

**URGENT NEED
NATIONAL OBJECTIVE FORM**

Grant Recipient: County of Lake
Project Name: Anderson Springs Septic to Sewer Project
Service Area: Community of Anderson Springs
Date: May 17, 2017
Proposed Activity: <p>Anderson Springs is a small community in southwestern Lake County. It was severely damaged in the Valley Fire in September 2015. The Lake County Sanitation District (LACOSAN) proposes to construct and operate a public sewer system for the community to replace the damaged individual septic tanks with leach fields that are no longer allowable under current building codes.</p> <p>One hundred and ninety-three homes (of a total of 212) were destroyed in the Valley Fire Disaster in the community of Anderson Springs. After the Valley Fire, the foundations of the destroyed homes were completely removed with heavy equipment as part of the required cleanup process implemented by CalRecycle. Extensive damage occurred to the existing individual systems during this heavy cleanup work. The systems are inoperable. A new community wide system must be constructed to replace the individual systems and to bring the entire community into current waste water treatment compliance.</p> <p>In early 2016, the Lake County Board of Supervisors identified this project as its' highest priority and an urgent need to assist in re-building the community. The Board directed LACOSAN to implement the project as soon as possible.</p> <p>The community is located along Anderson Creek, the centerpiece of the community and a critical feature of this small rural subdivision. The homes were originally served by individual septic tanks with leach fields for wastewater treatment and disposal. The site constraints and proximity to the creek are such that the use of septic tanks and leach fields is no longer acceptable under current law and not permitted for new home construction. This is because untreated sewer waste leaching into the watershed is an immediate threat to the public health of the community and the communities downstream.</p> <p>Relying on an extensive alternatives analysis, significant design work has identified the most affordable solution for a community sewer system. It consists of individual grinder pump systems (one per residence) that convey raw sewage through a low-pressure collection system to the Middletown Wastewater Treatment Plant. This facility is also operated by LACOSAN.</p>

As with most new sewer system infrastructure, this will be a costly endeavor and the County has no local sources of funding to carry out the project. The capital cost is \$10,580,895 and several sources of funding in addition to this HCD/CDBG request of \$1,994,263 are being committed to the project as follows: State Water Resources Control Board-\$7,401,000; U.S. Dept. of Agriculture/Rural Development-\$1,123,132.

CDBG funds will provide 19% of the total project funding, filling a significant gap in the project budget. This funding gap exists because the SWRCB and the USDA are committing the maximum amount of funds available through their funding resources to the project. The County of Lake General Fund is exhausted, due in part to dealing with the multiple impacts for the Valley, Rocky, Jerusalem, and Clayton fires. LACOSAN depends on enterprise fund mechanisms typically specific to each project and water or sewer district within its oversight purview. Therefore, there are no funds available for the construction of this project from local sources.

The project target timeline below is provided to communicate the urgency and need to move forward with the project. As required, no choice limiting actions will occur until the NEPA process and documentation has been provided and approved by HCD.

ACTIVITY DATE	COMPLETION
<ul style="list-style-type: none"> Final Design & Bid Ready Documents: Easement Acquisition: underway, initiated right of entry for all easements. 	6/30/17 9/20/17
<ul style="list-style-type: none"> Permit Applications: submitted; permit approvals anticipated by start of construction. 	9/20/17
<ul style="list-style-type: none"> Financing Closing: This is the receipt of funding commitments from all funding agencies. 	7/17/17
<ul style="list-style-type: none"> Advertisement for Bids: This is the opening of the bid period, typically, 30 days in length. 	7/17/17
<ul style="list-style-type: none"> Contract Award: This is the date when the contract is approved by Board of Supervisors. 	8/22/17
<ul style="list-style-type: none"> Notice to Proceed: This is the notice to the contractor that all required bonds and insurance have been documented and they may begin construction. 	9/22/17
<ul style="list-style-type: none"> Substantial Completion: This is the date when construction is nearly complete, other than minor punch list items. 	2/28/19

- | | |
|----------------------------------|---------|
| • Final Completion & Acceptance: | 3/28/19 |
| • Start Up: | 4/28/19 |

It is important to note that the project design requires that construction of the project be done in phases with the main collection system in the community being completed first, then the 4-inch main from the community collection system to the treatment plant being the second phase, and finally the laterals being installed as the final phase.

To comply with the national objective of meeting community development needs having a particular urgency, an activity must be designed to alleviate existing conditions which the unit of local government certifies and the state determines (1) pose a serious and immediate threat to the health or welfare of the community, (2) of recent origin or recently became urgent (3) the grant recipient is unable to finance the activity on its own, and (4) other sources of funding are not available to carry out the activity. A condition will generally be considered to be of recent origin if it developed or became critical within 18 months preceding the grant recipient's certification (refer to 24 CFR 570.483(d)). **See the HUD Guide to National Objectives and Eligible Activities for State CDBG Program for further information.**

1. The local government must certify and provide documentation the activity to be conducted under the urgent need national objective meets all of the following:

- Poses a serious and immediate threat to the health or welfare of the community.
- Is of recent origin or recently became urgent (i.e., local government must have identified it as an urgent need during or immediately following the disaster).
- The local government is unable to finance the activity on its own.
- No other sources of funding are available to carry out the activity.

