

CITY OF DANA POINT



OFFICE OF THE CITY MANAGER

August 22, 2007

Mr. John Robertus
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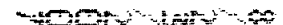
SAN DIEGO REGIONAL
WATER QUALITY
CONTROL BOARD
2007 AUG 23 A 11:33

RE: NWU:10-6000.02:haasj, Orange County Municipal Storm Water Permit Reissuance Revised Tentative Order No. R9-2007-0002, NPDES No. CA50108740

Dear Mr. Robertus:

Thank you again for the opportunity to help craft this Permit. As you know, Water Quality is the City Council's top strategic priority for the City of Dana Point. We have made great strides in improving the quality of runoff at our beaches during this current permit period. Our epidemiological study at Doheny State Park Beach is underway and our new package Ozone prototype treatment process at North Creek has shown remarkable results. Our joint South Orange County Cities' water conservation and water runoff Forum with area HOA's and the South Coast Water District last week was very well attended in addressing source controls. And because we see that improvements in Water Quality are of great importance, we want to continue to progress in making effective quality improvements during this next permit period.

The City is pleased to see some of the revisions in the draft Permit as proposed during the earlier comment periods, as well as clarification provided by staff in the response to some comments. That said, there remain a few major issues which still cause great concern for Dana Point and our Copermittees. The City has participated with the development of Orange County's comments as the Principal Permittee, and the City joins with and supports the County's comments to the draft Permit. In this letter we have supplemented their comments and provide our own perspective in the hopes that the Board will better understand and address our remaining concerns. We have been assured by Board staff, with whom we enjoy a good working relationship, that some of our fears with the language of this permit language will not be misinterpreted. But we all know that staff members will change, and in the end we are left with the words in the document to deal with, not to mention how the public or other stakeholders may legally interpret the requirements of the Permit. Therefore we have been supportive of a number of potentially serious legal interpretive issues that we really must request be reconsidered, as outlined herein and in the County's correspondence. We have tried to identify our comments as to whether they are new or readdress issues for which we are again asking reconsideration.



1. **New Issue—FETD Section E.9.** The new FETD (that is Facilities that “extract, treat and discharge” to waters of the U.S.) requirement was not included in the first draft Permit. Although this revised tentative order removed restrictions from allowing potential regional structural solutions to water quality issues such as “end of pipe” treatment measures, this FETD requirement reintroduces this requirement back into the tentative order. This new requirement results in significant concerns for a variety of reasons:

The initial section where the new FETD language is added in paragraph 9, page 14 states as follows: “Copermittees have implemented and have proposed to continue implementing facilities that extract water from waters of the U.S., subject such extracted water to treatment, then discharge the treated water back to waters of the U.S. Without sufficient treatment processes, facilities that extract, treat and discharge (FETD’s) to waters of the U.S. may discharge effluent that does not support all designated beneficial uses. Use of the MS4 NPDES Permit to regulate discharges from FETD’s is an interim approach until individual or general NPDES requirements for discharges are developed. At that time, the FETD discharges will be expected to meet all applicable water quality standards. At this time, monitoring of FETD’s is necessary to characterize their effectiveness, and ensure that facilities do not add or concentrate pollutants, create conditions of erosion or unreasonably affect the quality of receiving waters.”

We have identified several major concerns with this new provision:

- The FETD language as written can be interpreted to prevent municipalities from addressing a single pollutant of concern in trying to improve water quality incrementally. For example, as drafted the language could prevent Dana Point from specifically addressing some of its most pressing water quality issues. The City is governed by the Indicator Bacteria Project II Total Maximum Daily Loads (“Bacteria TMDL”)—where bacteria is the only 303d listed pollutant of concern. But the draft Permit’s current language could prevent the City from focusing on this pollutant. The draft current states that “[use of the MS4 NPDES Permit to regulate discharges from FETDs is an interim approach until specific new individual or general NPDES requirements for discharges are developed.” It also states that the language requiring testing for any and all additional pollutants that might “unreasonably affect the quality of receiving waters.” Combined, these statements could be interpreted to require that the City simultaneously address any and all newly tested or discovered pollutants and also meet a different standard, i.e. effluent limits, under the California Ocean Plan or other laws or regulatory provisions. The significant change here is not only adding treatment requirements for additional unspecified pollutants, but the standard for compliance is also modified. Instead of meeting maximum extent practicable (MEP) criteria for pollutants under the general permit, the language opens the door to setting effluent limits under new specific permit language. While we believe that this broad reading of the Finding is unjustified and not what the Regional Board staff intended, we are also aware of the ability of third parties to

seize upon selected language from an NPDES permit and subsequently sue, alleging a "violation" of the permit.

