



CITY OF EUREKA PUBLIC WORKS DEPARTMENT

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May 22, 2017

(6/20/17) Board Meeting
FFY 2017 CWSRF IUP
Deadline: 5/22/17 by 12 noon

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, California 95814
via email: commentletters@waterboards.ca.gov



Re: Comment Letter – June 20, 2017 Board Meeting – FFY 2017 CWSRF IUP

Dear Clerk and Members of the Board:

Thank you for the opportunity to comment on the 2017 Clean Water State Revolving Fund (CWSRF) Intended Use Plan (IUP). The City of Eureka owns and operates a collection system with a network of 125 miles of sewer main, 14 lift stations, and four pump stations, all of which flow to the Elk River Wastewater Treatment Plant (WWTP). On June 16, 2016, the North Coast Regional Water Quality Control Board (NCRWQCB) issued NPDES No. CA0024449 (Discharge Permit) and accompanying Cease and Desist Order (CDO) R1-2016-0012 to the City.

The City's discharge permit fundamentally changes the way in which the WWTP has been regulated since its commissioning in 1984. This includes the reclassification of the WWTP outfall from an ocean discharge to a bays and estuaries discharge, a new prohibition of blending primary and secondary treated wet weather flows, and significantly lower effluent limits for several constituents including ammonia.

Over the past year, the City and its consultants have developed a plan for compliance with the new blending prohibition, which would also address the new ammonia limits. The most feasible alternative has a preliminary cost estimate of \$30 million. In addition, the City faces unknown costs for compliance with the State Implementation Policy for enclosed bays and estuaries, along with \$10 million in routine maintenance projects programmed at the WWTP over the next five years. Finally, with an aging collection system, 35% of which is more than 100 years old, the City anticipates spending approximately \$25 million on maintenance and inflow and infiltration reduction over the next 20 years.

The cumulative cost of these projects is more than the City's current wastewater rate structure can accommodate. As such, the City Council recently adopted new utility rates which go into effect on July 1 and phase in over the next five fiscal years. The cumulative wastewater rate increase over this five year period will be 129%, resulting in an average monthly residential wastewater bill of \$64 (in addition to a water bill of \$45.81). According to US Census Bureau data, the Median Household Income (MHI) in Eureka is \$37,094 (within \$4 of severely disadvantaged community (SDAC) status), which means that the City's wastewater rates will be 2.07% of MHI by the time they are fully implemented.

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State Water Resources Control Board Resolution No. 2008-0048 (“Promoting Strategies to Assist Small *and/or* Disadvantaged Communities with Wastewater Needs”) [emphasis added] refers throughout to small and/or disadvantaged communities collectively, yet regulations preclude DACs and SDACs that do not fall under the 20,000 population threshold from being eligible for planning or construction grants.

The City of Eureka recognizes and appreciates that any municipality, regardless of population, MHI, or wastewater rates, may be eligible for principal forgiveness for projects consistent with the Greed Project Reserve: Guidance for Determining Project Eligibility, as outlined in Table 4.d of the Draft CWSRF IUP. In order to better assist local jurisdictions that are not considered small, the City requests that the Final IUP include a provision to allow principal forgiveness for broader categories of projects and/or reduced interest rates for SDACs that do not qualify as small. Doing so would assist not only the City of Eureka, but 18 other SDACs statewide, in planning and implementing important wastewater projects to safeguard water quality in California.

The City appreciates the Board’s dedication to the protection of water quality in California. We look forward to continuing to work with the Board and its staff to further that goal. If you have any questions regarding the City’s comments, please feel free to contact me.

Best regards,



Brian Gerving
Director of Public Works