

**JOINT MEETING
CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT
WASTEWATER TREATMENT PLANT
(UNDER JOINT POWERS AGREEMENT)**

Cayucos Sanitary District Board of Directors:

Robert Enns, President
Dan Chivens, Vice-President
Michael Foster, Director
Shirley Lyon, Director
Dan Lloyd, Director

City of Morro Bay City Council:

Jamie Irons, Mayor
Noah Smukler, Vice-Mayor
Christine Johnson, Councilmember
Nancy Johnson, Councilmember
George Leage, Councilmember

AGENDA

MEETING DATE:

6:00 p.m., Thursday, February 14, 2013

MEETING PLACE:

Cayucos Veterans Hall
10 Cayucos Drive
Cayucos CA 93430

HOSTED BY:

Cayucos Sanitary District

CALL TO ORDER AND ROLL CALL

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the governing bodies on Morro Bay-Cayucos Wastewater Treatment Plant (WWTP) business matters may do so at this time. By the conditions of the Brown Act, the governing bodies may not discuss issues not on the agenda, but may set items for future agendas. When recognized by the Chair, please come forward to the podium and state your name and address for the record. Comments should be limited to three minutes. All remarks shall be addressed to the governing bodies, as a whole, and not to any individual member thereof. This governing body requests that you refrain from making slanderous, profane, or personal remarks. Please refrain from public displays or outburst such as unsolicited applause, comments, or cheering. Any disruptive activity that substantially interferes with the ability of this governing body to carry out its meeting will not be permitted and offenders will be requested to leave the meeting. Your participation in JPA meetings is welcome and your courtesy will be appreciated.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council or Cayucos Sanitary District Board, the following items are approved without discussion

A-1 MINUTES OF NOVEMBER 8, 2012 JPA MEETING

Recommendation: Approve as submitted

A-2 WWTP OPERATIONS REPORT THROUGH DECEMBER, 2012

Recommendation: Receive and file

B. OLD BUSINESS

None.

C. NEW BUSINESS

C-1 DISCUSSION AND CONSIDERATION TO APPROVE FUNDING FOR IMPLEMENTATION OF ARC FLASH MITIGATION MEASURES

Recommendation: Following discussion and consideration of this item that the Council and District Board approve additional funding to implement Arc Flash mitigation measures.

C-2 DISCUSSION AND CONSIDERATION OF THE PERMIT RENEWAL PROCESS FOR THE WASTEWATER TREATMENT PLANT NPDES PERMIT NO CA0047881

Recommendation: Following discussion and consideration of this item that the Council and District Board direct staff accordingly

C-3 DISCUSSION AND CONSIDERATION OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE WWTP

Recommendation: Following discussion and consideration of this item that the Council and District Board direct staff accordingly

C-4 DISCUSSION AND CONSIDERATION REGARDING NEXT STEPS FOR THE WWTP UPGRADE PROJECT

Recommendation: Following discussion and consideration of this item that the Council and District Board direct staff accordingly

C-5 SCHEDULE NEXT JOINT MEETING AND AGENDA ITEMS

ADJOURNMENT - (Next meeting will be hosted by the City of Morro Bay)

Copies of staff reports and other public documentation relating to each item of business for this meeting are available for inspection at Morro Bay City Hall at 595 Harbor Street and the Cayucos Sanitary District at 200 Ash Ave. A copy of this packet is available from the City of Morro Bay for copying at Mills Copy Center and from the Cayucos Sanitary District for a copy and duplication charge. Any person having questions regarding any agenda items may contact Bruce Keogh, Wastewater Division Manager (City of Morro Bay) at 772-6261 or Rick Koon, District Manager (Cayucos Sanitary District) at 995-3290. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Public Services' Administrative Technician at (805) 772-6261, or the Cayucos Sanitary District at (805) 995-3290. Notification 24 hours prior to the meeting will enable the City and District to make reasonable arrangements to ensure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City of Morro Bay or the Cayucos Sanitary District after distribution of the agenda packet are available for public inspection at the scheduled meeting.

Recommendation: Approve as submitted

President Enns made one correction to the minutes, noting Rick Koon was also in attendance.

MORRO BAY MOTION: Councilmember Borchard moved to approve the minutes as corrected. Councilmember Johnson seconded and the motion passed unanimously. (5-0).

CAYUCOS MOTION: Director Lyon moved to approve the minutes as corrected. Director Chivens seconded and the motion passed unanimously. (4-0).

B. OLD BUSINESS

B-1 STATUS REPORT ON UPGRADE PROJECT AS OF NOVEMBER 1, 2012

Recommendation: Receive the Status Report and direct staff accordingly

Dennis Delzeit presented the status report.

President Enns congratulated Andrea Lueker for her efforts in encouraging Coastal Commission staff to proceed with the project.

C. NEW BUSINESS

C-1 DISCUSSION OF THE PERMIT RENEWAL PROCESS FOR THE WASTEWATER TREATMENT PLANT NPDES PERMIT NO CA0047881

Recommendation: Receive the Status Report and direct staff accordingly

Bruce Keogh presented the staff report.

Director Foster noted the City of Goleta operates under the same discharge permit as the City of Morro Bay and asked Keogh if Morro Bay has discussed with them the potential issues in the settlement agreement process. Keogh stated he has been in contact with the Goleta Sanitary District, and because Goleta has always been ahead of Morro Bay in the permit renewal process, Morro Bay is able to track their progress. Keogh stated Morro Bay's Settlement Agreement is modeled on Goleta's agreement.

President Enns asked Keogh to clarify the outcome if the City does not complete the permit renewal process in time. Keogh stated the current law is such that there are minimum mandatory penalties for violating parameters in the effluent permit. He stated he is going to contact Regional Board for clarification regarding the procedure for extending the permit renewal process, especially in terms of fines.

Director Foster asked Bruce to clarify if the permit renewal extension is a legal issue. Keogh stated it is written into the standard provisions of the NPDES permit, and between legal counsel and himself, he stated he could get a response from Regional Board.

C-2 DISCUSSION OF A CAPITAL IMPROVEMENTS PLAN (CIP) FOR THE WWTP AND CONSIDERATION OF ENTERING INTO AN AGREEMENT WITH CANNON CORPORATION FOR DEVELOPMENT OF A CIP

Recommendation: Following discussion and consideration of this item that the Council and District Board direct staff to enter into an agreement with Cannon Corporation.

Keogh presented the staff report.

Councilmember Smukler asked Keogh to clarify why the City is sole-sourcing to Cannon. Keogh stated the City chose Cannon because the City was hoping to expedite the process and Cannon is very familiar with the plant and its treatment processes. He stated he is willing to release the bid to more than one firm if needed, and Smukler stated he would prefer that.

Director Chivens asked if the scope of work included bringing the existing plant to full secondary treatment, and Keogh stated it did not.

C-3 SCHEDULE NEXT JOINT MEETING AND AGENDA ITEMS

Mayor Yates stated the Board and Council intended to cancel the December meeting.

Councilmembers and Directors expressed appreciation for each other's work and dedication to the City.

President Enns introduced Dan Loyd, Boardmember-elect.

ADJOURNMENT

Mayor Yates adjourned the meeting at 6:26 pm.

Minutes Recorded by:

Katie Mineo, Morro Bay Public Services Department

Agenda No. A-2

Date: February 14, 2013

STAFF REPORT

**MORRO BAY-CAYUCOS J.P.A.
WASTEWATER TREATMENT PLANT**

to: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

from: Bruce Keogh, Wastewater Division Manager

date: February 7, 2013

subject: WWTP Operations Report through December, 2012

recommendation:

This Department recommends this report be received and filed.

fiscal impact:

None

summary:

Attached, find copies of the Morro Bay-Cayucos Wastewater Treatment Plant monthly reports, from August 2012 to December 2012 and the WWTP flow summary, through December 2012. This information updates the item from the September 13, 2012 meeting.

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY AUGUST 2012

Flow for the month of August averaged 1.108 Million Gallons per Day (MGD).

