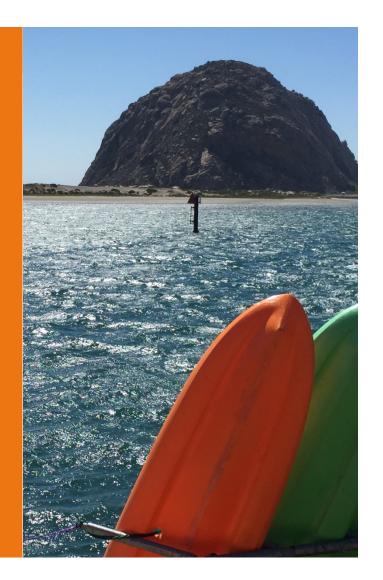


Morro Bay Water Reclamation Facility

Certification of Final Environmental Impact Report City Council

August 14, 2018 6:00 PM







Presentation Overview

- Staff Recommendation
- Review of Project Description
- CEQA Process Overview
- Comments on Final EIR
- CEQA Requirements for Certification and Approval
- Next Steps



Staff Recommendation

- Review the Final EIR, including comments received regarding the Draft EIR and responses to those comments
- Take public comment
- Adopt Resolution No. 61-18
 - Certifying the Final EIR
 - Adopting Findings of Fact, a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations
 - Approving the WRF Project
 - Directing staff to pursue obtaining all necessary governmental permits, real property interests, financing, design, construction activities, and other related actions for the Project
- Direct the Public Works Director to sign and have filed a Notice of Determination with the San Luis Obispo County Clerk



Project Goals

Refined and adopted by City Council, October 24, 2017:

- Produce tertiary, disinfected wastewater in accordance with the California Code of Regulations (CCR) Title 22 requirements for unrestricted urban irrigation
- Produce reclaimed wastewater to augment the City's water supply, by direct or indirect means
- Design to treat, and minimize the impacts from, contaminants of emerging concern in the future
- Ensure compatibility with neighboring land uses



Proposed Project Overview

- To meet the requirements of the State Water Resources Control Board, the Proposed Project would provide tertiary wastewater treatment services for the City of Morro Bay.
- TREATMENT: Proposed new WRF
- COLLECTION: New lift station and conveyance pipeline for raw/treated wastewater flows to/from the WRF
- **DISTRIBUTION**: New recycled water pipeline from WRF to new groundwater injection wells (two alternative areas)
- INDIRECT POTABLE REUSE: Recharge advanced-treated recycled water to Morro Valley Groundwater Basin; extract groundwater from existing City production wells
- DECOMMISSION: Decommissioning of existing WWTP



New Water Reclamation Facility

- Draft Facility Master Plan completed Dec 2016
- Full tertiary treatment with advanced treatment for potable reuse
- Outside area of coastal hazards
- Minimal aesthetic impacts