- The draft permit's provision addressing FETDs also includes language stating (1) "Use of the MS4 NPDES Permit to regulate discharges from FETDs is an interim approach until individual or general NPDES requirements for discharges are developed," and (2) "... monitoring of FETDs is necessary to . . . ensure that facilities do not unreasonably affect the quality of receiving waters." As written, the language can be interpreted to mean that new standards will be developed and unilaterally implemented by staff during the course of the permit. Thus, the municipality may no longer be able to address a specific pollutant of concern, and may be forced to address any and all other Ocean Plan pollutants simultaneously. This does not acknowledge whether the jurisdiction has any control over each and every pollutant or not, whether they are 303d listed or not, whether it is a naturally occurring pollutant such as from ground water or not, or whether the pollutant is of anthropogenic origin or not.

- Although the language appears to have been intended to simply ensure that new treatment processes do not inadvertently add new pollutants, (see paragraphs a. through e. on page 18), with which we agree, it is written in much broader terms than necessary to achieve this intent . This City has had significant experience with the Ozone Treatment Plant at Salt Creek, where extensive additional testing has been done to ensure that we are not introducing or concentrating any pollutants as part of the treatment process. To achieve the provisions intent without unduly preventing an efficient single-pollutant treatment process, we request these revisions: (1) Delete the phrase stating "Use of the MS4 NPDES Permit to regulate discharges from FETD's is an interim approach until individual or general NPDES requirements for such discharges are developed. At that time, the FETD discharges will be expected to meet all applicable water quality standards[]" and (2) revise the last sentence to read "At this time, monitoring of FETD's is necessary to characterize their effectiveness, and ensure the facilities do not add greater pollutant loads, create conditions of erosion or exacerbate unhealthful conditions." We think these revisions would reasonably meet the intent of assuring safe incremental improvements to Water Quality, and would ensure FETDs don't result in increasing pollutant levels, which, clearly, no one intends to be a result of the use of FETDs. Additionally, we request that the Board modify the introductory sentence to delete reference to treating "waters of the U.S." if such waters are located within the MS4 system. Thus we request that the first sentence be revised as follows: "Copermittees have implemented and have proposed to continue implementing facilities that extract water, subject such extracted water to treatment, then discharge the treated water back to waters of the U.S".

- Similarly, the FETD language in section C.4.d(6) and C.4.e on page 20 go beyond the scope of introducing a new specific treatment structural BMP. For the same reasons noted above, these two paragraphs should be deleted in their

entirety. C.4.d(2) should be revised to read: "Metals/Toxicity: Toxicity and Metals (dissolved)...", to specify removal is required to a degree that is necessary and reasonable. Furthermore, section C.4 should acknowledge that natural and non-anthropogenic sources of pollutants that cause the exceedence will not trigger new effluent limits.

- Also, there appears to be no "grandfather" clause for the FETD requirement, which is of particular concern for existing facilities which were designed to treat a specific pollutant. The Salt Creek Ozone Treatment Plant in Dana Point is a prime example of a treatment structural BMP which has been extremely successful in reaching the goal of reducing beach postings and closures without any negative impacts. The project and design methodology was supported and funded by the State through its Clean Beaches Initiative program. The State has acknowledged the success of this project. If the Regional Board staff is now allowed to unilaterally add in new effluent limit requirements under an individual permit for any other pollutants of concern within the context of the language noted above, the City would be penalized for actively addressing the most pressing and currently identified water quality problem.

- The other point to be made is that while previous treatment facilities installed to date may be quite large and typically placed near the ocean interface, the unfolding workplans in the TMDL attainment plans, particularly for bacteria, envision many smaller treatment units at small storm drain outfalls. In many cases these may be tributary outlets that may be miles inland. For example, San Juan Creek alone may have several hundred tributary storm drains along its 135 square mile watershed route. To add this tremendous array of testing requirements for each little storm drain and treat each as a separate and individual component, rather than a small part of much larger system would not be practical or cost to value beneficial.

