaks Golf Course by not including it herein as part of this agreement; and,

WHEREAS, this agreement does not extend to, or otherwise affect, Portlock International, Ltd.'s obligation to pay for operation of the Ione Tertiary Plant, which obligation ends December 31, 2013 and is governed by other agreements; and,

WHEREAS, CDCR owns a series of pipelines and reservoirs, including Henderson Reservoir, Preston Forebay and Preston Reservoir, each of which is interconnected so as to allow the transport of water and or wastewater from a point of diversion along Sutter Creek to the Preston Reservoir, in Ione, California ("Henderson/Preston System") (described in Exhibit 1); and,

WHEREAS, CDCR and ARSA have in place a lease agreement whereby ARSA has the right to use the Henderson/Preston System, subject to the terms and conditions contained therein, which lease expires in July 2008 ("ARSA/CDCR Lease"); currently ARSA uses the Henderson/Preston System to transport ARSA's secondary-treated wastewater to Preston Reservoir and then to Ione for treatment, disposal and use; and,



WHEREAS, ARSA and CDCR intend to execute a new lease or extend the existing ARSA/CDCR lease governing the use of the **Henderson/Preston System**. The new or extended lease will be for thirty (30) years. With regard to the lower system (as hereinafter described), the lease will contain a five (5) year cancellation clause that can be invoked by either party, subject to ARSA's continuing obligations to supply secondary treated wastewater to the CDCR's Preston Youth Correctional Facility and to maintain CDCR's water right from Sutter Creek, which obligations shall remain in effect unaffected by any such cancellation as will their rights to usage to the extent necessary to carry out those obligations; and,

WHEREAS, this agreement will govern the relationship and respective rights between the Parties with regard to the **Henderson/Preston System**; and,

WHEREAS, the upper Henderson/Preston System as referred to in this agreement includes the parts of the Henderson/Preston System from the outfall of the Sutter Creek Treatment Plant to Preston Youth Correctional Facility, including all pipelines, rights of way, reservoirs, water rights, etc; and,

WHEREAS, the lower **Henderson/Preston System** as referred to in this agreement includes the components of the Henderson/Preston System from below Preston Forebay to the outfall of the pipeline where it enters Castle Oaks **property**, including Preston Reservoir; and,

WHEREAS, ARSA will continue to deliver effluent to the Ione tertiary plant subject to the five-year termination clause provided herein in sections 8a and 8b; and,

WHEREAS, CDCR operates Mule Creek State Prison ("MCSP") and the Preston Youth Correctional Facility, both located within Ione City limits, and which two facilities along with the California Department of Forestry utilize the wastewater treatment plant at MCSP for their **wastewater** disposal; and,

WHEREAS, Ione operates two wastewater treatment plants, a portion of one treatment plant is located within the boundaries of Ione providing secondary level treatment of wastewater, and the other located in Amador County providing tertiary treatment of wastewater; and,

WHEREAS, each of the Parties' wastewater disposal systems are interrelated and interconnected; and,

WHEREAS, all of the Parties wish to work together to achieve a solution that addresses their respective wastewater needs; and,

WHEREAS, a water balance study was conducted by Lee and Ro, Inc. and completed on April 11, 2007 to determine the amount, if any, of surplus disposal capacity that currently exists in the Henderson/Preston System; and

WHEREAS, the water balance study resulted in an estimated surplus capacity that is allocated pursuant to this agreement.

IT IS AGREED by and among the parties hereto as follows:

1. Pursuant to the water balance and on the effective date of this agreement, the surplus capacity described above is allocated and each party's total allowable discharge to Preston Reservoir is as follows:

	Total Allowable Discharge to Henderson/Preston System
ARSA	650 acre-feet (af)
CDCR	350 af (counted against ARSA's 650 af disposal amount)
Ione	150 af (this amount is essentially a negative capacity amount to the extent that it relieves Ione of the obligation to take this amount from the other Parties)

2. Ione shall be obligated annually to accept from ARSA/CDCR a combined total of 650 af of secondarily treated wastewater for disposal. The method and location of disposal shall be the concern and obligation of Ione.