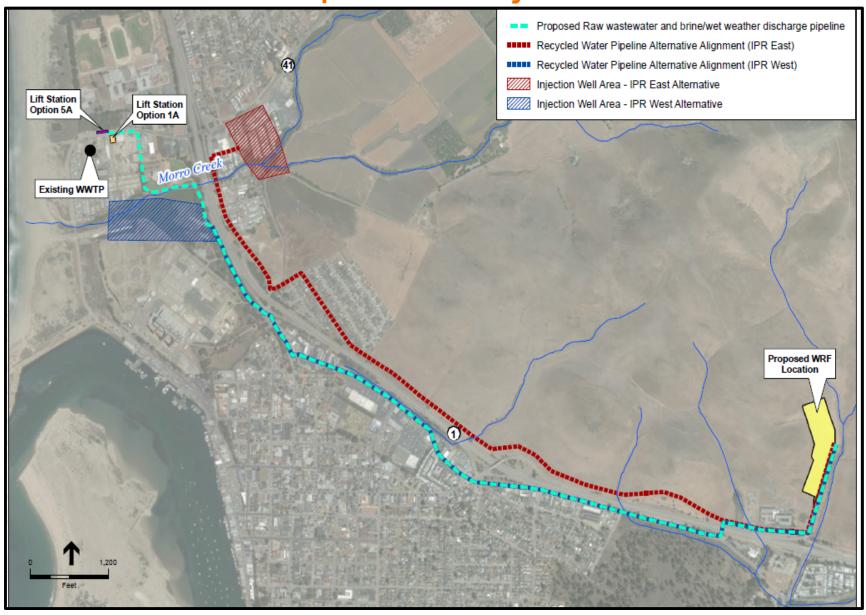
Reclamation Overview

- Master Reclamation Plan evaluates multiple reuse options
- Potable reuse ranks highest
- Potential to offset ~80% of City's current water demand
- Initial hydrogeology studies completed
- Additional study required to assess seawater intrusion and nitrogen impacts



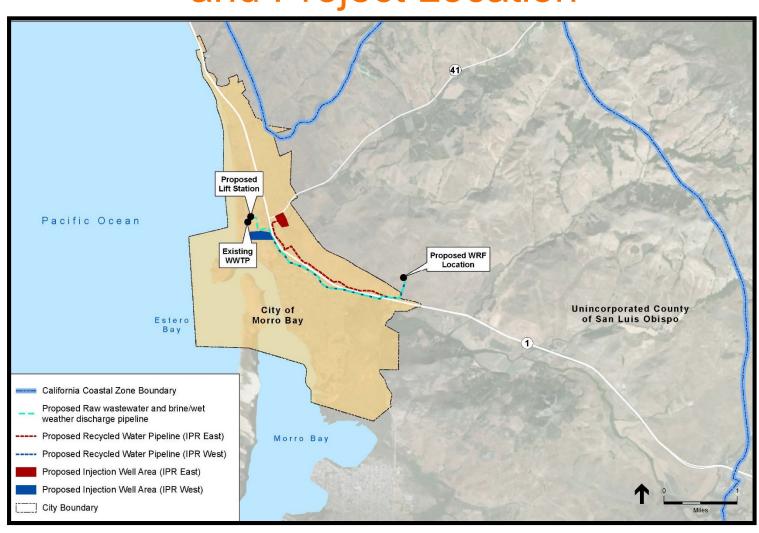


Proposed Project





California Coastal Zone Boundary and Project Location



July 10, 2018

Please see following comments concerning the Final EIR for the WRF proposed project, this is the first of several pages of comments that the Northern Chumash Tribal Council, Inc. is working on and will

1 WRF Site Alternatives, second paragraph, in the paragraph below, false and misleading statements are made, you cannot mitigate burials, this is significant and this is in violation of CEQA.

As explained in Chapter 6 of the Draft EIR, the only potentially significant and unavoidable environmental impacts associated with the proposed project would be to cultural resources. Those impacts would be the result of implementing the proposed pipelines across Morro Creek, and would not be associated with construction of the WRF facility itself. There are no significant and Unavoidable environmental impacts identified in the Draft EIR due to construction or operation of the WRF treatment facility component of the project at its proposed location. As such, a pipeline alternative that could lessen or avoid impacts to cultural resources is considered (see Alternative 2on page 6-12 of the Draft EIR). Based on the CEQA requirements for the analysis of alternatives,

2. Response to Collins-2, 19-102, Mitigation Measure CUL-3, there is no mitigation measures that can reduce to a significate level, must avoid. Where is the cost Performa to move the pipeline around the Sacred Sites, please

is determined by the City to be infeasible in light of factors such as project design, costs, and In the event avoidance and preservation in place of a resource other considerations, then Mitigation Measure CUL-4: Development of an Archaeological Resources Data Recovery and Treatment Plan will be implemented for that resource, consistent

3. Last sentence on 10-104, the Cost Performa for the re-routing around the Sacred Chumash Sites, was not included in the Draft or the Final EIR, please provide, the bases for your decision, please send us all paperwork and cost analysis and any other project design, costs, and other considerations.

Regarding the comment about re-routing the pipeline, the commenter is referred to Response to Collins-1.

