



COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

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GRACE ROBINSON HYDE
Chief Engineer and General Manager

April 10, 2019
File No. 26-02.01-55/32-04.01-55

VIA ELECTRONIC MAIL

Ms. Renee Purdy, Interim Executive Officer
California Regional Water Quality Control Board
Los Angeles Region
320 West 4th Street, Suite 200
Los Angeles, CA 90013

Dear Ms. Purdy:

Comments for a Tentative Time Scheduled Order (TSO) to Comply with Waste Discharge Requirements (WDRs) and the National Pollutant Discharge Elimination System (NPDES) Permits for the Saugus Water Reclamation Plant (NPDES Permit No. CA0054313, CI No. 2960) and Valencia Water Reclamation Plant (NPDES Permit No. CA0054216, CI No. 4993)

The Santa Clarita Valley Sanitation District (Sanitation District) is grateful for the work done by staff at the Regional Water Quality Control Board, Los Angeles Region (Regional Board) to develop the subject TSOs, and appreciates the opportunity to provide comments. The Sanitation District supports adoption of the TSOs, with the requested revisions listed in Attachment 1, as the TSOs will allow additional time to comply with chloride effluent limitations and deadlines required by the NPDES permits for the Saugus and Valencia Water Reclamation Plants (WRPs). The additional time is necessary due to delays in completion of the Chloride Compliance Project caused by repeated litigation that has impeded progress, and a summary of that litigation is provided below. As the Regional Board is no doubt aware, the Sanitation District remains committed to both chloride compliance and water recycling.

In October 2013, an Environmental Impact Report (EIR) that included both the Chloride Compliance Project and a Recycled Water Project was approved by the Sanitation District's Board and was subsequently challenged (Lawsuit #1). In Lawsuit #1, the Los Angeles County Superior Court (Court) did not find any deficiencies in the analysis for the ultraviolet (UV) disinfection and advanced water treatment portions of the EIR. The Court ruled in February 2016, however, that the EIR lacked substantial evidence for the conclusions of no significant impacts on stickleback populations with respect to the impact of reduced discharge to the Santa Clara River that would be associated with the Recycled Water Project. The Court also ruled that the 2013 EIR lacked a clear brine management alternative, and thus the Chloride Compliance Project was considered incomplete because of the "abandonment" of a deep well injection brine management method. The Court did not rule that the Sanitation District is required to move forward with the Recycled Water Project, and completion of an EIR for a project does not obligate an agency to complete that project.

The Sanitation District addressed brine management through a Supplemental EIR (SEIR) that was certified in March 2016. The March 2016 SEIR was also challenged (Lawsuit #2).

Based on the February 2016 Court ruling described above and additional direction from the Court in its June 2016 ruling in response to the Sanitation District's return on the Writ in Lawsuit #1, the Sanitation District prepared a Recirculated EIR which analyzed the impacts of separating the Chloride

Compliance Project from the Recycled Water Project. This Recirculated EIR also incorporated the analysis from the March 2016 SEIR relating to brine management. The Sanitation District certified this Recirculated EIR in August 2017, and decertified the March 2016 SEIR at the same time. This Recirculated EIR was also challenged (Lawsuit #3).

In September 2017, the Court subsequently dismissed Lawsuit #2 because Lawsuit #2 became moot with the decertification of the March 2016 SEIR and certification of the Recirculated EIR. Lawsuit #3, which challenges the Recirculated EIR, is currently scheduled to go to trial in September 2019.

During this litigation, the Court issued a Writ that prevented work on the Chloride Compliance Project for approximately 1.5 years. On October 24, 2017, the Court held that the Sanitation District complied with the requirements of the Writ in Lawsuit #1 with respect to the Chloride Compliance Project and granted the Sanitation District's motion to discharge the Writ as to the Chloride Compliance Project, including its UV and advanced treatment facilities components. This ruling authorized the Sanitation District to proceed with its Chloride Compliance Project, although Lawsuit #1 remains open with respect to the Recycled Water Project and its related requirements to engage in further stickleback studies. No further orders have been issued by the Court that would at this point halt progress on the Chloride Compliance Project.