3. CDCR may dispose of up to 350 af (increased from its current allowance of 130 af) of treated wastewater into Preston Reservoir annually. CDCR's 350 af allowance shall be counted against ARSA's 650 af disposal right.

4. The effluent discharged to Preston Reservoir must be in compliance with the Waste Discharge Requirements established by the Regional Water Quality Control Board for the discharging party, and shall not contain constituents that cause the Ione tertiary plant to violate its Waste Discharge Requirements. Each party agrees to share all non-privileged wastewater effluent quality data with the other parties including monthly, quarterly, and annual reports submitted to the Central Valley Regional Water Quality Control Board. This information shall be furnished in a timely fashion to permit the City of Ione tertiary plant staff to evaluate potential impacts to operation of the plant. If requested, data shall be transmitted by facsimile or email. Such requests shall include all public information and shall not be limited to monitoring data that the party is required to provide pursuant to its Waste Discharge Requirements.

5. Unless otherwise agreed upon by the parties, discharges from Preston Reservoir to Ione, on a monthly basis, shall be as follows:

- a. October 1 through March 31st: discharges shall be limited to 10 af per month;
- b. April 1 through September 31st: discharges shall be limited to 95 af per month; and

- c. The above limitations may be waived by agreement of the parties in the event of an emergency and where necessary for the prevention of environmental damage or civil liabilities attendant to wastewater violations, and in such event and prior to any deviation from these limits the parties agree to meet and confer and attempt to reach mutual agreement regarding the exceedance amounts necessary to accomplish the prevention or mitigation of the emergency.

6. Subject to five-year termination clauses in sections 8a and 8b, in any year, ARSA and CDCR will continue to provide effluent from Preston Reservoir to the Ione tertiary plant for use on the Castle Oaks Golf Course, if such effluent is available. As provided for in the 1990 Agreement, as amended, Castle Oaks Golf Course will continue to utilize wastewater treated at the Ione tertiary plant prior to using water from any other source until December 31, 2013.

7. From the effective date of this agreement, ARSA agrees to eliminate all flows to Ione's secondary treatment ponds within four years. ARSA holds existing deeded disposal rights, transmittal rights, and rights of way and easements, to dispose of 1300 acre feet of treated effluent on the former Noble Ranch (County Assessor parcel numbers: 011330001501; 011330002501; and 011330003501) comprising approximately 850 acres of arable ranch land. A golf course resort has been entitled to be constructed on the property to be known as "Gold Rush Golf, LLC." A mitigated negative declaration for this project, including effluent disposal options, was adopted February 18, 2003, under City of Sutter Creek Resolution Number 02-03-27. Portions of the project have been constructed (e.g. conduit construction under the Highway 49 Bypass) and the remainder will be completed prior to the four-year deadline described in this section. The completion of the effluent disposal options are independent of the construction of the golf course resort project.

8. This agreement will be in effect for thirty (30) years from the time of its enactment, subject to the following:

- a. With regard to the lower Henderson/Preston System, ARSA agrees to eliminate all flows to the lower Henderson/Preston System within five years of receiving a written request to this effect from Ione, CDCR, or MCSP. Such written notice may only be given after Ione and CDCR have resolved how to provide adequate reclaimed water for both Castle Oaks Golf Course and Preston Youth Correctional Facility. Such resolution may include completing any necessary environmental review pursuant to CEQA for the new source of water; a contract between the new provider of water, MCSP, Ione, the golf course operator; and any necessary permits of modifications to existing permits pursuant to the Porter-Cologne Water Quality Control Act (Cal. Water Code, §§ 13000 et. seq.).
- b. ARSA shall have a right to cancel all discharges to the lower Henderson/Preston System five (5) years after it gives written notice to Ione and CDCR of its intent. ARSA agrees to work with the Parties to

attempt to coincide its withdrawal with the other parties' ability to find an alternate water source.

