

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION**

RESOLUTION NO. R5-2011-0002

**AUTHORIZATION FOR THE EXECUTIVE OFFICER TO APPROVE
AGREEMENTS THAT EFFECTUATE SETTLEMENTS BETWEEN
LODI AND OTHER PARTIES FOR THE NORTHERN,
WESTERN AND SOUTHERN GROUNDWATER PLUMES
SAN JOAQUIN COUNTY**

WHEREAS, the Regional Water Quality Control Board, Central Valley Region (Central Valley Water Board) is responsible for ensuring that the beneficial uses of water are protected, and for protecting against pollution and nuisance conditions that may result from the discharge of wastes and pollutants.

WHEREAS, perchloroethene (PCE) waste from historic dry cleaning operations has polluted the groundwater in portions of the central and western areas of the City of Lodi.

WHEREAS, trichloroethene (TCE) wastes from the historic use of TCE as a degreasing solvent, and its breakdown products, has polluted the groundwater in portions of the northern and southern areas of the City of Lodi.

WHEREAS, the City of Lodi took legal actions against a number of parties thought to be potentially responsible for the pollution of the groundwater in the aforementioned areas. The Central Valley Water Board was not a party to those actions.

WHEREAS, the City of Lodi and the potentially responsible parties have entered into settlement agreements in order to resolve the litigation and provide funds for the cleanup of the groundwater. In those settlement agreements the City of Lodi agreed to dismiss its claims in exchange for payments from the potentially responsible parties into a designated fund to be managed by the City.

WHEREAS, the settlements provide \$3,630,000 for the cleanup of the Northern Plume Area, \$1,166,400 for the cleanup of the Western Plume Area, and \$1,511,000 for the cleanup of the Southern Plume Area.

WHEREAS, in addition to the settlement agreement funds, the City of Lodi has enacted an ordinance that raises its water service rates to fund the cleanup of the Central, Northern, Southern, and Western groundwater pollution plumes, ensuring that the City will have enough funds to complete cleanup of the groundwater pollution plumes.

WHEREAS, some of the settlement agreements are contingent upon the Central Valley Water Board providing to each settling party a covenant not to sue, which is a promise that the Central Valley Water Board will not require that party to cleanup the groundwater.

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WHEREAS, concurrent with the Central Valley Water Board granting the potentially responsible parties covenants not to sue, thereby effectuating the settlement agreements, the City of Lodi will enter into written agreements with the Central Valley Water Board wherein the City will assume all responsibility for the cleanup of the groundwater plumes.

WHEREAS, the settlements for the Northern, Southern, and Western pollution plumes will remove some of the uncertainty regarding the settling parties' ability to fund a complete cleanup;

THEREFORE BE IT RESOLVED:

1. The Central Valley Water Board authorizes the Executive Officer to enter into agreements with the City of Lodi wherein the City of Lodi assumes all responsibility for the cleanup of the Northern, Western and Southern groundwater pollution plumes and acknowledges that the City may be named as a discharger under Section 13304 of the Water Code.
2. The Central Valley Water Board authorizes the Executive Officer to enter into agreements granting covenants not to sue to the settling parties for the Northern, Western and Southern groundwater pollution plumes.

I, PAMELA C. CREEDON, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of a Resolution adopted by the California Regional Water Quality Control Board, Central Valley Region, on 3 February 2011.

original signed by

PAMELA C. CREEDON, Executive Officer