Removal of suspended solids ranged from 91.8 % to 95.5 % for the month, with an average removal of 93.6 % for the month. BOD removal ranged from 85.3 % to 88.9 % for the month, with an average removal of 86.5 % for the month. There was no rainfall recorded for the month. For the month of August, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities for August concerning the upgrade project for the wwtp:

- The CCC staff report was issued at the close of business on Friday, July 27 recommending denial of the permit, leaving very little time prior to the August 9 hearing to respond. The MBCSD team prepared a 24 page response letter to the staff report;
- The MBCSD staff and consultants met with the CCC staff in their Santa Cruz office August 3, 2012 and discussed the staff report, the MBCSD response letter and our request for approval of the Coastal Development Permit;
- On August 7 at 10:19 PM, the Coastal Commission staff notified the MBCSD that the CCC staff is postponing the de novo Coastal Commission hearing on the project that was scheduled for August 9, 2012;
- McCabe & Company coordinated meetings and phone conferences with Coastal Commissioners that included Morro Bay and Cayucos staff and project consultants. To date, nine Commissioners and one alternate Commissioner have been briefed on the project. McCabe & Company is also in frequent contact with other officials that have a stake in the project;
- The monthly project status report was issued to the Regional Water Quality Control Board;
- The primary goal for September is to assure that the Coastal Commission hearing will be re scheduled for their October 10, 11, and 12, 2012 meeting in Oceanside.
- Morro Bay staff has been requesting meetings with Coastal Commission staff to discuss the proposed project and request their recommendation for approval of the Coastal Development Permit (with conditions);
- Despite repeated attempts to schedule a meeting with Coastal staff, they have replied that they are not prepared to meet and they have also been unwilling to commit to "place holder" meeting appointments;

Staff performed the following steps in August to confirm the accuracy of the influent flow meter. Staff feels that they have corrected the influent meter from over totalizing twenty-four flow totals based on the actions listed below. The investigation into the flow totals was based on a review of the twenty-four hour plant flow totals for the months of June and July. Plant staff suspects that the influent flow meter may have been over totalizing the reported twenty-four hour flow measurements. This suspicion is based on a comparison of the influent and effluent meter flow totals and comparing them to a historical relationship between the two meters. Notable activities included:

- On August 8, plant staff switched to the influent channel with the bar screen rather than running through the muffin monster. They recorded the daily flow totals and immediately noted a reduction in the twenty-four hour flow totals that were more consistent with the historical comparisons of the influent and effluent meter flow totals. Staff believes that this is due to no surcharging of the influent channel as the bar screen was not obstructing flow through the influent channel.
- On August 13, plant staff pulled the muffin monster located in the influent channel for inspection. They noted that the lower half of the muffin monster screen was badly plugged with rags, debris, and large amounts of what appears to be dental floss. They replaced the screen with a new screen that was in inventory. Staff

believes that the rags and debris within the screen was restricting the flow of water into the influent channel resulting in partial surcharging of the palmer bowlus flume used to measure influent flows. This surcharged condition would result in erroneously high flow totals.

- On July 11, staff from Ponton Industries, the factory representative for American Sigma, checked the calibration of the influent flow meter located in the metering manhole on the thirty-inch influent trunk line at the plant. To calibrate the meter, staff plugged the thirty-inch influent trunk line upstream of the twenty-seven inch Palmer-Bowlus flume to calibrate the meter to a zero flow set point. The Calibration Certificate received from Ponton Industries states, “*Read 0.045 inches (4.995 GPM, Set to 0.00 (0.000 gpm)*”. In addition, they confirmed the accuracy of the ultrasonic transducer by removing the transducer from the metering manhole and aiming the transducer at various targets placed at a known distance from the transducer, and comparing the values to a measured distance. The transducer was within factory specifications. They also did a comprehensive review of the programming parameters of the American Sigma 980 Flow Meter Totalizer.
- Plant staff has created an annual work order for inspection, cleaning, and possible replacement of the muffin monster screen. This will ensure that the best possible flow totals will be obtained.

Staff also performed inspection and maintenance procedures on the muffin monster cutter cartridge while the screening unit was being repaired. They replaced the seals and bearings and rearranged the grinding teeth on the shafts so that the sharpest teeth are swapped to the bottom (in the flow line) and the worn teeth are moved to the top of the shaft. This maximizes the useful life of the cutter cartridge assembly, and improves the efficiency of the grinding process.

During the month of August, plant staff and staff from Dittman Associates continued work on an Incident Energy and Arc Flash Study for the plant’s electrical system. The study is expected to take approximately two months to complete.

On August 30, plant staff met with staff from Cannon to further investigate flood prevention mitigation measures. They toured the plant and provided plant staff with potential solutions to sealing electrical conduits and floor drains and plumbing fixtures that could allow water to enter buildings or structures during a flooding event. Staff is in the process of implementing the conduit sealing recommendations, and is researching possible solutions for placing back flow devices for floor drains and plumbing fixtures.

During the month of August, plant staff continued work on a project to replace the expansion chamber on the digester gas system. The project involves fabrication of a bypass gas line so that the section of piping containing the expansion chamber can be isolated and the expansion chamber can be replaced with a new chamber. While the expansion chamber is replaced, the by pass gas line will allow staff to route all digester gas to the waste gas burner in an effort to ensure compliance with the plants Air Pollution Control District permit.

On August 1, plant staff installed a signal wire to the ferrous chloride dosing pumps that allows the pumps to be paced off of the influent flow meter. This will allow the ferrous chloride dosing pumps to be paced by the influent flow meter and react to changes in the flow rate.

On August 17, plant staff sealed the rings in the J Box for Digester #2. The rings are used to control the hydraulic level in the digester. Liquid was leaking between the rings and causing the level of the digester to fluctuate slightly.

On August 15, staff from Harbor Electric installed new ballasts and bulbs in the light fixtures used to light the headworks and interstage buildings.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for July 2012

The following reports were submitted to the CIWQS electronic reporting system:

- The July 2012 Monthly Monitoring Data

On August 18, at 0700 hour's staff responded to an alarm at the plant. They were notified that the Police Department (PD) had driven through the plant and had heard a loud noise coming from a pump. Upon arrival staff discovered that the PD had heard the noise coming from the gas recirculation blower on Digester #2. They noted that the blower was operating as designed and that there were no problems associated with the blower (they are naturally noisy). They performed a detailed inspection of the plant and no other problems were noted.

On August 29, Ms. Jill Baltan and Mr. Joe Christen of the California Department of Public Health, Shellfish Division toured the plant.

On August 22, Mr. Jim Carlton a reporter for the Wall Street Journal toured the plant as part of an article he was writing on the upgrade project.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/August 2012

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY SEPTEMBER 2012

Flow for the month of September averaged 0.972 Million Gallons per Day (MGD).

Removal of suspended solids ranged from 93.1 % to 95.1 % for the month, with an average removal of 94.1 % for the month. BOD removal ranged from 87.3 % to 89.2 % for the month, with an average removal of 88.4 % for the month. There was no rainfall recorded for the month. For the month of September, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities for September concerning the upgrade project for the wwtp: The project is awaiting the scheduling of the Coastal Commission de novo hearing. Coastal Commission staff postponed the hearing that was scheduled for August 9, 2012.

- During August and September MBCSD staff made repeated attempts to schedule staff level meetings with Coastal Commission staff. Coastal Commission staff declined to schedule any meetings in August or September. Finally, a "site tour" is now scheduled for October 2;
- MBCSD also made repeated requests for the de novo hearing to be rescheduled for the October Coastal Commission meeting;
- The project manager spoke under public comment at the Coastal Commission meeting in September and provided a project status report and requested that the de novo hearing be scheduled for the October meeting. The Executive Director was asked by the Commission to comment and he stated that the hearing would not be scheduled for October;
- McCabe & Company continued to communicate in meetings and phone conferences with Coastal Commissioners to provide project updates;
- The monthly status report was provided to the Regional Water Quality Control Board staff;
- The primary goal for October is to receive confirmation that the Coastal Commission hearing will be rescheduled for their November 14, 15, 16, 2012 meeting in Santa Monica.

During the month of September, plant staff and staff from Dittman Associates continued work on an Incident Energy and Arc Flash Study for the plant's electrical system. On September 11, Mr. Dittman toured the plant to verify that the breaker information provided by plant staff and listed on the as-builts was correct. The study is expected to take approximately two months to complete and will include very specific recommendations and budget estimates to implement changes to the WWTP electrical system in order to reduce incident energies and provide for a safer working environment at the WWTP.

During September, plant staff continued preparation for implementing flood prevention mitigation measures. The first phase of the project will be to seal the electrical conduits entering into the various buildings and motor control centers at the plant. The second phase of the project will be to investigate the locations for back flow devices for floor drains and plumbing fixtures that could allow water to enter buildings or structures during a flooding event.

During the month of September, plant staff continued work on a project to replace the expansion chamber on the digester gas system. The project involves fabrication of a bypass gas line so that the section of piping containing the

expansion chamber can be isolated and the expansion chamber can be replaced with a new chamber. While the expansion chamber is replaced, the by pass gas line will allow staff to route all digester gas to the waste gas burner in an effort to ensure compliance with the plants Air Pollution Control District permit.

On September 25, staff from Alpha Electric began the installation of two new Variable Frequency Drives (VFDs) for the secondary effluent pumps located at the interstage pump station. The installation is expected to last two weeks and will include maintenance and repair of the control systems used to control the VFDs.