9. Beginning January 1, 2015, each party whose wastewater is being treated at the Ione Tertiary Plant agrees to pay a proportionate share of the tertiary plant operation and maintenance costs based on the amount of flows the party contributes to the tertiary plant. If any of the parties has withdrawn flows prior to 2014, that party will have no such operation and maintenance obligation. Each party's "proportionate share" will be defined by the JPA proposed herein, if it is formed. If the JPA is not formed, "proportionate share" will be defined by joint agreement of the Parties. To the extent that additional treatment, beyond what the discharging party is required to perform, is necessary to allow recycled water use of water treated at the Ione Tertiary Plant, that party will not be required to pay for such additional treatment, unless required under this agreement. Where the tertiary treated water from the Ione Tertiary Plant is sold to a recycled water user, the revenue generated from the sale will be distributed to the Parties in proportion to the amount of water the each party contributed to the tertiary plant.

10. MCSP shall endeavor to reduce its wastewater disposal into Preston Reservoir as soon as possible by implementing projects, which may include some or all of the following:

- a. Installing flushometers on toilets located in cells at MCSP; and
- b. Installing shower timers, as able, at MCSP.

In addition, CDCR shall conduct a preliminary feasibility study to determine the cost and feasibility for CDCR to increase the Preston Reservoir Dam height by sixteen (16) inches, increasing the capacity of the reservoir thereby.

11. To implement the provisions of this agreement, the Parties may prepare implementation memoranda, as opposed to amendments to this agreement, unless all Parties agree an amendment is necessary. Such implementation agreements may be executed by authorized representatives of the Parties.

12. The Parties to this agreement agree to explore and work towards creating a Joint Powers Authority to develop a sub-regional wastewater master plan for the Ione Valley. This plan may involve the following elements:

- a. Developing a permanent source of reclaimed water for the Castle Oaks Golf Course, Preston Youth Correctional Facility and other potential reclaimed water users within the Ione area.
- b. Developing a master plan and joint projects to improve the treatment and disposal capabilities of the MCSP and Ione wastewater facilities.
- c. ARSA's participation in the JPA will end when ARSA's discharges to the lower Henderson/Preston System end pursuant to sections 8a and 8b of this agreement.

13. Each of the Parties shall work to obtain all necessary permits, approvals, and authorizations to carry out this agreement in compliance with all pertinent Federal, State, and local laws and regulations.

14. In the event of a breach or default of this agreement, the aggrieved party will give written notice to the other parties within ten (10) days. After receiving such written notice, the Parties will meet and confer in an attempt to bring the violating party into compliance with this agreement. If, after meeting and conferring, the Parties fail to agree upon a plan to bring the violating party into compliance, the Parties may pursue mediation or other means agreed upon by the parties, including other remedies available by law.

15. Such non-performance provisions shall not apply if the nature of the breach or default is the result of a force majeure occurrence or is otherwise of a nature such that it cannot be fully cured within thirty (30) days, the party in default shall have such additional time as is reasonably necessary to cure the default so long as the party in default is proceeding diligently to complete the necessary cure after service of written notice by a non-defaulting party.

16. Each party retains any and all remedies it may have at law or in equity against each and every party hereto for breach of any duty established by this agreement.

17. Invalidity of any of the provisions contained in this agreement, or of the application thereof to any party by judgment or court order, shall in no way affect any of the other provisions hereof or the application thereof to any other party and said agreement shall remain in full force and effect except for the invalidated provision.

18. This agreement may be amended only by written instrument signed by all the parties.

19. Any notice to any party shall be in writing and by fax or email and given by delivering the notice to such party in person or by sending the notice by registered or certified mail, return receipt requested with postage prepaid, to the party's mailing address. The respective mailing addresses of the parties are:

City: City Manager  
City of Ione  
Post Office Box 398  
Ione, CA 95640

ARSA: Rob Duke  
General Manager  
18 Main Street  
Sutter Creek, CA 95685

CDCR: Warden  
Mule Creek State Prison  
4001 Highway 104  
Ione, CA 95640

Either party may change its mailing address at any time by giving written notice of such change to the other parties in the manner provided herein at least ten (10) days prior to the date such change is effected. All notices shall be deemed given, received, made or communicated on the delivery date or attempted delivery date shown on the return receipt.