- There appears to be no legal support or findings of fact for imposing the conditions of FETDs in Section B of the Revised T.O.

2. **New issue.** ("Discharge Characteristics." paragraph C, page 3.) When listing "pollutants", anthropogenic sediment was differentiated from non-anthropogenic sediment. Other pollutants, however, were not differentiated between anthropogenic and non-anthropogenic parameters. It is known that, in addition to sediment, bacteria, heavy metals, nutrients, decaying vegetation, and animal waste all may have both anthropogenic and non-anthropogenic origins (or controllable versus non-controllable, if you wish), and both types of sources need to be acknowledged and differentiated. Please adjust this provision accordingly.

3. **New issue.** (Section D.1.f.(c) page 33.) Based on the response to comments, Copermittees are provided with options for Treatment Control BMP "Verification". Items viii and ix should use the word "verifications" instead of "inspections" as using the word inspection implies that an inspection needs to occur. Please adjust!

4. **New issue.** (Section D.2.g & Board Staff's Response to Comments.) This tentative requirement to notify the Regional Board was clarified from a similar existing requirement in the current Permit which requires oral and written notification of noncompliant sites that are determined to pose a threat to human or environmental health. The current Permit's requirement was established to help ensure that compliance has been achieved and to enable the Regional Board to participate in follow-up efforts, if necessary, to assure that the construction site is in compliance. The tentative requirement was modified to clarify when such notification is necessary, but this clarification was omitted from the revised draft Permit. Please re-insert the applicable provision to confirm the notification requirement.

5. **New issue.** (Section D.3.b.(3) page 56.) – It is understood that the State of California Division of Labor Standards Enforcement requires registration of car washing businesses, (with the exception of fund raisers and ancillary washing). Because many Cities such as Dana Point do not require registration, and the State already has a mechanism in place to regulate these businesses, this seems like a good opportunity for the State to also educate and/or enforce environmental protection requirements, or at least share the information with the Board for dissemination.

6. **Continuing Issue.** (Section D.3.c.) The finding at section D.3.C that all natural drainages that convey urban runoff are "waters of the U.S." is not satisfactorily justified. The definition of an MS4 and 'waters of the U.S.' differ. (See County correspondence.) It just doesn't make sense to consider and treat a storm drain conveyance system the same as a "water of the U.S." that has recreational or other significant different beneficial uses. Treating them the same is problematic, unjustified and confusing.

7. **Continuing Issue.** (Compliance with State Law.) Many of the new requirements exceed what is required by Federal Law. (See County correspondence and City's previous comments.) The Regional Board would have to comply with State law requirements for economic analysis, unfunded mandates, and the prohibition on dictating manner of compliance (Water Code § 13360) for these additional local requirements. For example, the business plan and conditions and prohibitions on discharges into the MS4 clearly exceed what is required by Federal Law.

8. **Continuing Issue.** ("Violation" and "Exceedence.") Board Staff continues to insist that the draft Permit properly uses the term "violation" instead of "exceedence" even though the San Diego MS4 Permit uses the term "exceedence" in the same context throughout their permit. These words have different meanings and differing connotations. We have been unable to receive a reasonable explanation for this change. Please use the word exceedence in the draft Permit.

9. **Continuing Issue.** ("DAMP.") By dismissing the Copermittees compliance action plan, known as the Drainage Area Master Plan or 'DAMP', as procedural correspondence and incorporating only certain selective sections of its provisions directly into the permit, Board staff has eliminated many means of compliance and has made the Permit prescriptive. Telling Copermittees how to do the compliance work rather than what standards to meet inhibits our ability to flexibly and effectively improve water quality and precludes the nature of the iterative process. It is interesting to note

that the DAMP is embraced and accepted by the Santa Ana Regional Board as an effective means for Copermittees to address permit requirements.

10. **Continuing Issue.** (Mandatory Economic Analysis) The draft Permit's economic analysis is not accurate and dramatically underestimates the cost of compliance. The few references refer to coastal economics which only address the single pollutant bacteria.