Since the Court's order in October 2017, the Sanitation District has made substantial progress toward achieving the milestones required in the NPDES permits by completing the design and awarding contracts totaling \$111,174,000 for construction of the Advanced Water Treatment Facility (AWTF) and UV disinfection systems. The Sanitation District approved rate increases during the summer of 2014 to provide funding for the Chloride Compliance Project,¹ and has also worked diligently to minimize costs to its ratepayers by requesting State Revolving Fund (SRF) loans of approximately \$130,000,000, which includes reimbursement for previously completed engineering design and planning work. Staff at the State Water Resources Control Board (State Board) has been apprised of the ongoing litigation; Sanitation District's representatives have discussed the litigation with State Board staff at least as far back as March 2016 and included the litigation on the SRF Potential CWSRF Flags Worksheet submitted in August 2018. The Sanitation District understands the importance of chloride compliance, and is committed to completion of the project.

The Sanitation District is also committed to providing recycled water where possible, but recognizes its limited authority in developing recycled water projects. The Service Duplication Act (California Public Utilities Code, Div. 1, Part 1, Chapter 8.5) generally prevents the Sanitation District from directly serving recycled water in a water purveyor's certificated service area. Delivery of both potable and recycled water to customers is the responsibility of the local retail and/or wholesale water purveyors, and decisions on the timing and scope of recycled water projects are made by those entities. In rare cases, the Sanitation District can deliver recycled water directly to end users; however, given the ongoing litigation, permitting challenges, and uncertainties associated with the Recycled Water Project, the Sanitation District's Board adopted a resolution on February 25, 2019 (Attachment 2) to cease and not proceed with any further planning efforts for the Recycled Water Project, to withdraw the proposed Recycled Water Project from the CEQA process, and to instead support local planning efforts of water agencies if and when those agencies seek to develop recycled water projects.

This resolution and an earlier resolution adopted on July 7, 2015 (Attachment 3) are consistent with each other and with the Service Duplication Act in stating that the provision of recycled water in the Valley is a regional endeavor led by the water agencies that plan and carry out specific projects, rather than the Sanitation District. In addition, neither resolution indicates dependency of the Chloride Compliance Project on the provision of recycled water. The Chloride Compliance Project is a mandatory project that is designed to meet water quality standards for the Santa Clara River for the protection of

¹ No facilities associated with provision of recycled water were included in the rate increases.
4815-2728-4103.1

agriculturally-related beneficial uses; it must move forward regardless of future plans for reuse of the recycled water produced by the Sanitation District.

In summary, the Sanitation District remains committed to completing the Chloride Compliance Project, and to ensuring that recycled water is available to those entities in the best position to facilitate its use. If you have any questions regarding this letter or require additional information, please contact me at (562) 908-4288, extension 2801 or at ahail@lacsds.org.

Very truly yours,



Ann T. Heil
Section Head
Reuse and Compliance

ATH:NM:nm

cc: Cris Morris, Jeong-Hee Lim, and Veronica Cuevas-Alpuche – LA Regional Board

Attachment 1

Requested Revisions to the Saugus and Valencia WRP TSOs

Comment Number	Tentative TSO Item Number	Comment	Requested Revisions
1	No. 1 under “It Is Hereby Ordered”	The tentative TSOs establish new interim effluent limitations that supersede those in the NPDES permits for the Saugus and Valencia WRPs, but do not include specific language that relieves the WRPs from the obligation to meet the final effluent limitations in the existing NPDES permits. As it appears to be the intent of the Regional Board to provide such relief, explicit language is requested to clarify this intent by modifying the text as shown.	<p>Saugus: <u>“In lieu of the chloride final effluent limitations in Table 4 of Order No. R4-2015-0072, cComply immediately with the following interim effluent limitations which will apply all year round, and which shall be deemed effective from May 9, 2019 to January 31, 2021...”</u></p> <p>Valencia: <u>“In lieu of the chloride final effluent limitations in Table 4 of Order No. R4-2015-0071, cComply immediately with the following interim effluent limitations which will apply all year round, and which shall be deemed effective from May 9, 2019 to January 31, 2022...”</u></p>
2	No. 7 under “It Is Hereby Ordered”	Similarly, the tentative TSOs also establish new milestones and deadlines that supersede those in Provision VI.C.7.B of Order Nos. R4-2015-0072 and R4-2015-0071, but do not include specific language that relieves the WRPs from the obligation to meet these milestones in the existing NPDES permits. In addition, Provision VI.C.7.B requires compliance with Attachment J, which effectively obligates the SCVSD to meet the WLAs for chloride in the Upper Santa Clara River. As it appears to be the intent of the Regional Board to provide relief from these requirements, explicit language is requested to clarify this intent by modifying the text as shown.	<p>Saugus: “All other provisions of Order No. R4-2015-0072 not in conflict with this TSO are in full force and effect, <u>with the exception of Requirement No. VI.C.7.B.</u>”</p> <p>Valencia: “All other provisions of Order No. R4-2015-0071 not in conflict with this TSO are in full force and effect, <u>with the exception of Requirement No. VI.C.7.B.</u>”</p>
3	No. 14 under “Background/History”	The chlorine doses required to properly operate the treatment processes (e.g., filters and/or Advanced Water Treatment Facility) may vary based on operational conditions; the tentative TSOs should incorporate this variability in the chloride reductions achieved by UV.	“On October 24, 2017, a court decision allowed SCVSD to resume work....The UV technology is designed to disinfect the treated effluent, but will also lower the amounts of disinfection byproducts produced, as well as reduce chloride concentrations by <u>approximately</u> 7 mg/L.”