On September 10, plant staff discovered that Waste Activated Sludge (WAS) Pump #6511 was not pumping. They pulled the inspection plate and discovered debris lodged in the impeller. They removed the debris and placed the pump back on-line. The pump is operating as designed.

Staff collected additional composite influent samples over the Labor Day Weekend as part of the design process. The additional samples were tested for BOD, soluble BOD, total suspended solids, volatile suspended solids, COD, soluble COD, ammonia as nitrogen, alkalinity, and total kjeldahl nitrogen. The data will be forwarded to the design team at MWH.

On September 12, plant staff ordered a new waste gas burner for the digester gas system. The unit is expected to arrive in approximately 12 weeks, and will be installed upon arrival. The new unit replaces an existing waste gas burner that is not cost effective to repair.

On September 11, staff from Sentry Alarms inspected the alarm system for the plant. They replaced the power supply to their alarm unit and the back-up battery for that unit. They performed a test of the system and the unit was operating as designed. On September 21, Sentry staff returned to the plant because the alarm unit was not re-setting following an alarm. It was determined that the problem was in Sentry's programming and not in the plant alarm equipment.

On September 19, plant staff sampled the biosolids in storage at the plant. Staff is awaiting the results of the biosolids analyses at this time. After receipt of the results, staff will make arrangements with a contractor to compost the biosolids.

On September 25, staff from Kones Cranes performed the quarterly inspection of the three cranes at the plant. Staff is waiting for the inspection report at this time.

On September 2, plant staff replaced the suction tubing and fittings on sodium hypochlorite pump #3. The suction tubing had a minor leak.

On September 18, plant staff reviewed the emergency shut off procedures for the chemical delivery truck that delivers sodium bisulfite to the plant. The driver of the truck reviewed the safety procedures and gave staff a hands on tour of the truck.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for August 2012
- The Semi-Annual DMR forms for July 1, to December 31, 2012
- The Annual DMR forms for January 1 to December 31, 2012

The following reports were submitted to the CIWQS electronic reporting system:

- The August 2012 Monthly Monitoring Data
- The Semi-Annual Effluent Sampling Chemical and Bioassay Analysis Results July 2012

On September 12, plant staff submitted flow information from July 1, 2011 to June 30, 2012 as part of an annual Wastewater Information Request from the SLO County Department of Building and Planning.

On September 13, Mr. Bruce Keogh, Mr. Steve Aschenbrener, Mr. John Gunderlock, and Mr. Neza Chavira attended the Tri-Counties CWEA September Workshop and Training Seminar at the City of San Luis Obispo Corporation Yard.

On September 26, Mr. Les Girvin, Mr. Dave Bierman, and Mr. George Helms attended a seminar on bearing use and storage sponsored by Perrys Motors.

On September 8, KSBY Television, a local television news station, aired a segment on the “Don’t Flush the Mush” campaign that recommends that people not flush cat litter into the sewer system. The segment also included best management practices for disposing of cat litter.

On September 22, Mr. Bruce Keogh and Mr. Dylan Wade were on a KVEC radio program to discuss the status of the wastewater treatment plant upgrade project. They also discussed best management practices for disposal of common household concerns such as household hazardous waste, FOG, pharmaceuticals, and cat litter.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/September 2012

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY

OCTOBER 2012

Flow for the month of October averaged 0.897 Million Gallons per Day (MGD).

Removal of suspended solids ranged from 91.1 % to 94.0 % for the month, with an average removal of 92.4 % for the month. BOD removal ranged from 84.3 % to 91.1 % for the month, with an average removal of 87.8 % for the month. The rainfall for the month was 0.95 inches. For the month of October, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities for October concerning the upgrade project for the wwtp:

- Coastal Commission staff met with MBCSD staff and consultants on October 2nd and toured the existing treatment plant site and the Righetti site.
- The project manager spoke under public comment at the Coastal Commission meeting on October 10 in Oceanside and provided a project status report and requested that the de novo hearing be scheduled for the November meeting. This was the fourth request directly to the Commission: One by the City Manager and three by the project manager.
- In late October, CCC staff notified MBCSD staff that the de novo hearing will not be scheduled for the November CCC meeting. The CCC staff had not completed their staff analysis and report in time to meet the agenda deadline.
- MBCSD staff, Dudek and the project manager answered numerous questions from the CCC staff by e mails and conference telephone calls. These information requests from CCC staff were clarification questions concerning the Fine Screening Report submitted in November 2011. No new information has been prepared by the MBCSD team. However, MBCSD staff and consultants have attempted to provide timely responses to the many requests for information and clarification from CCC staff during the past several months.
- McCabe & Company continues to communicate in meetings and phone conferences with Coastal Commissioners to provide project updates.
- The monthly status report was provided to the Regional Water Quality Control Board staff.
- The primary goal for November is to receive confirmation that the Coastal Commission hearing will be rescheduled for their December meeting in San Francisco.

During the month of October, plant staff and staff from Dittman Associates continued work on an Incident Energy and Arc Flash Study for the plant's electrical system. Based on the preliminary results of the study, on October 25, Mr. Dittman and staff from Alpha Electric coordinated the main breakers for the Motor Control Centers by adjusting the set points on the breakers. The study is expected to be completed in November and will include very specific recommendations and budget estimates to implement changes to the WWTP electrical system in order to reduce incident energies and provide for a safer working environment at the WWTP.

During the month of October, plant staff continued preparation for implementing flood prevention mitigation measures. Plant staff and staff from Alpha Electric began sealing the electrical conduits at the point of entry into the various buildings and motor control centers at the plant. This process is expected to take several weeks to complete.

Plant staff completed the installation of a flood gate for the front entrance of the administration building. Plant staff is currently investigating the locations for back flow devices for floor drains and plumbing fixtures that would prevent water entering buildings or structures during a flooding event.

During the month of October, plant staff successfully completed work on a project to replace the expansion chamber on the digester gas system. The project involved extensive preparation so that the main digester gas trunk line could be isolated and purged with inert gas prior to replacing the expansion chamber. Project preparation included fabrication of a bypass gas line capable of connecting to all three digesters so that the section of piping containing the expansion chamber could be isolated and the expansion chamber replaced with a new chamber. While the expansion chamber was replaced, the by pass gas line allowed staff to route all digester gas to the waste gas burner in an effort to ensure compliance with the plants Air Pollution Control District permit. Plant staff notified APCD staff prior to performing the work.

On October 3, staff from Alpha Electric completed the installation of two new Variable Frequency Drives (VFDs) for the secondary effluent pumps located at the interstage pump station. The installation included maintenance and repair of the control systems used to control the VFDs.

On October 24, staff replaced sludge pump #2 with a spare sludge pump. The existing pump will be rebuilt and be available as a spare pump.

On October 24, staff from Alpha Electric completed the installation of a new HydroRanger ultrasonic level control device for the sump pumps in the lower headworks. The existing level control device was not cost effective to repair.

On October 8, staff from San Luis Powerhouse performed the quarterly maintenance and inspection on the emergency auxiliary generator. No problems were noted during the inspection.

On October 5, staff from PG&E inspected the main transformer for the plant. No problems were noted during the inspection.

On October 9, staff from Titan Industrial calibrated the atmospheric gas monitors at the headworks.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for September 2012

The following reports were submitted to the CIWQS electronic reporting system:

- The September 2012 Monthly Monitoring Data
- The Third Quarter Receiving Water Survey – September 2012

On October 2, staff from the California Coastal Commission toured the plant site and the Righetti site (site 16 identified in the Fine Screen Analysis).

On October 3 and 4, approximately 175 (the entire freshmen class) Integrated Science Class students from Morro Bay High School toured the plant. In addition to touring the plant, the students were provided public outreach on *toxoplasma gondii*, best management practices for the proper disposal of cat litter including not flushing cat litter, information on the proper disposal of pharmaceuticals and unused medications, information on the household hazardous waste facility at the plant, and collection system dos and don'ts for the care and well being of the collection system.

On October 10, staff from the Laguna County Sanitation District toured the plant. They were especially interested in the design of the sludge drying beds as they are currently designing new sludge drying beds.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY

NOVEMBER 2012

Flow for the month of November averaged 0.896 Million Gallons per Day (MGD). Removal of suspended solids ranged from 91.8 % to 94.5 % for the month, with an average removal of 93.2 % for the month. BOD removal ranged from 85.2 % to 88.9 % for the month, with an average removal of 87.7 % for the month. The rainfall for the month was 0.78 inches. For the month of November, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities for November concerning the upgrade project for the wwtp:

- The City Manager, the Public Services Director/City Engineer and Susan McCabe attended the California Coastal Commission (CCC) meeting on November 14 and 15, 2012 in Santa Monica. The Public Services Director/City Engineer spoke under public comment to the Coastal Commission and requested that the de novo hearing be scheduled for the December meeting in San Francisco. The CCC executive director replied that the CCC staff is targeting the hearing for the January meeting in Pismo Beach. This was the fifth request for scheduling the hearing, directly to the Commission: One by the City Manager, three by the project manager and one by the Public Services Director/City Engineer.
- MBCSD staff, Dudek and the project manager continue to respond to questions from the CCC staff by emails and conference telephone calls. These information requests from CCC staff are questions concerning the Fine Screening Report submitted in November 2011. No new information has been prepared by the MBCSD team. The MBCSD staff and consultants have provided timely responses to the many requests for information and clarification from CCC staff during the past several months.
- McCabe & Company continues to communicate in meetings and phone discussions with Coastal Commissioners to provide project updates.
- The monthly status report was provided to the Regional Water Quality Control Board staff.
- It is anticipated that the de novo hearing for the Coastal Development Permit will be scheduled for the January 2013 meeting in Pismo Beach.