11. **Continuing Issue.** (Section D.3.d.) Please change the statement at page 11, Item d. that "...Copermittees cannot passively receive and discharge pollutants from third parties." Please clarify that this statement means that should the City find that other agencies are discharging pollutants, then the City is obligated to notify the responsible party and SDRWQCB. This relates to schools, industrial sites, and construction sites, which are under separate permits under the jurisdiction of the State and should be regulated as such. In addition, the language at section C.1(g) should be removed. Page 19, The Copermittees cannot "control" owners of MS4 systems that may discharge into our systems. We suggest that this section be reworded to indicate that owners should coordinate activities to prevent pollution to the maximum extent practicable from entering MS4s. It should also be noted that the other owners have their own permits and the RWQCB must enforce their permits. Also, please add schools to the list of other owners. It is stressed again that that the City cannot be responsible for halting the discharge of another independent public agency. In addition, please note the following additional reasons to revise or remove this provision of the Permit.

- a. Sections A.1 and A.2 Are Overly Broad, Are Not Subject To The Iterative Process, and Exceed the Requirements Under the CWA and the Porter-Cologne Act.

As noted in the County's comments, finding D.3.d. of the Permit contains proposed language which provides for an improper expansion of obligations on the Copermittees. The finding at section D.3.d. states: "As operators of MS4's, the CoPermittees cannot passively receive and discharge pollutants form third parties. By providing free and open access to an MS4 that conveys discharges to waters of the U.S., the operator essentially accepts responsibility for discharges into the MS4 that it does not prohibit or control. These discharges may cause or contribute to a condition of contamination or a violation of water quality standards."

In addition, as presently written, Section A.1. of the proposed Permit states that "Discharges into or from municipal separate storm sewer systems ("MS4s") in a manner causing, or threatening to cause, a condition of pollution, contamination, or nuisance . . . are prohibited." By using the broad term "discharges into . . . MS4s," this provision would apply to stormwater discharges which are expressly permitted by the CWA. As discussed below, this language also impermissibly blurs the "Discharge Prohibition" language with the "Receiving Water Limitation" language in the proposed permit in a manner that is contrary to the CWA's terms.

Section A.1 also is not subject to the iterative process under Section A.3, thus turning such language into an outright prohibition, and thereby causing all stormwater to be potentially classified as an illicit discharge. In addition, Section A.2 provides that: "Discharges from MS4s containing pollutants which have not been reduced to the maximum extent practicable (MEP) are prohibited." This provision also is not subject to the iterative process set forth under proposed Section A.3. As such, this section of the Permit has the potential to require that all stormwater be treated as non-stormwater, and instead treated as "illicit" discharges. This provision furthermore wrongly transfers responsibility for illicit discharges onto the municipalities, rather than on the illicit discharger, where it belongs, rather than simply requiring municipalities to adopt ordinances to effectively prohibit illicit discharges as is provided by the CWA.

Finally, the language in A.1 and A.2 appears to hold municipalities responsible for other non-MS4 NPDES Permit violations simply because the municipalities had not first detected and addressed the illicit discharge before it entered the municipalities' MS4.

There is no authority under the CWA or the regulations thereunder, or under the Porter-Cologne Act, to impose onto municipalities the responsibilities of others to comply with their Permits, nor is there any authority to require that municipalities assume the responsibility of any and all consequences of an "illicit discharge."

Section 1342(p)(3)(B)(ii) of the CWA provides, in relevant part, as follows:

Permits for discharges from municipal storm sewers – (ii) shall include a requirement to effectively prohibit non-stormwater discharges into the storm sewers.

The regulations to the CWA—consistent with language in the Act which effectively prohibits non-stormwater discharges—likewise provide that municipal Permittees are to have adequate legal authority to, among other things: "Prohibit through ordinance, order or similar means, illicit discharges to the municipal separate storm sewer." (40 CFR § 122.26(d)(2)(i)(B).) The term "illicit discharge" is defined in the regulations to mean: "any discharge to a municipal separate storm sewer that **is not composed entirely of stormwater** except discharges pursuant to a NPDES Permit (other than the NPDES Permit for discharges from the municipal separate storm sewer) and discharges resulting from firefighting activities." (40 CFR § 122.26(b)(2).)