Comment Number	Tentative TSO Item Number	Comment	Requested Revisions
4	Item 12 under “Background/History”	For completeness, it is suggested that the tentative TSOs include the date that the Santa Clarita Valley Sanitation District (SCVSD) Board of Directors approved a resolution to cease environmental studies related to the Recycled Water Project.	“On August 4, 2016, SCVSD issued a Notice of Preparation of a Supplemental Environmental Impact Report.... <u>On February 25, 2019, the</u> SCVSD Board of Directors approved a resolution to cease environmental studies related to the Recycled Water Project.”
5	Item 18 under “Request for Time Schedule Order and Current Status” (Valencia)	Suggest clarifying that SCVSD awarded the contract on January 31, 2019, and notified the Regional Water Board on February 8, 2019.	“On <u>February 8</u> , 2019, SCVSD notified the Regional Water Board that the SCVSD Board of Directors awarded a \$87 million contract to Obrascon Huarte Lain (OHL), U.S.A. to construct the advanced water treatment facility (AWTF) at the Valencia WRP.”
6	Item 18 under “Request for Time Schedule Order and Current Status” (Saugus)	For completeness, it is suggested that the table include the “Start Onsite Construction” interim milestone, with a completion date of November 28, 2018.	Add completed milestone to the table.

Attachment 2

Resolution of the Board of Directors of
Santa Clarita Valley Sanitation District
Regarding Withdrawing Notice of Preparation of
Supplemental Environmental Impact Report for
Recycled Water Project in Santa Clarita Valley

February 25, 2019

**RESOLUTION OF THE BOARD OF DIRECTORS
OF SANTA CLARITA VALLEY SANITATION DISTRICT REGARDING
WITHDRAWING NOTICE OF PREPARATION OF SUPPLEMENTAL
ENVIRONMENTAL IMPACT REPORT FOR RECYCLED WATER PROJECT IN
SANTA CLARITA VALLEY**

WHEREAS, the Santa Clarita Valley (SCV) Sanitation District's mission is to protect public health and the environment through innovative and cost-effective wastewater management, and to convert wastewater into resources such as recycled water; and

WHEREAS, the SCV Sanitation District owns, operates, and maintains the Saugus and Valencia Water Reclamation Plants (WRPs); and

WHEREAS, the treated wastewater from the Saugus and Valencia WRPs meets the State Water Resources Control Board's Division of Drinking Water standards for disinfected tertiary recycled water and use of this water for various purposes including irrigation is authorized; and

WHEREAS, the SCV Sanitation District has contracted with Castaic Lake Water Agency (now the Santa Clarita Valley Water Agency) to provide recycled water for reuse in the Santa Clarita Valley; and

WHEREAS, the SCV Sanitation District desires to work with the City of Santa Clarita, County of Los Angeles, community leaders, the public, and water agency partners, including Santa Clarita Valley Water Agency (SCVWA) to promote and optimize the use of recycled water in the Santa Clarita Valley, to reduce the total cost of water infrastructure, and to develop greater local water supply sustainability through integrated regional water planning and management including recycled water and stormwater resources; and

WHEREAS, SCV Sanitation District's staff has prepared necessary studies and analysis for a "Recycled Water" Project to reduce recycled water discharges to the Santa Clara River, including those studies in the 2013 SCV Sanitation District Chloride Compliance Project Facilities Plan and Environmental Impact Report (2013 EIR); and

WHEREAS, the 2013 EIR was legally challenged, suspending the Recycled Water Project until further studies are done evaluating impacts to the Unarmored Threespine Stickleback fish are completed; and