During the month of November, plant staff and staff from Dittman Associates continued work on an Incident Energy and Arc Flash Study for the plant's electrical system. The written report was completed and staff is currently working with Dittman & Associates and various vendors to begin implementing recommendations contained within the report. The study does include recommendations and budget estimates to implement changes to the WWTP electrical system in order to reduce incident energies and provide for a safer working environment at the WWTP.

During the month of November, plant staff continued preparation for implementing flood prevention mitigation measures. Plant staff and staff from Alpha Electric continued sealing the electrical conduits at the point of entry into the various buildings and motor control centers at the plant. Plant staff is currently investigating the locations for back flow devices for floor drains and plumbing fixtures that would prevent water entering buildings or structures during a flooding event.

On November 30, staff placed main influent pump #1 back on-line. The pump had been removed on November 7 for repairs and maintenance. The repairs included the epoxy coating of the volute and impeller to increase pumping efficiency; rebuilding of the pump that included machining and sleeving of the bearing housing, and the installation of new bearings and seals. The pump was placed back in service on November 21 but a problem was noted with the motor for the pump. The motor was returned to Perrys Motors for repairs and was reinstalled on November 30. The repair work for the motor was covered under warranty. The pump is currently operating as designed.

On November 20, staff from Perry's Motors installed Aeration Air Blower # B-5112. The blower had been shipped to Perry's Motors for repairs and maintenance. Staff at Perry's Motors installed new bearings in the blower, installed a new motor and aligned the blower and motor on the frame. They also increased the height of the frame the blower sits on as part of the flood proofing effort at the plant.

On November 7, 8, and 9, 125 wet tons (or 104 dry metric tons) of biosolids were hauled to McCarthy Farms, Inc., San Joaquin Compost Center in Lost Hills California. The biosolids will be composted and after composting will be used for soil amendment. Plant staff provided a copy of the Residual Biosolids Chemical Analysis conducted in September and Title 22 Certification for Non-hazardous Material prior to hauling. There is approximately 5 dry metric tons (15 cubic yards) of biosolids in storage at the plant.

On November, staff replaced the packing on the knife gate valve for main influent pump #1. While the pump and pump's influent suction line were isolated and off-line, staff performed a video inspection of the influent suction line and the line appeared to be in good condition.

On November 6, plant staff installed new fuse plugs in the fuse plug assemblies located at the waste gas burner, and digesters #1, #2, and #3. They also cleaned and inspected the spark arrestors at those locations. The inspections were prompted by staff noting a high gas pressure in the digester gas line at the manometer. Upon inspection of the system they noted a problem with the fuse plug assembly at the waste gas burner that resulted in the elevated gas pressure within the system.

On November 19, plant staff replaced the time clock and ignition electrode on the ignition system for the waste gas burner. Staff at the APCD was notified once the work had been completed.

On November 16, plant staff installed new fuel lines and barbed connectors from the Convault used to store diesel fuel to the emergency auxiliary generator. They also installed new fuel lines for the day tank and installed a new fuel-water separator.

On November 13, plant staff installed new pressure/vacuum relief valves on all three digesters.

On November 5, staff from Ens Electric replaced the lighting fixtures in the generator room and the switch gear room.

On November 22, during routine testing of the plants alarm systems, staff noted that the float switch for the main influent gate was not operating as designed. Staff from Alpha Electric installed a temporary float switch, and a new float switch was ordered and installed on November 23. The system is operating as designed.

On November 28, plant staff reviewed the High Flow/ Flood Response Guidelines in anticipation of a large storm being forecast for the Central Coast area.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for October 2012

The following reports were submitted to the CIWQS electronic reporting system:

- The October 2012 Monthly Monitoring Data

On November 16, Mr. Mark Elliot of the Air Pollution Control District (APCD) toured the plant and collections division as part of the annual APCD permit inspection process. Mr. Elliot requested that plant staff submit an application to APCD concerning the pending waste gas burner replacement project. The application was submitted to APCD on November 20, the permit also included a description of the lift station upgrade projects for LS 2 and LS #3.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/November 2012

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY

DECEMBER 2012

Flow for the month of December averaged 0.955 Million Gallons per Day (MGD). Removal of suspended solids ranged from 86.9 % to 91.6 % for the month, with an average removal of 89.6 % for the month. BOD removal ranged from 83.5 % to 87.7 % for the month, with an average removal of 85.9 % for the month. The rainfall for the month was 2.03 inches. For the month of December, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities for December concerning the upgrade project for the wwtp:

- The CCC staff issued the de novo staff report recommending denial of the Coastal Development Permit for the project;
- The consultant team began preparations for the de novo hearing;
- The City Council scheduled a special meeting for January 3, 2013 to consider matters related to the CCC staff recommendation and related project issues;
- McCabe & Company continues to communicate in meetings and phone discussions with Coastal Commissioners to provide project updates.
- The monthly status report was provided to the Regional Water Quality Control Board staff.
- The de novo hearing for the Coastal Development Permit is scheduled for January 10, 2013 in Pismo Beach.

On December 11, the outfall pipeline and diffuser system was inspected by Carson Porter Diving. They reported that the outfall appears to be in good condition, with no plugged or broken diffusers. They said the spar buoys used to mark the location of the outfall and the associated ground tackle were in good condition.

During the month of December, plant staff continued work Dittman & Associates and various vendors on implementing recommendations contained within the recently completed Incident Energy and Arc Flash Study for the plant's electrical system. The study includes recommendations to implement changes to the WWTP electrical system in order to reduce incident energies and provide for a safer working environment at the WWTP.

During the month of December, plant staff continued implementing flood prevention mitigation measures. Plant staff and staff from Alpha Electric completed sealing the electrical conduits at the point of entry into the various buildings and motor control centers at the plant. The only conduits remaining to be sealed are the conduits from the main power transformer into the administration building. Staff is coordinating with PG&E to have PG&E staff seal these conduits at the transformer.

Plant staff also completed the installation of sanitary sewer back flow devices on the 3” and 4” laterals that tie into the 6” sewer line that serves the administration building. They are currently investigating the locations for back flow devices for floor drains and plumbing fixtures at the maintenance shop.

On December 12, staff from Perrys Motors installed the motor for main influent pump #2 and the pump was placed back on-line. On December 6, staff discovered a problem with the pump motor and notified staff at Perrys Motors. They removed the pump motor and took it in for inspection and repair. They discovered that the pump motor had a ground fault issue and made the necessary repairs. Following installation of the pump motor the pump is operating as designed.

On December 7, plant staff completed the installation of a new skimmer assembly on the second of the two skimmer assemblies for the secondary clarifier. The existing skimmer was badly corroded and no longer cost effective to repair.

On December 6, plant staff installed new 6” to 5” reducing expansion joints on the discharge piping on both Aeration Air Blowers.

On December 7, laboratory staff placed a new Hach 2100N Turbidimeter on-line. The new turbidimeter replaces an existing unit that is not cost effective to repair.

On December 23, staff from Ens Electric completed the replacement project for the lighting fixtures in the administration building, generator room and the switch gear room.

On December 6, staff from Coastline Equipment installed a new fuel sending gauge and a new fuel return line on the front end loader.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for November 2012

The following reports were submitted to the CIWQS electronic reporting system:

- The November 2012 Monthly Monitoring Data

On December 30, plant staff was on-site when a power outage occurred from 0705 to 0915 hours and again at 1315 to 1507 hours. The emergency auxiliary generator provided power to the plant during this time period. Plant staff noted that there were no problems with the switch to generator power, and that there were no operational issues as a result of the power outage. The outages appeared to have been related to birds on the wires.

On December 17, staff received a notice to construct permit from the Air Pollution Control District (APCD) for the waste gas burner replacement project. The application was submitted to APCD on November 20. The waste gas burner replacement project is currently on-going and is expected to take at least two months to complete.

On December 6, Mr. George Helms and Mr. Neza Chavira attended a Grade I Laboratory Exam review class sponsored by the California Water Environment Association.