20. Nothing contained in this agreement shall act as a prohibition on the formation of additional contracts and agreements by and between the Parties to further implement the intentions of the Parties.

21. Failure of a party to insist upon the strict performance of any of the provisions of this agreement by any other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict compliance by the other party in the future. No waiver by a party of an act constituting breach or default shall be effective or binding upon such party unless the waiver is made in writing by such party, and no such waiver shall be implied from any omission by a party to take any action with respect to such breach or default under any provision of this agreement.

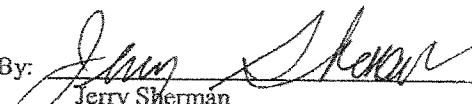
22. This agreement may be signed in counterparts, and shall have the same force and effect as if all signatures existed on the same document.

CITY OF IONE

Dated:

9-20-07

By:

  
Jerry Sherman  
Mayor, City of Ione

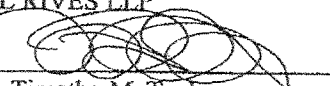
Approved as to form:

STOEL RIVES LLP

Dated:

9-26-07

By:

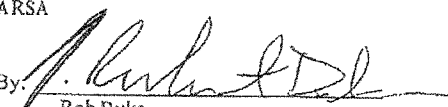
  
Timothy M. Taylor  
Attorneys for the City of Ione

ARSA

Dated:

9-18-07

By:


  
Rob Duke  
General Manager

Approved as to form:

Dated:

9/04/07

By:

MCDONOUGH HOLLAND & ALLEN  
  
Harriet Steiner  
Attorneys for ARSA

Dated:

\_\_\_\_\_

CDCR

By:

\_\_\_\_\_  
Deborah Hysen  
Chief Deputy Secretary  
Facility Planning, Construction, and Management

Approved as to form:

CALIFORNIA DEPARTMENT OF CORRECTIONS  
AND REHABILITATION, OFFICE OF LEGAL  
AFFAIRS

Dated:

\_\_\_\_\_

By:

\_\_\_\_\_  
Chris Swanberg  
Senior Staff Counsel  
Attorneys for CDCR

ARSA

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Rob Duke  
General Manager

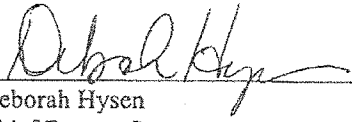
Approved as to form:

MCDONOUGH HOLLAND & ALLEN

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Harriet Steiner  
Attorneys for ARSA

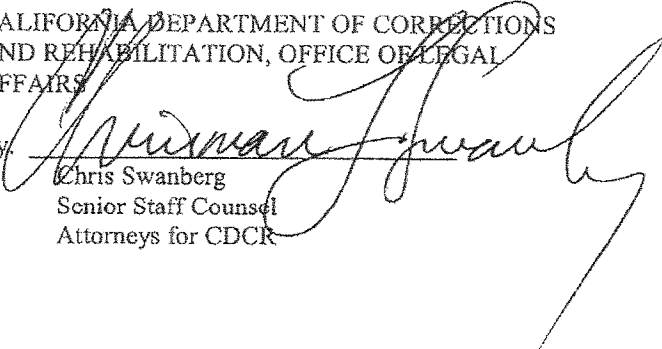
Dated: \_\_\_\_\_

CDCR  
By:   
Deborah Hysen  
Chief Deputy Secretary  
Facility Planning, Construction, and Management

Approved as to form:

CALIFORNIA DEPARTMENT OF CORRECTIONS  
AND REHABILITATION, OFFICE OF LEGAL  
AFFAIRS

Dated: \_\_\_\_\_

By:   
Chris Swanberg  
Senior Staff Counsel  
Attorneys for CDCR