2. Enter the date the need was identified as urgent: **County Board January 2016**

3. Enter the date of the action taken by the local government determining the condition(s) were urgent: Federal Disaster Declaration Date of September 22, 2015, Board Declaration Date of

4. Describe the location where the urgent conditions existed (i.e., City, County, service area, etc.). Include maps clearly identifying the affected area(s): The community of Anderson Springs is located approximately four miles northwest of Middletown along Highway 175 in the southern unincorporated area of Lake County. The community occupies about a .75 square mile area of what was a forested region in the Mayacamas Mountains. Maps of the community and the project area are attached.

5. Describe the nature and degree of seriousness of the conditions requiring assistance, including areas, neighborhoods affected by the conditions: The

nature and degree of seriousness of the conditions requiring assistance is this. Prior to the Valley Fire, the residences of Anderson Springs relied on septic tanks and leach fields for treatment and disposal of wastewater. The Valley Fire, which started in the nearby community of Cobb on September 12, 2015 burned a total of 175,000 acres and destroyed 1,280 homes in Lake County. Two hundred and twelve of the total homes destroyed, 16.5%, were in Anderson Springs. The site constraints in Anderson Springs are such that the use of on-site septic tanks and leach fields is no longer acceptable and is not permitted as a long-term solution for rebuilding the community. In order to rebuild the homes lost in the Valley Fire, the proposed public sewer system, replacing the unusable individual septic tank and leach field systems, must be built.

6. Describe the timing and the development of the conditions: The existing conditions are the result of the Valley Fire which started on September 12, 2015 and remained active for a thirty-day period. Due to the magnitude of damage caused by the fire, the President signed a Disaster Declaration on September 22, 2015. During the months of October, November, December, 2015, and January February, March, April, May, and ending on June 12 of 2016, CalRecycle hauled burned debris from the residences destroyed in the fire, at a cost of \$160,000,000. During the debris removal, required by law, the existing septic tanks and leach fields located in the community of Anderson Springs and throughout the fire recovery areas, were seriously compromised or destroyed. As indicated above in the project overview, these systems can no longer be used, even if they were operable, due to current waste water disposal and treatment requirements set by the State Water Resources Control Board and local health standards. In order for homes to be rebuilt in the community of Anderson Springs, the new system must be built to serve the parcels within the community.

7. Describe specifically how the activity to be funded by CDBG will alleviate the urgent condition: The project will alleviate the urgent need condition of existing unsafe and destroyed individual waste water disposal systems, no longer acceptable under current law, by providing community wide waste water disposal system and connecting that system to an existing wastewater treatment facility that in turn will allow for housing reconstruction to occur.

8. Indicate why the jurisdiction is unable to finance the activity on its own (i.e., budget limitations, lack of available local resources): The County of Lake, has no discretionary funds available for this project in its' very limited general fund. The lack of general funds for this or any other project is in part the result of the extraordinary costs incurred by County government caused by fire damage and the long term negative impacts on income due to the fire damage to private property. The Lake County Sanitation District funds its' operations and project maintenance efforts through enterprise funds whereby the water or sewer district end users pay a fee for the use of the system. An enterprise fund, (new district) as required by the State Water Resources Control Board and the USDA, is being set up by Special Districts to provide a revenue mechanism to maintain the

<p>system once it is operating and end users begin connecting to the system. However, there are no funds available in reserve from other districts to help pay for the construction of this new system. Therefore, Special Districts has no funds available to build the project.</p>
<p>9. Indicate why there are inadequate resources no other resources available to address the need (i.e., does not qualify for other public funding, required activity not eligible under other funding sources, no insurance coverage, etc.). CDBG funds must be used as GAP financing. Identify all other funding sources and use of funds, if applicable, and include a sources and uses table: The Federal Disaster Declaration was declared because the Federal government acknowledges that disasters of the Valley Fire proportion cannot be dealt with by local jurisdictions alone without the help of State and Federal resources. In this case, Special Districts has reached out to the USDA, SWRCB, and HCD to fund the project. The USDA is funding that portion of the project which under its guidelines and funding capacity, it has available for the project, resulting in a contribution of 11% to the total project. The SWRCB is doing the same, and is funding nearly 70% of the total project. CDBG funds will fund 19% of the total project. A project source and use budget is provided as part of this urgent need narrative.</p>
<p>10. List the documentation the local government can provide to show the conditions are urgent (i.e., federal or state declared emergency, resolution of the local governing body acknowledging the threat to the community, photographs of conditions, notices from Health Department of other agencies, code enforcement documentation, etc.). Include the documentation with this form. Included with this application are the following documents demonstrating urgent need, the federal disaster declaration, the state disaster declaration, the Board of Supervisors urgent need statement regarding the project, and photos of the community after the Valley Fire.</p>

By signing below, I certify the activities proposed to be funded under the Urgent Need national objective meet the criteria stated in Number 1 above.

Authorized Representative

Date