On December 17, seventeen children and four adults from a local home school program toured the plant.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/December 2012

Total Plant Flow Cayucos Flow Totals Morro Bay Flow Totals

2010	Total Flow	Daily Flow	Total Flow	Daily Flow	%	Total Flow	Daily Flow	%	# of days	Dates
	JAN	42.053	1.357	11.058	0.357	26.3%	30.995	1.000	73.7%	31
FEB	35.432	1.265	9.845	0.352	27.8%	25.587	0.914	72.2%	28	Feb 1-Feb 28, 2010
MAR	36.204	1.168	9.396	0.303	26.0%	26.808	0.865	74.0%	31	March 1 - 31, 2010
APR	34.481	1.149	8.560	0.285	24.8%	25.921	0.864	75.2%	30	April 1 - April 30, 2010
MAY	34.141	1.101	8.059	0.260	23.6%	26.082	0.841	76.4%	31	May 1 - 31, 2010
JUNE	33.550	1.118	8.109	0.270	24.2%	25.441	0.848	75.8%	30	June 1-30, 2010
JULY	39.626	1.278	10.695	0.345	27.0%	28.931	0.933	73.0%	31	July 1-31, 2010
AUG	37.919	1.223	8.993	0.290	23.7%	28.926	0.933	76.3%	31	August 1-31, 2010
SEPT	31.984	1.066	7.510	0.250	23.5%	24.474	0.816	76.5%	30	September 1-30, 2010
OCT	32.144	1.037	7.490	0.242	23.3%	24.654	0.795	76.7%	31	October 1-31, 2010
NOV	31.512	1.050	7.885	0.263	25.0%	23.627	0.788	75.0%	30	November 1-30, 2010
DEC	44.378	1.432	14.061	0.454	31.7%	30.317	0.978	68.3%	31	December 1-31, 2010
ANNUAL AVERAGES	36.119	1.187	9.305	0.306	25.6%	26.814	0.881	74.4%		
2011	Total Flow	Daily Flow	Total Flow	Daily Flow	%	Total Flow	Daily Flow	%	# of days	Dates
	JAN	42.338	1.366	12.089	0.390	28.6%	30.249	0.976	71.4%	31
FEB	35.600	1.271	9.674	0.346	27.2%	25.926	0.926	72.8%	28	Feb 1-Feb 28, 2011
MAR	47.887	1.545	13.770	0.444	28.8%	34.117	1.101	71.2%	31	March 1 - 31, 2011
APR	38.937	1.298	9.117	0.304	23.4%	29.820	0.994	76.6%	30	April 1 - April 30, 2011
MAY	37.092	1.197	8.704	0.281	23.5%	28.388	0.916	76.5%	31	May 1 - 31, 2011
JUNE	37.769	1.259	9.381	0.313	24.8%	28.388	0.946	75.2%	30	June 1-30, 2011
JULY	43.654	1.408	11.186	0.361	25.6%	32.468	1.047	74.4%	31	July 1-31, 2011
AUG	38.518	1.243	9.080	0.293	23.6%	29.438	0.950	76.4%	31	August 1-31, 2011
SEPT	33.263	1.109	7.526	0.251	22.6%	25.737	0.858	77.4%	30	September 1-30, 2011
OCT	33.454	1.079	7.597	0.245	22.7%	25.857	0.834	77.3%	31	October 1-31, 2011
NOV	33.240	1.108	7.589	0.253	22.8%	25.651	0.855	77.2%	30	November 1-30, 2011
DEC	32.378	1.044	6.982	0.225	21.6%	25.396	0.819	78.4%	31	December 1-31, 2011
ANNUAL AVERAGES	37.844	1.244	9.391	0.309	24.6%	28.453	0.935	75.4%		
2012	Total Flow	Daily Flow	Total Flow	Daily Flow	%	Total Flow	Daily Flow	%	# of days	Dates
	JAN	34.443	1.111	7.444	0.240	21.6%	26.999	0.871	78.4%	31
FEB	30.478	1.051	6.440	0.222	21.1%	24.038	0.829	78.9%	29	Feb 1-Feb 29, 2012
MAR	33.971	1.096	7.711	0.249	22.7%	26.260	0.847	77.3%	31	March 1 - 31, 2012
APR	35.523	1.184	8.573	0.286	24.1%	26.950	0.898	75.9%	30	April 1 - April 30, 2012
MAY	33.393	1.077	7.390	0.238	22.1%	26.003	0.839	77.9%	31	May 1 - 31, 2012
JUNE	40.101	1.337	7.687	0.256	19.2%	32.414	1.080	80.8%	30	June 1-30, 2012
JULY	46.989	1.516	9.832	0.317	20.9%	37.157	1.199	79.1%	31	July 1-31, 2012
AUG	34.343	1.108	8.191	0.264	23.9%	26.152	0.844	76.1%	31	August 1-31, 2012
SEPT	28.167	0.939	6.825	0.228	24.2%	21.342	0.711	75.8%	30	September 1-30, 2012
OCT	27.793	0.897	6.788	0.219	24.4%	21.005	0.678	75.6%	31	October 1-31, 2012
NOV	26.892	0.896	6.295	0.210	23.4%	20.597	0.687	76.6%	30	November 1-30, 2012
DEC	29.608	0.955	8.023	0.259	27.1%	21.585	0.696	72.9%	31	December 1-31, 2012
ANNUAL AVERAGES	33.475	1.097	7.600	0.249	22.9%	25.875	0.848	77.1%		

STAFF REPORT

MORRO BAY-CAYUCOS J.P.A. WASTEWATER TREATMENT PLANT

To: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

From: Bruce Keogh, Wastewater Division Manager

Date: February 7, 2013

Subject:

Consideration to Approve Funding for Implementation of Arc Flash Mitigation Measures

Recommendation:

This Department recommends that following consideration and discussion of this item that the Council and District Board approve additional funding in the amount of \$28,500 to implement Arc Flash mitigation measures.

Fiscal Impact:

For FY2012/2013, the costs accrued for the Arc Flash Study for the Morro Bay-Cayucos Wastewater Treatment Plant have been \$6500. The FY 12/23 budget does not contain funding for Arc Flash mitigation measures recommended in the Arc Flash Study. The cost estimates for implementing Arc Flash mitigation measures are estimated at \$28,500.

Summary:

In July 2012, plant staff contracted with Dittman Associates to perform an Incident Energy and Arc Flash study (Study) for the treatment plant. The Study purpose was to bring the Morro Bay-Cayucos WWTP into compliance with national and internationally recommended and required safety procedures for the safety of employees around electrical equipment, whether the employees are qualified or non-qualified. These recommendations and requirements are invoked by OSHA and National Fire Protection Association - 70E Standard for Electrical Safety in the Workplace respectively. OSHA recognizes NFPA – 70E as a Safety Standard for Electrical Safety. The final Study contains conclusions that note specific recommendations to implement changes to the WWTP electrical system in order to reduce incident energies and provide for a safer working environment at the WWTP.

Discussion:

In July 2012, plant staff contracted with Dittman Associates to perform an Incident Energy and Arc Flash study (Study) for the treatment plant. Mr. Dittman is a licensed electrical engineer with experience in producing Arc Flash studies for a range of agricultural, commercial, and military clients. The Study included a review of the original construction diagrams, a site visit, and modeling of the Arc Flash hazards and incident energies within the various electrical systems at the plant. Based on the results of the study, Dittman provided various recommendations to implement changes to the WWTP electrical system in order to reduce incident energies and provide for a safer working environment at the WWTP.

Following completion of the Study, staff met with Dittman and various vendors to discuss the recommendations and to get cost estimates for implementing mitigation measures to reduce incident energies and provide for a safer working environment at the WWTP.

The results of the Study indicated that the majority of the electrical systems within the various motor control centers (MCCs) throughout the plant are at an Arc Flash rating of 1 or less (on a scale of 0 to 4). The higher the Arc Flash rating, the greater the hazard risk and the requirement for more extensive personnel protective equipment (PPE) and related safety measures. An Arc Flash rating of 1 or less means that less PPE and safety measures are required for working on or in these areas. One of the goals of the Study is to reduce the Arc Flash rating for any electrical system with an Arc Flash rating greater than 1 by employing mitigation measures to that electrical system if possible. Based on the results of the Study, the following measures have been enacted:

- 1) Arc Flash Hazard Labels: Labels were generated by Dittman and placed in all the applicable Motor Control Centers, the labels comply with NFPA – 70E and indicate hazard risks and other associated information that allows electrical personnel to determine appropriate tasks and the required PPE prior to performing work on the specific equipment.
- 2) Coordination of Breakers: Staff from Dittman and Alpha Electric coordinated the main breakers, which involves modification of the current system set points on the various breakers in question. Coordination of the breakers means that the breakers in question would trip in the correct sequence (downstream to upstream) in the event of an Arc Flash or electrical fault.
- 3) Purchase of PPE: plant staff is in the process of purchasing PPE for Arc Flash conditions as outlined in NFPA -70 E for the employees at the plant. PPE purchased will include flame resistant clothing for plant employees, as well as hard hats with Arc Flash rated face shields. This PPE will allow plant staff to participate in work within an Arc Flash boundary as appropriate.
- 4) Training of Plant Staff: NFPA requires training at least annually for any electrical safety related practices necessary for their safety. Arc Flash related training has begun for plant employees. They have been able to get training through the California Joint Powers Insurance Authority (CJPIA), and will be under going further training as classes become available.