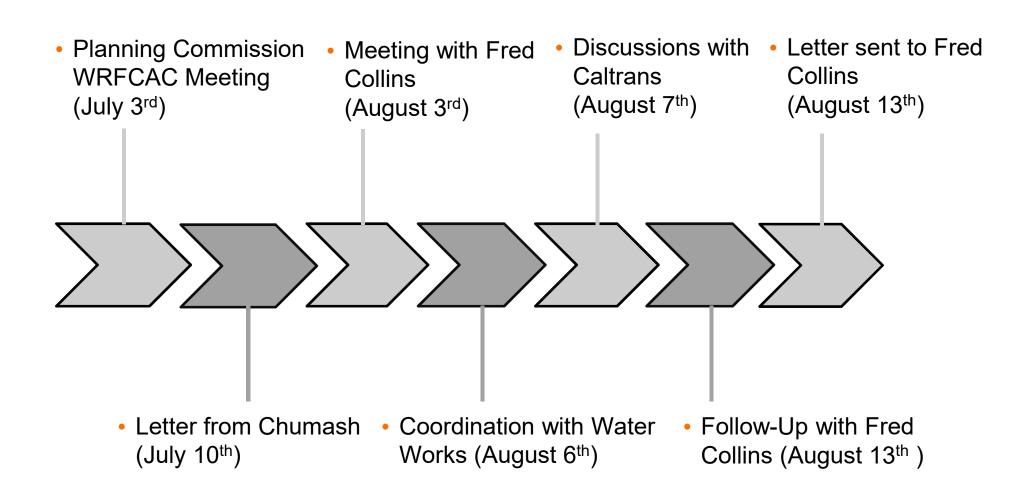
Fred Collins Chair NCTC mash

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- WOULTING



Recent Developments – Working Timeline

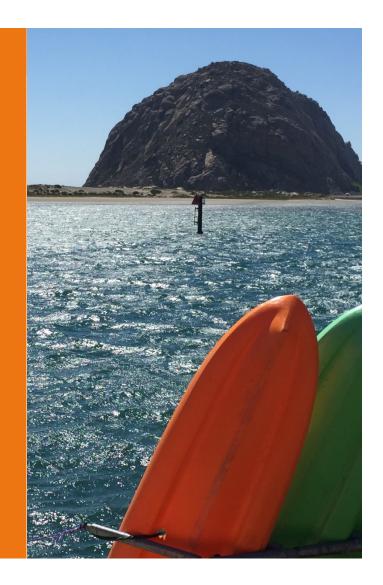




Recent Developments – Next Steps

- Continue coordination with Caltrans regarding alternative alignment
- Clarify design details with Water Works Engineers

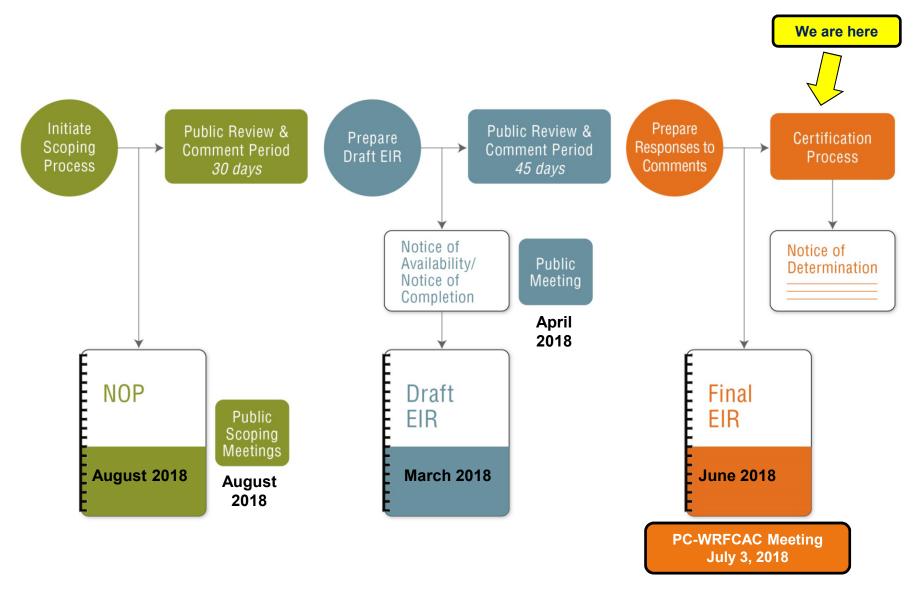
CEQA Process and Final EIR Comments







CEQA Process for WRF EIR





Comments on Final EIR

- Local Agency Formation Commission (LAFCO)
 - Edit made to reflect the City's intent to apply for a modification to the Sphere of Influence that includes the 396-acre parcel:

2.2 Project Location

"The 27.6-acre site would ultimately be annexed to the City. Refer to Section 2.7.1 below for further discussion about the annexation process. The WRF site is part of a greater 396-acre parcel that is located along Highway 1, north of the northern terminus of South Bay Boulevard. The City will seek a modification to its Sphere of Influence (SOI) to include the entire 396-acre parcel. The City's Sphere of Influence (SOI) would be modified to include this 396-acre parcel. Refer to Section 2.7.1 below for further discussion about the process to modify the SOI." (Draft EIR, page 2-1)



Comments on Final EIR

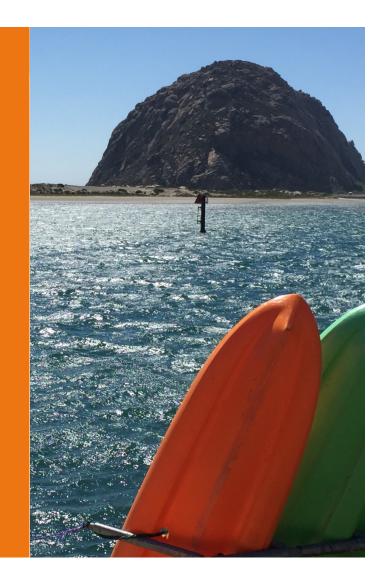
Northern Chumash Tribal Council

- No edits proposed to the Final EIR at this time.
- Pipeline alignment modifications under consideration do not change the findings of the Final EIR.
- Potentially significant impacts to cultural resources may still occur even if the pipeline alignment is modified. The mitigation measures identified in the Final EIR remain unchanged.

Conclusions

- Final EIR can be certified.
- Project modifications after Final EIR certification are typical for infrastructure projects of this size and complexity.
- If project modifications are made, subsequent environmental analysis would be conducted to determine if additional documentation is required (e.g., Addendum)

CEQA Requirements for Certification and Approval







CEQA Requirements for Certification

- Before the City may approve the proposed project, it must certify that the Final EIR:
 - a) has been completed in compliance with CEQA;
 - b) was presented to the City Council who reviewed and considered it prior to approving the project;
 - c) reflects the City's independent judgment and analysis (CEQA Guidelines Section 15090)



CEQA Requirements for Approval

 Once the Final EIR is certified, the City Council may proceed to consider project approval.

(CEQA Guidelines Section15090)

 Prior to project approval, the City must make written findings and adopt statements of overriding considerations for each unmitigated significant environmental effect identified in the Final EIR.

(CEQA Guidelines Sections 15091; 15093)



CEQA Requirements for Approval

Statement of Overriding Considerations

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. (CEQA Guidelines Section 15093)



CEQA Requirements for Approval

- Statement of Overriding Considerations for the WRF Project includes the following benefits:
 - Providing wastewater treatment that meets State water quality requirements and adequate capacity to meet future demand
 - Removing essential wastewater infrastructure from coastal flood hazard zones consistent with State policy
 - Increasing potable water supply reliability
 - Beneficially reusing recycled water consistent with State policy
 - Improving opportunities for coastal land uses due to decommissioning and relocation of existing WWTP
 - Replacing the existing WWTP with water recycling operations provides opportunities for low-interest grants or loans to fund project at a lower cost.



Requested Council Action

- Review the Final EIR, including comments received regarding the Draft EIR and responses to those comments
- Take public comment
- Adopt Resolution No. 61-18
- Direct the Public Works Director to sign and have filed a Notice of Determination with the San Luis Obispo County Clerk



Next Steps

- ➤ Adoption of Resolution 61-18
 - > Certification of Final EIR
 - ➤ Adoption of Findings of Fact
 - ➤ Adoption of Statement of Overriding Considerations
 - ➤ Adoption of Mitigation Monitoring and Reporting Program
 - ➤ Approval of the Project