WHEREAS, in August 2016, the SCV Sanitation District issued a Notice of Preparation of a Supplemental Environmental Impact Report for Study of Impacts to the Unarmored Threespine Stickleback Fish Under Reduced Discharge Conditions from the Santa Clarita Valley Sanitation District's Water Reclamation Plants; and

WHEREAS, the SCV Sanitation District has concluded that performing the necessary studies to address impacts to the Unarmored Threespine Stickleback fish associated with flow diversions and reduced discharge conditions, and the associated resource agency permitting for such diversions and reduced discharges will be time-consuming and costly to the SCV Sanitation District's ratepayers with an uncertain outcome including the probability of future litigation; and

WHEREAS, the SCV Sanitation District has concluded that the Recycled Water Project, as contemplated in the 2013 EIR, will not yield a timely or cost-effective Project for the SCV Sanitation District's ratepayers; and

WHEREAS, in August 2017, the Board Certified the Recirculated SCV Sanitation District Chloride Compliance Project Environmental Impact Report – Separation of Recycled Water Project, superseding the 2013 EIR; and

WHEREAS, in accordance with State regulations, the water resource management stakeholders have formed groups tasked with developing such plans as: the Integrated Regional Water Management Plan for the Upper Santa Clara River Region; the Urban Water Management Plan; the Salt and Nutrient Management Plan; and a Groundwater Sustainability Plan; and

WHEREAS, these plans are necessary to promote integrated regional strategies for water resources that support management of water supply, water quality, environmental interests, drought protection, and flood protection; and

WHEREAS, SCV Sanitation District recycled water is both a surface and groundwater resource; and

WHEREAS, on January 1, 2018, the SCVWA was formed, combining the Castaic Lake Water Agency and the Newhall County Water District into a single agency to provide integrated regional water management services; and

WHEREAS, in April 2018, the SCVWA Board directed SCVWA staff to review the overall watershed in terms of environmental resources, aesthetics and recreation (a "Watershed Program Approach"); the SCVWA Board has appropriated funds for this purpose; and this review in coordination with other planning efforts may identify potential opportunities for integrated regional water planning and management including recycled water projects that may be initiated or carried out by SCVWA; and

WHEREAS, the SCVWA Watershed Program Approach would be the most efficient and effective planning process for determining the best management of all SCV water resources including recycled water.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the SCV Sanitation District, as follows:

Section 1. The SCV Sanitation District does hereby cease its planning efforts on the Recycled Water Project and withdraws the Notice of Preparation of a Supplemental Environmental Impact Report for Study of Impacts to the Unarmored Threespine Stickleback Fish Under Reduced Discharge Conditions from the Santa Clarita Valley Sanitation District's Water Reclamation Plants (SCH# 2012011010) and rejects the Recycled Water Project described therein.

Section 2. The SCV Sanitation District anticipates that SCVWA will take primary responsibility for watershed management planning, including consideration, planning and implementation of any recycled water reuse opportunities, and that to the extent SCVWA decides to proceed with any projects, SCVWA will act as lead agency in any such efforts. The SCV Sanitation District will continue to assist SCVWA, as appropriate, in its assessment of recycled water reuse opportunities within the Santa Clara River watershed, will work with the SCVWA as it updates its Recycled Water Master Plan, and will assist SCVWA with its development of recycled water opportunities where determined to be cost-effective and feasible. As part of these efforts, the SCV Sanitation District will support the efforts of SCVWA to obtain funding for recycled water project development.

Section 3. The SCV Sanitation District will coordinate Santa Clarita Valley regional water management organizations, community groups and the public to promote local sustainability of the Santa Clarita Valley's water resources including the use of recycled water.

PASSED AND ADOPTED by the Board of Directors of Santa Clarita Valley Sanitation District on FEB 25, 2019.



