DATE ISSUED:July 21, 2006REPORT NO: 06-103ATTENTION:Rules, Open Godiff and Indegovernmental Relations Committee
Agend of July 26 2006Crry Council
Council
Subject:SUBJECT:Status of the Point Lonia Wastewater Treatment Plant Clean Water Act
Section 310(h) Modified National Pollution Discharge Elimination
System (NPDES) Discharge PermitREFERENCE:1) City Manager's Report No. 05-156 dated July 13, 2005: Status Report
on Pilot Study of Biological Aerated Filtration (BAF) at the Point Loma
Wastewater Treatment Plant; 2) Review of the Pt. Loma Ocean
Monitoring Program by Scripps Institution of Oceanography; and 3) The
Water Reuse Study

REQUESTED ACTION:

THIS IS AN INFORMATION ITEM ONLY. NO ACTION IS REQUIRED ON THE PART OF THE COMMITTEE OR THE CITY COUNCIL.

<u>STAFF RECOMMENDATION</u>: The time is approaching when the City will need to make a decision on what action to take regarding the renewal of the modified permit for the Point Loma Wastewater Treatment Plant.

SUMMARY:

BACKGROUND

The Point Loma Wastewater Treatment Plant (PLWTP) operates with a modified NPDES permit that does not require full secondary treatment prior to discharge through a deep ocean outfall. Authorized by section 301(h) of the Clean Water Act, as initially modified by the Ocean Pollution Reduction Act of 1994 (OPRA), the modified permit requires renewal every five years. The Point Loma modified permit contains specific conditions not found in any other modified permit. These include requirements for an 80 and 58 per cent removal of total suspended solids and biological oxygen demand respectively, a reduction in the quantity of suspended solids discharged to the marine environment during the period of modification and to achieve a system capacity of 45 million gallons of reclaimed wastewater per day by January 1, 2010.

Point Loma's first modified permit was issued by the USEPA and State of California Regional Water Quality Control Board (RWQCB) on November 9, 1995 and subsequently renewed effective September 13, 2002. During the renewal process the RWQCB responded to public comment and lowered permit limits for the mass emissions of suspended solids, additionally the State of California Coastal Commission denied the renewal after a public hearing. After a lengthy appeal process the State Water Resources Control Board (SWRCB) overturned these actions.

Subsequent to the final approval by the USEPA the renewal was opposed by the environmental community, who expressed the following concerns:

- a. Adequacy of ocean monitoring to detect possible negative impacts.
- b. Concerns about actual use of reclaimed water versus constructed capacity.
- c. Permitted mass emissions limit of suspended solids too high and not in conformance with the OPRA legislation.

This resulted in the City and the local environmental community filing cross appeals to the Environmental Appeals Board (EAB) concerning the SWRCB actions and the applicability of OPRA.

In an effort to resolve these differences the City and Environmental Representatives (now called Bay Council) began talks about future modified permits. After reaching an agreement regarding the issues of concern to the Bay Council, both sides entered into a joint stipulation whereby all appeals to the EAB were dropped with a reservation of rights. The agreement consisted of:

- 1 The City working with Scripps Institution of Oceanography for a complete review of the Point Loma ocean monitoring program with Bay Council and public participation. This project is complete and the City is working with the Bay Council, Scripps, Metro Agencies and regulatory agencies on implementation of its recommendations.
- 2 The City conducting a comprehensive study of potential uses for reclaimed water, including a re-look at the potential for indirect potable reuse.This study is complete and awaiting further action by the City Council.
- 3 The City conducting a pilot test of an innovative treatment process, Biological Aerated Filtration (BAF) that may be a more cost effective alternative than previous facility planning estimates for upgrading treatment at the PLWTP.

This project is complete and BAF was found to be a viable alternative to achieve secondary treatment at the PLWTP. Cost estimates for the full 240 mgd capacity are \$700 million if the City can acquire 28 to 30 acres of land adjacent to the plant and about \$1.2 billion if not.

DISCUSSION

The modified permit for the PLWTP expires again in June 2008. The City is required to submit a renewal application in December 2007 and in order to meet that deadline work on the application should begin in early 2007. A decision needs to be made on whether the City will pursue future modified permits or investigate alternatives for implementation of secondary treatment. Several factors should be considered when making such a decision:

Possible factors against future renewals

- California Coastal Commission denied last waiver.

- RWQCB lowered mass emission limit in last waiver.
- SWRCB overruled Coastal Commission and RWQCB during last renewal, but the SWRCB indicated San Diego should "not expect to receive waivers forever."
- SWRCB is considering aligning the California Ocean Plan with Federal secondary treatment standards for Total Suspended Solids which would not allow waivers.
- Environmental groups have indicated they will oppose future waivers.
- San Diego may be last large waiver holder in U.S. by 2008 (and the only waiver holder in California).
- -Choosing to implement secondary could facilitate getting grants/loans.
- -The present waiver requires a reduction in mass emissions. When these limits are exceeded secondary will be required anyhow.

Possible factors in favor of future renewals

- -Using BAF technology could cost \$700 million in capital costs and \$30 million annually in operation and maintenance costs if additional land is available at Point Loma. Some environmental groups and regulators may oppose the use of additional land.
- The City has invested \$1.5 billion since 1992 to upgrade and expand the wastewater and ocean disposal system.
- The extended outfall reduces impacts to the ocean.
- The OPRA waiver reduces impacts to the ocean beyond a normal 301(h) waiver.
- Present ocean monitoring shows no indication that operating Point Loma now, or in the future, will have a negative impact on the ocean even at 240 mgd.
- The new more comprehensive Ocean Monitoring Program provides additional means of identifying potential impacts.
- Point Loma has demonstrated:
- 100% compliance with all permit requirements.
- MWWD's Industrial Source Control Program is highly effective in keeping toxic pollutants out of the sewer system.

FISCAL CONSIDERATIONS: None at this time.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

<u>COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:</u> Metropolitan Wastewater staff has given presentations on the issue to Bay Council on June 15, 2006; Public Utilities Advisory Commission on June 19, 2006; Metro Commission Technical Advisory Committee on June 21, 2006; and the Metro Commission on July 6, 2006. Presentation to the San Diego Chamber of Commerce is scheduled for August 3, 2006.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: See Executive Summary.

Scott Tulloch Metropolitan Wastewater Director R.F. Haas Deputy Chief of Public Works Attachments: 1. PowerPoint Presentation

TULLOCH/LANGWORTHY:oc

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