



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** July 2, 2019

**DEPARTMENT:** PUBLIC WORKS

**FROM:** DAVID JACOBS, DIRECTOR

**BY:** BRIAN FRUS, SENIOR ENGINEER

**TITLE:** INDUSTRIAL WASTEWATER DISCHARGE PERMIT ISSUED BY MONTEREY ONE WATER

### RECOMMENDED MOTION:

A motion to approve a resolution related to a permit with Monterey One Water to discharge industrial wastewater from the Salinas Pump Station.

### RECOMMENDATION:

Staff recommends that the City Council approve a resolution related to a permit with Monterey One Water to discharge industrial wastewater from the Salinas Pump Station.

### EXECUTIVE SUMMARY

The City of Salinas operates an Industrial Wastewater Treatment Facility (IWTF) which collectively receives discharges from a number of agricultural industries. Untreated wastewater may be processed at the facility or diverted directly to Monterey One Water (M1W). However, M1W ceased this process because a compliance audit revealed that the diversion of untreated wastewater was not in conformance with M1W's industrial pretreatment program requirements. To resolve this issue, an Industrial Wastewater Discharge Permit will be issued by M1W to the City of Salinas to regulate the discharge from the Industrial Wastewater System.

The anticipated execution of grant funded construction will require dewatering at the IWTF making the diversion of untreated wastewater necessary to ensure this is accomplished in a timely manner. In addition, renewing the ability to divert wastewater continues the efforts to increase water recycling in the region by providing source waters for the Pure Water Monterey Groundwater Replenishment and Castroville Seawater Intrusion projects. Maintenance work at the IWTF facility is also required and will benefit from wastewater diversion.

### BACKGROUND:

The City of Salinas operates an Industrial Wastewater Treatment Facility which accepts individual discharges from a number of industries. The combined wastewater flow from the industries is conveyed through the Salinas Pump Station (TP1) before flowing to the IWTF. Wastewater flows may also be accepted directly by Monterey One Water. This is accomplished by diverting untreated wastewater, using infrastructure improvements at TP1. When diverted, the wastewater is conveyed via the main interceptor pipeline to the Regional Treatment Plant (RTP).

The process of diverting wastewater directly to M1W and associated infrastructure improvements are elements of the October 2015 *Agreement for Conveyance and Treatment of Industrial Waste Water by and Between the City and the M1W* by City of Salinas (Resolution 20862). More broadly, this agreement is a result of the continuing collaboration between the City and M1W to increase water recycling for the Pure Water Monterey Groundwater Replenishment project and improve groundwater conditions for the Castroville Seawater Intrusion Project (CSIP).

Ancillary to the above, M1W in coordination with the City, secured \$10 million in State Proposition 1 grant funds from the State Water Resources Control Board (State Agreement No. D1712659). Of these funds, \$6.9 million are allocated for improvements at the City's IWTF and TP1. The Grant projects will add additional infrastructure to facilitate the capture and reuse of stormwater and the transfer of treated effluent from the IWTF. Bids were solicited and received on May 20 and 23, 2019. The M1W Recycled Water Committee voted to recommend award of the bids on June 13, 2019. As of this writing, the M1W Board of Directors will consider award of the contracts at their June 24, 2019 meeting.

In August 2017, a pretreatment compliance audit revealed that the process of diverting and accepting untreated wastewater was not in conformance with M1W's industrial pretreatment program requirements. While compliance inspections of the industrial users that discharge to the Industrial Wastewater System are performed, they focus on complying with the Salinas Wastewater Discharge Requirements rather than M1W's requirements. This discrepancy and the lack of a control mechanism such as a permit, order, or similar means, is not in accordance with Title 40 of the Code of Federal Regulations (40 CFR) Part 403 which regulates industrial users. Subsequently, M1W ceased diversions of the wastewater to the RTP.

In order to address the above issue, staff from the City of Salinas and M1W have worked to draft an Industrial Wastewater Discharge Permit which will be issued by M1W to regulate the discharge from the Industrial Wastewater System to the RTP. Having this permit in place will be necessary to allow M1W to resume accepting untreated wastewater flows.

In the near term, execution of the grant funded projects will require draining Pond 3 at the IWTF such that it will be dry prior to work commencing. Flows to the IWTF are currently at their seasonal high. Thus, in order for Pond 3 dewatering to be successful, diversion of the industrial wastewater will be necessary along with other operational changes at the facility. In order to maintain the grant schedule, the dewatering effort should commence as soon as possible. Thus, the need to implement the permit and have the ability to divert wastewater flows is timely.

Over the long term, renewing the ability to divert wastewater preserves the intent of the October 2015 agreement by giving M1W the option of accepting the flows to serve its Pure Water Monterey Groundwater Replenishment project and to augment the existing CSIP crop irrigation supply. Certain maintenance work at the IWTF facility will also benefit from and necessitate the diversion of wastewater directly to the RTP.

The proposed Industrial Wastewater Discharge Permit to be issued is in accordance with M1W Ordinance 2008-01 and Federal General Pretreatment Regulations 40 CFR 122 and 403. It establishes monitoring and reporting requirements, discharge limits, annual fees, notification procedures, and penalties for non-compliance. City staff worked closely with their counterparts at M1W to ensure that the permit is not overly punitive while still meeting the overall compliance objectives of industrial pretreatment program requirements raised in the audit.

### CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

### STRATEGIC PLAN INITIATIVE:

The proposed project and agreement relate to the following City Council's Strategic Plan Initiatives:

1. **Economic Diversity and Prosperity:** Enables improvements to the Industrial Wastewater Treatment Facility which will ultimately benefit local agricultural interests.
2. **Well Planned City and Infrastructure:** This project helps provide safe, secure sources of water.

### DEPARTMENTAL COORDINATION:

This project will rely on coordination between the Public Works Sewer and Water, Waste and Energy (WWE) divisions. WWE has drafted and reviewed the permit and will continue to provide engineering support. The Maintenance Industrial Waste Division will coordinate on-site activities required for compliance with the permit requirements. Both WWE and Public Works Sewer with need to coordinate and maintain contact with M1W.

### FISCAL AND SUSTAINABILITY IMPACT:

This project is funded completely by the Industrial Waste Enterprise fund. Monetary considerations include an annual permit fee of \$4,125, additional sampling and analytical costs associated with monitoring requirements and potential penalties in the unlikely event of a violation. This project will have no impact on the General Fund.

### ATTACHMENTS:

Resolution

Industrial Wastewater Discharge Permit, No. 198 - Monterey One Water, July 2, 2019