Additional Study Recommendations / Work to be Performed:

Staff is seeking funding to perform the following installation, inspection, and maintenance tasks. All the recommended tasks are derived from the Study.

- 1) Installation of an Arc Reduction Maintenance System (ARMS) device on the main utility breaker: Installation of the ARMS device allows for temporary reduction in Arc Flash Hazards during system maintenance. The ARMS device would reduce the Arc Flash hazard from a 3 to a 1 on breakers downstream of the ARMS device, greatly increasing the safety of workers performing work on these systems. Estimated cost for purchase and installation of an ARMS device on the main utility breaker cubicle is \$6500.
- 2) Retro fit of two main utility breakers: In order for the main utility breakers (DS-420 breakers) to be compatible with the ARMS device two of the three DS-420s will require a retrofit package to their current trip circuits. At the same time the trip units are retrofitted it is recommended that the breakers be reconditioned by the manufacturer. Reconditioning is recommended every eight to ten years and the last reconditioning of the two breakers in question was performed in 2004 and 2005 respectively. Estimated cost for the parts, labor, and shipping is approximately \$11,000 per breaker for a total of \$22,000.

Future Recommended Actions

Based on discussions with Dittman and Eaton Cutler Hammer, the breaker and electrical system manufacturer, it is recommended that a complete preventative maintenance program be performed on the main electrical system housed within the Administration building. This will include assessment of main breakers as well as bussing, switchgear and switchboard assemblies.

There has never been a proactive comprehensive PM program on the electrical components in the administration building, all repairs and inspections have been prompted by issues noted by staff or failure of equipment. This will require all power to be shut down to the plant while this procedure is performed and will require close coordination with PG&E. The work will be performed in the middle of the night during low flows, and staff will utilize and implement operational strategies to make this scenario work while attempting to maintain compliance with the plant's NPDES permit requirements. Estimated cost for this scope of work is \$25,000. Staff is recommending that this scope and a comprehensive evaluation and preventative maintenance program for all the electrical systems and Motor Control Centers be included in the Capital Improvement Plan that will be developed for the plant.

Conclusion:

This Department recommends that following consideration and discussion of this item that the Council and District Board approve additional funding in the amount of \$28,500 to implement Arc Flash mitigation measures.

STAFF REPORT

**MORRO BAY-CAYUCOS J.P.A.
WASTEWATER TREATMENT PLANT**

To: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

From: Bruce Keogh, Wastewater Division Manager

Date: February 7, 2013

Subject: Discussion and Consideration of the Permit Renewal Process for the Wastewater Treatment Plant NPDES Permit No. CA0047881

Recommendation:

Following discussion and consideration of this item, the Council and Board provide direction to staff.

Fiscal Impact:

There is no fiscal impact at this time.

Summary:

This staff report is intended to provide an overview of the permit renewal process for the Morro Bay/Cayucos Wastewater Treatment Plant. The Morro Bay/Cayucos Wastewater Treatment Plant (plant or WWTP) operates under National Pollution Discharge Elimination System (NPDES) permit No. CA0047881. The NPDES permit expires on March 1, 2014. The permit includes a 301(h) modified discharge permit, which waives full secondary treatment requirements; it is important to note that the 301(h) modified discharge permit applies only to full secondary treatment requirements for suspended solids and Biochemical Oxygen Demand (BOD). The plant operates as a full secondary treatment facility for all other constituents listed in the NPDES permit.

NPDES permits are generally issued for five years. The permit requires that MBCSD submit an application six-months prior to the expiration of the permit. As the permit became effective March 1, 2009, this would require that a complete permit application be submitted by September 1, 2013 to the appropriate regulatory agencies. The type of discharge permit MBCSD applies for, either a full secondary permit with interim effluent limits or a 301(h) modified discharge permit, will determine the application process and the regulatory agencies involved. With a full secondary permit the Regional Water Quality Control Board (RWQCB) will be primarily involved in the permit renewal process. With a 301(h) modified discharge permit, in addition to the RWQCB, the California Coastal Commission (CCC), the U.S. Environmental Protection Agency (EPA), U.S. Department of Fish & Wildlife, and other regulatory agencies will all be involved in the permitting approval process.

Discussion:

The recent denial by the California Coastal Commission of the Coastal Development Permit (CDP) for a new WWTP at the existing plant location has provided clear direction to the City and District that they will need to quickly analyze alternative locations for a new WWTP. Based on the Commission's denial of the CDP, MBCSD will need to have prompt discussions with the RWQCB staff regarding future permitting options as well as the need to adopt a new Conversion Schedule through an enforceable instrument approved by the RWQCB and the EPA. At this point, it appears that MBCSD has two options: 1) Apply for one more 301(h) modified discharge permit; or 2) Apply for a full secondary permit with interim effluent limits.

MBCSD is currently attempting to arrange a meeting with RWQCB staff to discuss permitting options and will bring back that information at the next JPA meeting for consideration by the Council and Board. In addition, MBCSD will discuss the best mechanism to adopt a new Conversion Schedule; among the options are amending the Settlement Agreement (requiring MBCSD to be at full secondary treatment by March 2014), a time schedule order or a cease and desist order.

Settlement Agreement for Issuance of Permits to and Upgrade of the Morro Bay-Cayucos Wastewater Treatment Plant

During the last permit renewal process the City and District (MBCSD) entered into a Settlement Agreement for Issuance of Permits to and Upgrade of the Morro Bay-Cayucos Wastewater Treatment Plant (SA) with the RWQCB for upgrading the plant to at least full secondary treatment by March 31, 2014. The SA included a Conversion Schedule with milestones for completing the planning, design, construction and operation of the plant necessary to attain compliance with full secondary treatment requirements. A copy of the Conversion Schedule is attached. The SA also provided that the RWQCB would issue a 301(h) modified discharge permit to the MBCSD in March 2009. The SA further states, "*The Discharger agrees not to apply for a permit that includes modifications to full secondary discharge requirements after the expiration of the Modified Discharge Permit.*" (SA, Section B.2.a.4). The reference to the Modified Discharge Permit is for the NPDES permit the plant currently operates under and that expires in March 2014.

In addition, the SA further states, "*For the five (5) year period following the expiration of the Modified Discharge Permit, the RWQCB shall (i) issue a NPDES Permit that includes effluent limitations consistent with CWA full secondary treatment requirements, or any more stringent requirements that are necessary due to New Evidence or that the Discharger agrees to, and (ii) concurrently issue a 13385(j)(3) Order. The 13385(j)(3) Order shall include interim effluent limits for BOD and suspended solids that are the same as those in the Modified Discharge Permit.*" (Page 7 b. of the SA)

The SA defines a 13385(j) Order as, "*A time schedule order or cease and desist order that requires the Discharger to complete the upgrades according to the Conversion Schedule, and that meets the requirements of Water Code Section 13385(j), in order to allow the RWQCB to avoid imposing mandatory minimum penalties.*" (page 4, #6 of the SA)

The granting of a full secondary permit with interim effluent limits allows for the MBCSD to be protected from fines for not meeting full secondary effluent limits. The interim effluent limits can only be applied to one five-year permit cycle, meaning that at the end of that permit cycle, the plant would have to meet full secondary treatment requirements or face minimum mandatory penalties of at least \$3,000 per day per constituent that is violated. For example if the permit

renewal date was March 31, 2014, then the plant would have to meet full secondary requirements by March 31, 2019 when the permit with the interim effluent limits expires.

Based on the time schedule estimates provided by Dudek in the Fine Screening Analysis, moving the project to the Righetti, site for example, would involve up to a ten year project completion window. If another 301(h) modified discharge permit is not issued under this scenario, and a full secondary permit with interim effluent limits is issued, MBCSD would be liable for any penalties incurred after the interim effluent limits expire in five years. This could result in a long period of non-compliance resulting in significant monetary penalties. This scenario would require a rapidly expedited project schedule that would not be realistic based on the actual time expended in developing the project recently denied a CDP, and the actual times required for development of similar projects in the area.