Accordingly, under the CWA and the regulations issued under the Act, discharges into an MS4 which consist entirely of stormwater are expressly permitted regardless of the presence of pollutants in such stormwater which may have originated from non-point sources or other point sources. And the CWA's provisions requiring that municipalities effectively prohibit the discharge of non-

stormwater are separate and distinct from the provisions within the CWA that require municipalities to “require controls to reduce the discharge of pollutants to the maximum extent practicable” from their municipal storm sewers. (33 U.S.C. § 1342(p)(3)(B)(iii).)

As noted, as currently drafted, the Permit impermissibly combines the CWA's provisions governing Discharge Prohibitions and Receiving Water Limitations. As pertinent to the City, Dana Point is governed by the Bacteria TMDL. Thus, to the extent a stormwater discharge into the MS4—which is expressly permitted by the CWA—contains bacteria, the discharge into the MS4 could and likely would be construed as “causing, or threatening to cause, a condition of pollution, contamination, or nuisance.” Thus, instead of regulating “illicit discharges” as specified in the CWA and the regulations, Section A.1 of the Permit turns the CWA and regulations on their head to require Permittees to eliminate the existence of bacteria anywhere in their jurisdiction, in effect classifying all excessive bacteria levels in stormwater, regardless of the source of the bacteria, as “illicit.” The result is the elimination of the distinctions between the “illicit discharge” prohibition provisions in the CWA (33 USC § 1342(p)(3)(B)(ii) [which only require municipalities to adopt and enforce ordinances and other laws to prevent others from illicitly discharging non-stormwater], and the MEP provisions of the CWA (33 USC § 1342(p)(3)(B)(iii) [which “require controls to reduce the discharge of pollutants to the maximum extent practicable . . .”].)

To summarize, given the clear intent of the CWA as reflected by its terms and underlying regulations, municipalities are only required to effectively prohibit the discharge of non-stormwater, not to themselves assume full responsibility for all illicit discharges, or for discharges that are in violation of other non-MS4 NPDES Permits. The receiving water limitation language within proposed Section A of the Permit, as reflected by the language therein and in Finding D.3.d, inappropriately passes responsibility on to the municipalities for others' illicit discharges. For these reasons, the Permit is contrary to law.

12. **New issue.** (Section C.d.) Sections C.1 and C.2 Improperly Impose Obligations That Exceed The Requirements of 40 CFR Section 122.26(d)(2)(i). Section C of the Permit, entitled “Legal Authority,” imposes several obligations on Permittees which far exceed the CWA's requirements for local agencies to possess and enforce laws prohibiting illegal discharges to MS4s. These requirements exceed the Board's authority under the CWA, impose several impractical and impossible obligations, and in places, are so vague and ambiguous as to prevent meaningful compliance.

The purported regulatory basis for Section C is found in 40 CFR Section 122.26(d)(2)(i). That section states in its entirety as follows:

(i) Adequate legal authority. A demonstration that the applicant can operate pursuant to legal authority established by statute, ordinance or

series of contracts which authorizes or enables the applicant at a minimum to:

(A) Control through ordinance, permit, contract, order or similar means, the contribution of pollutants to the municipal storm sewer by stormwater discharges associated with industrial activity and the quality of stormwater discharged from sites of industrial activity;

(B) Prohibit through ordinance, order or similar means, illicit discharges to the municipal separate storm sewer;

(C) Control through ordinance, order or similar means the discharge to a municipal separate storm sewer of spills, dumping or disposal of materials other than stormwater;

(D) Control through interagency agreements among coapplicants the contribution of pollutants from one portion of the municipal system to another portion of the municipal system;

(E) Require compliance with conditions in ordinances, permits, contracts or orders; and

(F) Carry out all inspection, surveillance and monitoring procedures necessary to determine compliance and noncompliance with permit conditions including the prohibition on illicit discharges to the municipal separate storm sewer. (40 CFR § 122.26.)

By its terms, Section C of the Permit far exceeds the regulatory requirements contained in 40 CFR § 122.26 regarding Permittees' enforcement of local laws. As the regulations show, Permittees essentially are required to have legal authority, and enforce that authority, to prohibit illicit discharges (i.e., discharges other than just stormwater), and to control discharges so as to ensure compliance with the municipalities' NPDES Permit requirements. But the Permit contains several additional requirements exceeding the Board's authority under the CWA.

