

ENGINEERING DEPARTMENT

November 26, 2007

Ms. Pamela Creedon, Executive Officer
California Regional Water Quality Control Board
Central Valley Region
11020 Sun Center Drive, #200
Rancho Cordova, CA 95670-6114

**Subject: City of Grass Valley Wastewater Treatment Plant
Tentative Cease and Desist Order**

Ms. Creedon:

The City of Grass Valley hereby submits the following comments on the Tentative Cease and Desist Order (CDO) in accordance with your notice dated November 13, 2007.

First, the City wishes to acknowledge the assistance that you and your staff have provided in working with the City to develop the proposed order. Small communities such as the City do not have extensive resources to work through these complicated permitting issues without such assistance.

As you know, the City owns and operates an advanced wastewater treatment facility with an exemplary compliance record. The facility includes biological treatment, filtration, nitrification, denitrification and chlorine disinfection to meet strict discharge requirements.

As stated in the findings for the proposed CDO, the City has been working through a number of difficult compliance issues stemming from the June 2003 NPDES permit requirements. At the time of permit adoption in 2003, the City requested assistance from the Central Valley Water Board to achieve compliance with the strict requirements that were included in the permit. The City has been working with your staff since that time on several key areas. First, the City has continued working with Board staff to resolve the Newmont mine drainage issue – an issue that has existed since the City allowed the untreated mine drainage to be routed through a portion of the City's treatment system in 2000. The City is now involved in expensive legal action seeking to resolve the manganese and aluminum effluent quality problems that are caused by the untreated drainage from the Drew Tunnel. The City also initiated design of a new ultraviolet disinfection project and nitrogen removal improvements in 2005 to resolve compliance issues with chlorine disinfection by-products, cyanide and nitrate plus nitrite. Progress on the

construction of that project has been delayed due to difficulties in obtaining SWRCB approvals for SRF and small community grant funding for the project. A schedule is now in place to move forward with construction of that \$5.1 million dollar project. Finally, the City has been in communication with your office seeking revisions to the copper and zinc hardness-based effluent limit issue since January 2005. The City believes that the modified compliance schedule, with the requested revisions detailed below, will resolve these outstanding compliance issues.

The City requests that the following changes be made to the proposed CDO.

Page 6, Order No. 1, Modify full compliance date for manganese and aluminum

The City is involved in litigation with Newmont USA Limited (Newmont) to require Newmont to take action to eliminate the Drew Tunnel discharge from the City's WWTP or otherwise resolve this issue in a manner satisfactory to the City. The scheduled hearing date for the litigation is March 2008. Pending the outcome of the litigation, the constructed solution to the Drew Tunnel problem will likely require a minimum of two (2) years for completion, placing that completion date to March 2010.

The Regional Water Board issued California Water Code §13267 letter to Newmont dated July 25 2007 requiring investigations of the sources of water and pollutants in the Drew Tunnel discharge and an assessment of the possible treatment and source control methods to reduce the quantity of pollutants discharged to waters of the State. Appropriate remedial actions will be determined at a later date. The City has provided information to the Regional Water Board to support their present and future actions to resolve the Drew Tunnel discharge issue.

As noted in the City's August 22, 2007 request for schedule modification, the City projects that the earliest that a constructed solution to the Drew Tunnel discharge will be in place is March 2010. Given the slow progress on this issue over recent years and the City's lack of control over this key manganese and aluminum compliance issue, it is quite likely that completion of the constructed solution could extend well beyond March 2010. Since the City remains in compliance jeopardy for mandatory minimum penalties after June 2008, the City has requested that the Regional Water Board establish a modified CDO time schedule based on the March 2010 compliance date, to maintain a sense of urgency in the resolution of the Drew Tunnel discharge issue. However, the City has also requested that language in the modified CDO clearly recognize that adherence to this schedule depends on timely action by Newmont and the Regional Water Board to resolve the Drew Tunnel discharge and allow the City to comply with the final manganese and aluminum WQBELs.

Therefore, the City requests that either (1) language be added to the CDO that would allow the schedule to be extended beyond March 2010 in the future if circumstances beyond the City's control prevent compliance with that date or (2) that the March 2010 compliance date be extended to the maximum allowable under the proposed order.

Page 6, Order No. 1, Modify Pollution Prevention Plans for chloroform, Dibromochloromethane, Dichlorobromomethane and nitrate plus nitrite

Several of the constituents listed for inclusion in the required Pollution Prevention Plan (PPP) do not lend themselves to source control. These constituents are the chlorine disinfection by-

products (chloroform, Dibromochloromethane and Dichlorobromomethane, which are not present in influent but are produced during the disinfection process) and nitrate plus nitrite (which are present in effluent due to the breakdown of ammonia, which is inherent to municipal wastewater and is not source controllable).

The City requests either (a) removal of these constituents from the list to be considered in a pollution prevention plan or (b) addition of language in the CDO that acknowledges that these constituents likely cannot be managed through a pollution prevention program.

Page 6, Order No. 3, Modify interim effluent limitations for copper

The proposed interim effluent limitations for copper are an average daily concentration of 9.1 ug/l and a mass limitation of 0.21 pounds per day. The City has provided information to your staff that indicates that the WWTP effluent cannot consistently comply with these limitations. The City has provided information that describes the development of performance-based limitations for copper in accordance with the methodology described in Finding 13 of the proposed CDO.

The City requests that the interim performance-based effluent limitations for copper be changed from 9.1 ug/l and 0.21 pounds per day to a limit of 13 ug/l and 0.3 pounds per day.

Editorial comments, Modify Text of CDO in following locations

Page 2, Finding No. 5: The City requests the following changes in the text of this finding.

- Second sentence, delete the word "modifying" and add the words "on aquatic life uses" after the word "hardness".
- Third sentence, insert the word "major" after the word "construct".
- Fourth sentence, replace the word "largest" with the word "primary" and insert the words "and aluminum" after the word "manganese".

Page 3, Finding No. 6, second bullet: Replace the word "April" with the word "March".

Page 4, Finding No. 10: Either delete "Dibromochloromethane" and "Dichlorobromomethane" from the third sentence or add a fourth sentence which states "It is understood that the pollution prevention plan for dibromochloromethane and dichlorobromomethane will be constrained by the fact that these compounds are created within the disinfection process."

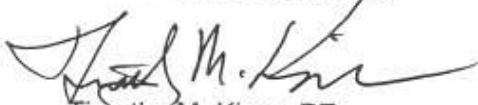
Page 4, Finding No. 11: Either delete "chloroform" and "nitrate plus nitrite" from the second sentence or add a third sentence which states "It is understood that the pollution prevention plan for chloroform and nitrate plus nitrite will be constrained by the facts that (a) chloroform is created within the existing chlorine disinfection process and (b) nitrate plus nitrite are produced by the existing nitrification/denitrification process in the breakdown of the ammonia that is inherently present in municipal wastewater."

Page 4, Finding 13: Delete the word "copper" from the second sentence and add the word "copper" to the third sentence after the word "chloroform".

Page 5, Finding 14: Delete the word "significantly" from the third sentence.

Again, the City appreciates your consideration of these requested changes to the proposed CDO and looks forward to continuing to work with you and your staff on the resolution of these issues and the renewal of our NPDES permit. Please contact me to discuss any questions you have regarding our requested changes to the CDO.

Sincerely,
CITY OF GRASS VALLEY
Public Works Department



Timothy M. Kiser, PE
Public Works Director/City Engineer

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