As an alternative to paying fines for some number of years it may be possible to upgrade the existing treatment process to maximize the amount of time the discharge limitations can be met. There would be significant costs associated with this alternative that have not been developed beyond the original Facilities Master Plan which warrant our immediate attention.

Application Packet and Process

As stated above, the current permit expires on March 1, 2014, and an application packet is due by September 1, 2013. As noted above, the type of application will vary depending on the type of permit ultimately applied for by MBCSD. The application process for a full secondary permit with interim effluent limits and the application process for a 301(h) modified discharge permit vary in the format of the application, the number of agencies involved in the permit renewal process, and the complexity and likelihood of receiving a permit. The permitting process for the 301(h) modified discharge permit is far more complicated and requires the submittal of a supplemental document that provides the technical basis for renewal of the 301(h) modified discharge permit. It summarizes data collected during the monitoring program for the current permit and augments information provided in previous NPDES applications and EPA's review of those applications. The supplement follows the questionnaire format provided by the EPA in their Technical Support Documentation for Section 301(h) applications. It is a highly technical document that will likely be prepared by Marine Research Specialists, who prepared the last 301 (h) permit application packet in conjunction with plant staff. The last 301(h) permitting cycle took 6 years and cost approximately \$170K dollars to complete. During the application process the existing permit is administratively extended by RWQCB staff. If MBCSD does apply for another 301(h) modified discharge permit, the costs associated with the application process should be significantly less expensive because much of the work product from the last application can be re-used eliminating a tremendous amount of work and related costs expended to answer numerous technical questions.

As indicated, the number of agencies involved with the permitting process is much larger with a 301(h) modified discharge permit than with an application for a secondary permit with interim effluent limits. A 301(h) modified discharge permit requires input and concurrence from EPA, National Marine Fisheries, US Fish & Wildlife, and the California Coastal Commission. It can be safely stated that 301(h) permits, by their very nature, are disfavored by the RWQCB, EPA and other regulatory agencies. It is MBCSD's staff's understanding, that under the Memorandum of Understanding between the EPA and the RWQCB, the RWQCB is able to issue full secondary permits without the extensive involvement of the agencies listed above. Regardless of the involvement of the other agencies the permitting process is substantially less costly and complex for the full secondary permit with interim effluent limits.

Conclusion:

Resolution of the Coastal Permitting process for the previously planned project has provided MBCSD with a better understanding of the time frame and options for future permit renewal requirements. MBCSD staff will meet with RWQCB and EPA on the various permit renewal options available. It is important that MBCSD get clear direction as soon as possible to allow MBCSD staff and consultants adequate time to prepare and submit a permit application in a timely manner. Staff will continue to update the Council and Board on the permit renewal process as information becomes available.

Lab/Bkeogh/JPA/JPA 2013Meetings/February 14 2013 JPA meeting/Permit Renewal Discussion JPA Feb 2013

CONVERSION SCHEDULE

Task	Date of Completion ¹
Preliminary Activities:	
1. Issuance of Request for Consulting Engineering Proposals for Facilities Master Plan	November 11, 2005
2. Award of Consulting Engineering Contracts	April 27, 2006
Facilities Planning:	
1. Submit Final Draft Facilities Master Plan	November 30, 2007
2. Submit Final Facilities Master Plan	September 30, 2009
Environmental Review and Permitting:	
1. Complete and Circulate Draft CEQA Document	February 27, 2009
2. Obtain Coastal Development Permit	May 31, 2011
Financing:	
1. Complete Draft Plan for Project Design and Construction Financing	December 31, 2007
2. Complete Final Plan for Project Financing	June 30, 2008
3. Submit proof that all necessary financing has been secured, including compliance with Proposition 218	October 30, 2009
Design and Construction:	
1. Initiate Design	September 30, 2010
2. Issue Notice to Proceed with Construction	March 29, 2012
3. Construction Progress Reports	Quarterly (with SMRS)
4. Complete Construction and Commence Debugging and Startup	January 31, 2014
5. Achieve Full Compliance with Secondary Treatment	March 31, 2014
1. Any completion date falling on a Saturday, Sunday, or State holiday shall be extended until the next business day. The Discharger shall submit proof of completion of each task within 30 days after the due date for completion.	

STAFF REPORT

MORRO BAY-CAYUCOS J.P.A. WASTEWATER TREATMENT PLANT

To: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

From: Bruce Keogh, Wastewater Division Manager

Date: February 7, 2013

Subject:

Discussion and Consideration of a Major Maintenance & Repair Plan (MMRP) for the WWTP

Recommendation:

This Department recommends that following discussion and consideration of this item that the Council and District Board direct staff accordingly.

Fiscal Impact:

There is no fiscal impact at this time. It is estimated that development of a ten year Major Maintenance & Repair Plan (MMRP) could range between \$70,000 and \$150,000 depending upon the scope of work selected and whether the work is done in-house or contracted out. The lowest cost estimate represents a very limited update of existing data using in-house resources with a flexible delivery date. While, the highest cost estimate would include an assessment by wastewater treatment consultants of remaining service-life for major plant components and equipment, as well as an evaluation of potential plant upgrades to improve the quality of effluent to reduce potential exposure to monetary penalties for discharge permit violations and facilitate permit renewal.

Summary:

This staff report is intended to provide a discussion of the methods for developing of a MMRP for the WWTP that would cover the time period required to complete siting, permitting and construction of a replacement WWTP upgrade project. This item was on the November 8, 2012 JPA agenda; at that meeting staff recommended that prior to developing a Capital Improvement Program that the permitting issues with the proposed project be resolved with the California Coastal Commission (CCC). The CCC has denied the application to upgrade the existing WWTP at its current location so a new project needs to be developed. Therefore, staff anticipates that the existing plant will need to remain in operation an additional 8-10 years. Resolution of the permitting issues is also necessary to resolve the final scope of this MMRP. If a new 301(h) modified discharge permit is either not applied for or is denied after application is made, a

technology screening may need to be included to evaluate potential methods to improve existing plant effluent.

It should be noted that while previous discussions centered on a Capital Improvements Program (CIP), recent comments by the auditor of the MBCSD budget indicate that maintenance and repair of existing plant components, regardless of the dollar value, should be accounted for out of the Operations and Maintenance (O&M) budget rather than Capital Improvement budget. So for purposes of this discussion, staff has shifted terminology to more accurately characterize the nature of the work that will comprise these major rehabilitation projects. The proposed MMRP will include only maintenance and repair work that is essential to ensure a high level of efficiency for plant performance and keep the plant in compliance with the NPDES Discharge permit.

Development of a MMRP will assist the City and District in projecting the budgeting of expenditures required to keep the current plant operating in compliance with regulatory requirements. A five-year CIP was developed in 2009 to assist the District and the City in projecting expenditures for the treatment plant budget during the upgrade process for the treatment plant that was expected to be complete in March 2014. With the denial of the Coastal Development Permit (CDP) by the CCC the upgrade will not be completed for many years. MBCSD staff believes development of a ten-year MMRP is critical for planning and budgeting purposes as the WWTP planning, design and construction progress. The ten-year window corresponds with the most conservative time estimates for developing a replacement project at an alternative site, such as the Righetti property.

Discussion:

The Council and Board members have requested that the current CIP be revised to provide insight into the major O&M costs at the existing plant associated with upgrade project delays and to better assist their annual budget projections. The proposed MMRP will serve this purpose.

Until the Coastal Commission action of January 10, 2013, the City and District were working on an upgrade to the WWTP that was scheduled to be complete in March 2014. Denial of the CDP by the CCC requires the City and District to look for alternative sites for locating a WWTP. Development of a WWTP at an alternative site is estimated to take between eight to ten years to complete. The 10-year time period is a conservative estimate based on the time schedule provided by Dudek in the Fine Screening Analysis. Moving the project to the Righetti site for example, could involve up to a ten-year project completion window. Regardless of the time frame required to successfully complete an upgrade project, the MMRP would be reviewed and revised on an annual basis during the budget preparation process and only essential projects would be funded.

One of the original driving forces behind the upgrade has been that the plant is nearing the end of its useful life and needs to be rehabilitated and modernized. The plant will need to be maintained during the upgrade process, as the plant will have to remain functional and in compliance until the new plant is constructed, operational, and in compliance with at least full secondary treatment discharge permit requirements. This presents a potential challenge in determining the budget allocations for maintenance, repairs, and replacement of critical equipment and structures required to keep the existing plant in compliance with the NPDES discharge permit. The existing law that requires \$3,000/day minimum mandatory penalties for each violation of the NPDES

permit is a strong incentive to remain in compliance, as the penalty amounts can rapidly increase for any extended period of non-compliance.

It should be noted that the City and District have done a good job of funding the O&M budget to keep the plant operating at a high level of performance, but because of the age of the facility, unexpected failures or breakdowns are anticipated with increasing frequency. Events at the plant during the past several years, have underscored the fact that the plant is old and will likely require more intensive maintenance that include electrical upgrades and structural repairs during the time period that is required for a successful plant replacement.