For example, Section C.2 requires that the "chief legal counsel" for each Permittee provide a certified legal opinion on several matters, including an identification of "departments within the jurisdiction that conduct urban runoff activities . . . an explanation of "the reasons [urban runoff related ordinances] are enforceable[.]" and "a description of how urban runoff related ordinances are implemented and appealed." But, as reflected above, none of these requirements are contained or supported by the CWA regulations, or by any other federal or State law.

In addition, the provisions of Sections C.1 and C.2 are both impractical and impossible to comply with, and unduly vague and ambiguous. For example, cities may well face due process and other legal challenges to any program requiring municipalities to

conduct warrantless inspections of private property, as specified in Section C.1.g. These Permit provisions may in fact exceed both the Board's and Permittees' police powers and not be enforceable in particular circumstances. Despite this fact, the Permit requires Permittees to certify all urban related runoff ordinances are in fact "enforceable."

Permittees will also be hard pressed to comply with numerous vague provisions in C.2. It is not clear, for instance, what it means for an ordinance to be "implemented and *appealed*," or how a local agency explains "the reasons [local laws] are enforceable."

Again, support for these various legal authority provisions cannot be found anywhere in the CWA or its regulations, or in any state laws, and they exceed the Board's authority under the NPDES program.

In the end, Permittees will use all reasonable means to prevent illegal discharges. Depending on the circumstances, this may involve enforcement of federal, state, and local laws, state and local agency administrative orders, and agreements and contracts. Every situation will be different depending on the circumstances, but the requirements of Sections C.1 and C.2 do nothing to meaningfully enable Permittees to prevent illicit discharges or otherwise impose controls to assure compliance with the MS4 permit.

In sum, Sections C.1 and C.2 have the combined effect of requiring each Permittee to provide a legal opinion and an extensive legal treatise on the myriad laws that could apply to discharges to local storm drains. But the CWA and regulations contain no provisions requiring such a dissertation or treatise. And there is no apparent purpose served by the certification of "full legal authority" required by the provision. Finally, certain of the controls and measures to be undertaken may, in fact, not be within the municipalities' authority or otherwise be lawful. For these reasons, we urge the Board to reconsider these Permit conditions.

13. **New issue.** Finding 7, page 14, has been somewhat clarified but is still prone to misinterpretation because the original retained language could be construed to prohibit what the clarified language provides for. The clarifying language states that waters of the U.S. may be used for waste treatment (subject to pretreatment) or conveyance facilities subject to federal 404 authorization and WDRs pursuant to CWC 13260, and "diversion from waters of the U.S. to treatment facilities and subsequent return to waters of the U.S. is allowable, provided that the effluent complies with applicable NPDES requirements." But the original language (which has thus far been retained) states that using the waterbody for waste treatment or conveyance to a treatment system would be "tantamount to accepting waste assimilation as an appropriate use for that water body", and "Federal regulations at 40 CFR 131.10(a) state that *in no case* [emphasis added] shall a state adopt waste transport or waste assimilation as a designated use for any waters of the U.S." Given the clarifications, it does not seem that these two sentences retained from the original language are relevant – and indeed are more confusing than supportive of the clarified Finding. We suggest you delete them.

14. **New Issue** Section 1.h.(5)(a)(i), page 36, lists specific measures to disconnect impervious areas from receiving waters on large projects. This sentence should include "or other equivalently effective measures" to allow for other creative ideas in addition to those listed.

15. **New Issue** Section 1.h(5)(a)(ii), page 37, requires the establishment of "buffer zones and setbacks for channel movement." In the case of a redevelopment project, land uses would already be established adjacent to the channel, such that allowing for "channel movement" would in most cases be infeasible. This sentence should be modified to refer only to *new* developments. Also – we request that you please add a definition of "geomorphically-referenced channel design techniques" to Section C, Definitions in order to clarify what you are requiring.

Again, the City of Dana Point appreciates the opportunity to provide these comments. We request that the SDRWQCB respond to our concern regarding these comments in writing. Please contact Brad Fowler at 949-248-3554 or Lisa Zawaski at 949-248-3584 should you have any questions.

Respectfully,



Doug Chotkevys
City Manager
City of Dana Point

cc: B. Fowler, L. Zawaski, City of Dana Point
J. Haas, SQRWQCB
C. Crompton, R. Boon, County of Orange
South Orange County Permittees