Chairperson

ATTEST:


Secretary

Attachment 3

Resolution of the Board of Directors Of Santa Clarita Valley Sanitation District Regarding the Sustainability of Water Resources and Development of Opportunities to Use Recycled Water In the Santa Clarita Valley

July 7, 2014

**RESOLUTION OF THE BOARD OF DIRECTORS
OF SANTA CLARITA VALLEY SANITATION DISTRICT REGARDING THE
SUSTAINABILITY OF WATER RESOURCES AND DEVELOPMENT OF
OPPORTUNITIES TO USE RECYCLED WATER
IN THE SANTA CLARITA VALLEY**

WHEREAS, the Santa Clarita Valley (SCV) Sanitation District's mission is to protect public health and the environment through innovative and cost-effective wastewater management, and to convert wastewater into resources such as recycled water; and

WHEREAS, the SCV Sanitation District owns, operates, and maintains the Saugus and Valencia Water Reclamation Plants (WRPs); and

WHEREAS, the treated wastewater from the Saugus and Valencia WRPs meets the California Department of Public Health's standards for disinfected tertiary recycled water and has authorized the use of this water for various uses including irrigation; and

WHEREAS, a drought emergency has been declared by the Governor of the State of California and developing local water sustainability in the Santa Clarita Valley is both desirable and necessary to address the drought emergency; and

WHEREAS, the SCV Sanitation District desires to work with the City of Santa Clarita, County of Los Angeles, community leaders, and water agency partners, including Castaic Lake Water Agency (CLWA), and the four SCV water retailers (Los Angeles County Waterworks District 36, Newhall County Water District, CLWA Santa Clarita Water Division and the Valencia Water Company), to promote and optimize the use of recycled water in the Santa Clarita Valley, to reduce the total cost of water infrastructure, and to develop greater local water supply sustainability through integrated regional water planning and management including recycled water and stormwater resources; and

WHEREAS, the SCV Sanitation District has contracted with CLWA to provide recycled water for reuse in the Santa Clarita Valley, which is currently being delivered to Valencia Water Company; and

WHEREAS, District's staff plan to prepare necessary studies and applications to obtain State Water Resources Control Board and California Department of Fish and Wildlife approval to reduce current discharges of recycled water to the Santa Clara River to support additional recycled water projects; and

WHEREAS, the Saugus and Valencia WRPs produce high quality recycled water that will be further enhanced by the Chloride (Salt) Compliance Project and that the beneficial recycling of the treated wastewater will be an environmental benefit to the community and provide long-term water sustainability for the Santa Clarita Valley; and

WHEREAS, potential users of recycled water exist in proximity to the Saugus and Valencia WRPs; and

WHEREAS, the SCV Sanitation District is a member of the Regional Water Management Group for the Upper Santa Clara River Region, which was formed to promote integrated regional strategies for managing water resources that support management of water supply, water quality, environmental interests, drought protection, and flood protection; and

WHEREAS, Castaic Lake Water Agency in cooperation with the SCV water retailers, Los Angeles County Flood Control, the City of Santa Clarita and the SCV Sanitation District are preparing a Water Resource Management Measures and Reconnaissance Study to identify options for increasing local water supply through alternatives such as increased stormwater capture, optimization of groundwater pumping, and indirect or direct potable reuse.

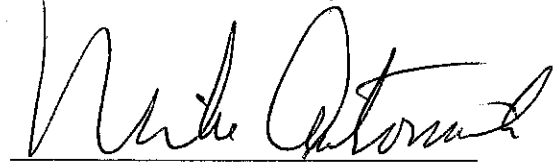
NOW THEREFORE BE IT RESOLVED by the Board of Directors of SCV Sanitation District, as follows:

Section 1. The SCV Sanitation District will provide technical support for the Water Resource Management Measures and Reconnaissance Study, including analyzing opportunities to operate the SCV Sanitation District's proposed advanced treatment facilities to produce recycled water for use as a local water supply when not needed for chloride compliance purposes, potential siting of additional advanced treatment and conveyance facilities, and options for disposal of larger volumes of brine waste.

Section 2. The SCV Sanitation District will assist CLWA and the four SCV water retailers in assessing recycled water reuse opportunities in the vicinity of the Valencia and Saugus WRPs and will work with the CLWA to update its Recycled Water Master Plan and to develop recycled water project opportunities where determined to be cost-effective and feasible. As part of these efforts, the SCV Sanitation District will support the efforts of CLWA and the SCV water retailers to obtain funding to facilitate recycled water project development.

Section 3. The SCV Sanitation District will work with the Economic Development Corporation, Chamber of Commerce, Building Industry Association, Valley Industry Association, SCVOneWater, City of Santa Clarita, County of Los Angeles, Upper Santa Clara River Regional Water Management Group and other organizations to promote local sustainability of the Santa Clarita Valley's water resources including the use of recycled water.

PASSED AND ADOPTED by the Board of Directors of Santa Clarita Valley Sanitation District on July 7, 2014.


Chairperson

ATTEST:


Secretary