MBCSD staff did meet with Cannon Engineering staff to request a proposal for developing the CIP and discuss a scope of work. A draft proposal was received on October 9. After a preliminary review of the draft proposal, MBCSD staff recommended that both the scope of work and the fee estimate be refined after the CCC permitting renewal process has been completed. This approach minimizes immediate expense and allows MBCSD to more clearly define the scope of work and provide a better estimate of the time period for keeping the plant operational.

MMRP Development

MBCSD staff recommends that there are two possible options for developing a MMRP. The first option would be to have MBCSD staff develop the MMRP and then have it reviewed by an outside third party such as Cannon Engineering. The third party review would ensure that valid assumptions and price estimating were used in developing the MMRP. This approach could require contracting for specialized engineering support. For example, structural engineers might be required for a comprehensive analysis on the digester structures and electrical engineers would be needed to assess the condition of power and equipment controls.

The second option is to hire an outside consultant to develop the entire MMRP. This option would likely require an RFP process for selection of the consultant. There are several local engineering firms capable of developing a MMRP for the MBCSD. This approach would still include MBCSD staff input into the MMRP, but would be a more turn-key approach. This is the approach that the City and District used when they hired Cannon Engineering to develop the existing CIP in 2009.

Pros and Cons of Each Option:

- 1) The City has a trained professional engineering staff capable of developing the MMRP but lacks several specialty skills and other projects may need to be deferred to complete this additional tasking within four months. Regardless of which option is selected, MBCSD staff will be involved extensively as they will need to provide historical information on repair projects, costs, and conditions of equipment and structures.
- 2) Development of a MMRP is inextricably linked to several other issues including the permit renewal, siting decision, future treatment method and the budget cycle. So it may be advantageous to develop the MMRP in stages over the course of a year or more as some of these key decision points are resolved.
- 3) The nature of the funding decisions regarding replacement versus repair of aged equipment and facilities requires extensive specialized experience in WWTP design, operations and technology trends. In-house engineers are generalists who practice across

- a broad range of subjects and facilities issues, where a consultant works day in and day out on WWTP issues and has a better sense of the current state of technology options.
- 4) Both options should allow for similar time frames to complete the MMRP. The in-house option saves time by eliminating the consultant selection process but will be tempered by the existing work load of MBCSD staff. Hiring a consultant will take more time up front, but the consultant will likely have the ability to bring a more focused effort once under contract.
 - 5) The in-house option is probably going to be less expensive as MBCSD staff would be utilized to perform the vast majority of the work. Regardless a project budget will need to be established that allows MBCSD staff to access specialized professionals as required.
 - 6) The failure of any one of the many WWTP processes would place significant financial liability on the MBCSD. If a consultant is utilized, they may share in this liability.
 - 7) Regardless of the option selected, the City and District will need to discuss cost allocation and whether the MMRP would be based on flow or ownership capacities.

Scope of the MMRP

The scope of work for developing this MMRP will be more robust and encompass more of the plant structures than the CIP that was developed in 2009. The proposed MMRP will be based on a conservative engineering approach that assumes the plant will need to remain in service and operational for at least ten years and that significant improvements will be required to maintain operational efficiency and compliance. One of the major differences with the scope of work for this MMRP versus the CIP developed in 2009 is that MBCSD staff strongly recommends that structural components be included in the evaluation and development of the MMRP under consideration. In addition, flood mitigation measures will also need to be addressed. The 2009 CIP focused primarily on equipment related assets and did not really focus on major plant structures like digesters or the chlorine contact tank. Many of these structures were not addressed in the 2009 CIP because at that time the plan was to retire and demolish those structures at the completion of the upgrade in March 2014. Plant staff does have significant concerns with the structural integrity of some of the older components, such as the chlorine contact tank and Digester #1, and recommend that based on the potential extended time frame for the completion of the WWTP project, that these and other plant structures be evaluated using non-destructive testing during the development of the MMRP. In addition, the lack of redundancy for the secondary clarifier makes it more difficult to perform major maintenance tasks such as installing a new drive unit for the clarifier.

During scoping meeting discussions, MBCSD staff agreed on an approach that utilizes the framework of the existing CIP at the same time incorporating the information contained in Chapter 6 of the FMP as a starting point for the MMRP. Chapter 6 provided a good background narrative of the status and condition of the various treatment processes at the time it was written in 2006. In addition to a good narrative description of structures and equipment, it contains recommendations for rehabilitation, replacement, or retirement based on the proposed upgrade project, and provided planning level estimates for rehabilitation or replacement costs. It should be noted that the information in Chapter 6 is now over six years old and needs to be revisited as part of the MMRP.

It is critical to note that the MMRP as envisioned is designed to estimate costs associated with maintaining the plant as it is currently operated. Defining the scope thoroughly will clearly

delineate the expectations of the finished product. If the Council and Board wish to explore projects associated with enhancing plant performance they need to provide this direction to staff. One alternative is to include ideas associated with enhancing plant performance as a subset of the MMRP. Some MMRP projects could propose various options for repair and rehabilitation that would maintain treatment performance as is, or for slightly higher cost and effort, might enhance the treatment performance of that process. These projects could be highlighted in the MMRP for future discussion by the Council and Board.

Future Use of the MMRP

Similar to the CIP developed in 2009, the proposed MMRP would be used as a planning and budgeting tool. When developing annual budgets, plant staff will use the MMRP as a guide for bringing projects forward and should provide reasonable planning level cost estimates for providing budgetary numbers. It is important to note that plant staff has maintained and regularly updates a spreadsheet showing actual expenses on an annual basis for completed projects and maintenance tasks that were identified in the 2009 CIP. Based on a proposed time schedule of three to four months for completion of the initial stage of the MMRP, preliminary project estimates should be available for consideration in preparation of the FY13/14 budget.

As with the current budgeting practice, plant staff would review the MMRP during annual budget development and determine if the project is warranted at that time based on structure and equipment condition and the then current estimate for how long the plant will have to be in operation. An example of this is the screening units at the headworks. The 2009 CIP recommended replacement in FY10/11 with a replacement cost of \$400K, but the project was not pursued at that time because the replacement screens would not have been compatible with the proposed upgrade project. Due to the length of time for development of a new WWTP project and the age and conditions of the current screening units, staff will be recommending installation of new screens at the existing headworks in the next fiscal year.

Cost Allocation

Staff recommends that all costs associated with development and implementation of this MMRP be shared using the same flow-based allocation formula that has already been established by the JPA for all other operation and maintenance expenses. Therefore both in-house staff expenses as well as consultant costs should be shared proportionately by both parties to the JPA. A detailed budget will be prepared for future JPA review after this initial direction is provided to staff.

Conclusion:

It is recommended that the Council and Board direct MBCSD staff to develop the MMRP in stages and then have the MMRP reviewed by an outside third party such as Cannon Engineering.

STAFF REPORT

**MORRO BAY-CAYUCOS J.P.A.
WASTEWATER TREATMENT PLANT**

To: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

From: Rob Livick, PE/PLS – Public Services Director/City Engineer
Rick Koon, General Manager Cayucos Sanitary District

Date: February 7, 2013

Subject: Discussion and Consideration Regarding Selecting A New WWTP Project.

Recommendation

Following discussion and consideration of this item, the Council and Board provide direction to staff.

Fiscal Impact:

The result of the Coastal Commission denying the WWTP project at the current site will have a fiscal impact and will likely significantly increase project costs. The extent of that cost increase would be speculative at this point and depends on the WWTP project(s) selected by the City and District.

Background:

On January 10, 2013 the California Coastal Commission denied Commission Appeal No. A-3-MRB-11-001, the Morro Bay-Cayucos Sanitary District Wastewater Treatment Plant Project Application. The Coastal Commission was presented with City of Morro Bay Resolution 07-13 supporting Coastal Commission staff's recommendation to deny the project, and had previously been provided with Cayucos Sanitary District Resolution 2013-1 seeking to withdraw the application. Both the City of Morro Bay and the Cayucos Sanitary District have suspended indefinitely the contracts of the consultants that had worked on that project.

Discussion:

Denial of the WWTP project described in the 2008 Settlement Agreement with the RWQCB, makes the required upgrade to full secondary treatment by March 31, 2014 infeasible. It is important that the Council and Board promptly identify new WWTP project alternatives and work with the RWQCB to pursue a new project.

The following is a list of general discussion items that the Council and Board may wish to consider:

- Options for a new WWTP project(s)
- Coordination with RWQCB staff
- Use of Consultants

Conclusion:

Provide direction to staff.

STAFF REPORT

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WASTEWATER TREATMENT PLANT**

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