

Our Water Morro Bay Frequently Asked Questions

The City of Morro Bay is investing in the construction of Our Water Morro Bay, a project that will protect our environment and provide a safe, clean and reliable water supply for our community even during extended periods of drought.

Our Water Morro Bay represents the culmination of a significant public process, including identification of community goals, evaluation of project and site alternatives, and input from a number of professional and community advisory groups. On multiple occasions, our City and the Council majority have reaffirmed the decision to provide clean, safe, affordable and reliable water to this community. The WRF project is critical and key to achieving this goal.

As the program moves forward in construction, it is important for our community to have access to the facts about this important community program.

Q – What is the Water Reclamation Facility?

A – The Water Reclamation Facility (WRF) is a new, one million gallon per day advanced treatment facility that will replace the City’s existing wastewater treatment plant and will meet state regulations, protect the environment, and contribute a safe and reliable water source for Morro Bay’s homes and businesses. The project will create a drought buffer and will be capable of providing up to 80 percent of the City’s water needs in the future.

The new facility – which is scheduled to operate in 2022 – is a central component of the City’s program aimed at planning and building water and wastewater infrastructure for a more sustainable future.

Q – Why is it necessary for the City to build a new wastewater treatment plant?

A – To meet state and federal requirements, the City must construct a new wastewater treatment facility in an inland location away from the coastal zone and hazards, such as sea-level rise, tsunami and flood inundation. Relocating the facility further inland is necessary to continue providing reliable wastewater and water service to Morro Bay residents and businesses.

The existing wastewater treatment plant needs to be rebuilt due to age and condition, as well as capacity and water quality regulations. The new wastewater treatment plant cannot be rebuilt at its current location near the beach. The California Coastal Commission denied the City’s 2013 permit application to build a new plant near the existing site by a vote of 13 to 0.

The existing plant was built in 1952 and was not designed to meet current regulations. The Regional Water Quality Control Board ordered compliance of current standards by 2023. In addition, the wastewater treatment plant is within the floodplain and the tsunami inundation zone, putting our critical facilities at risk.

Q – When will the new facility be complete?

A – Construction of the WRF began in March 2020, and construction on associated infrastructure, including pipelines and pump stations, will begin in mid-2020. Construction of these components will be completed by 2022. The wells that will inject purified water into the Lower Morro Groundwater Basin will be completed in 2023.

Q – What benefits will we get with a new Water Reclamation Facility?

A – This project reflects the state’s mandate to move the facility away from the ocean in order to protect critical infrastructure from the tsunami inundation zone and potential flooding. Today’s planners also recognize that there is no such thing as “waste” water. All water has value and today’s technology makes it possible for to treat residual water from the water reclamation plant and keep it for beneficial use, versus sending it out to the ocean. The project will help protect the local groundwater supply by replenishing the local groundwater basin that provides drinking water for the City of Morro Bay. The WRF will provide a reliable drinking water supply even during extended periods of drought.

Q – Where will the new wastewater treatment plant be located?

A – The new facility will be located on South Bay Boulevard north of Highway 1. The project also includes two new lift stations, approximately 3.5 miles of pipelines and wells to inject the purified water into the groundwater aquifer, which can be extracted for reuse through the City’s existing infrastructure. The facility site was determined after extensive review of more than 17 alternate locations.

Q – What are the potential benefits of locating the new Water Reclamation Facility to the South Bay Boulevard site?

A – Aside from locating the facility outside the area of coastal hazards (i.e., sea-level rise, tsunami and flood inundation) and being conducive to surrounding land uses, the South Bay Boulevard site supports water recycling in the form of indirect potable reuse. The Draft Master Water Reclamation Plan recommended injecting recycled water into the Lower Morro Groundwater Basin upstream of the City’s water production wells, as it had the greatest water supply benefit for the community.

Q – Can the City drop the water reuse component to reduce costs to ratepayers?

A – No. The City conducted a rate study in 2018 that determined if the City were to drop the reuse component of the project, the water and sewer rates would largely be the same. That is because the City would no longer qualify for low interest loans from the State and Federal agencies, thus the City would have to take out much higher interest rate bonds to construct the project. In addition to that, the City would likely not have received a Coastal Development Permit for a non-reuse project as it would conflict with the Local Coastal Plan.

Reuse was added to this project after an in-depth evaluation to ensure that the City can provide drinking water and water for businesses to continue to operate in periods when there are droughts. Currently, the City is largely dependent upon imported water from the State Water Project. Recycled water would increase the City’s local water supply, provide resiliency and help reduce impacts of future droughts and

potential State Water disruptions. Recycled water makes the project eligible and competitive for grants and low-interest loans, which will result in lower monthly water and wastewater payments.

Water reuse helps reduce costs in the long run and provides a drought-proof water supply for the community.

Q – Does the selected site put our estuary at risk from spills?

A – No. Environmental protection is a top priority for the City and is one of the key benefits of the program. Extensive protections are in place to prevent spills into the estuary or elsewhere, including back-up generators to move effluent through the plant in event of a power outage. Also, mechanical equipment and stormwater infrastructure is planned with several measures to block overflow. They are similar to mitigations that Los Osos placed on their pump stations, which are in closer proximity to the estuary than the planned Morro Bay facility.

The City faces mandatory \$50,000 fines from the Regional Quality Control Board every month by 2023 if there is not a viable project in place that meets treatment standards under the Clean Water Act. The Coastal Commission has made it clear the new plant should be located away from the ocean, and upgrading the existing infrastructure is no longer viable. The need for a new facility is urgent.

Q – How much will the Water Reclamation Facility cost?

A – The cost to construct the WRF, along with accompanying pipelines and facilities is approximately \$126 million.

In 2018, a four-member Blue Ribbon Commission, made up of financial experts, provided a number of recommendations with cost efficiencies. One of these recommendations was postponing the demolition of the existing wastewater treatment plant.

The City has also secured low-interest loans and is pursuing additional grants and loans which significantly help to reduce costs to community members. As a result of these low-interest loans, the City may be able to reduce rates in the future. The City is pursuing other grant opportunities. Fortunately, multiple agencies have reviewed and approved this project due to recognition that it must move forward to protect the environment and ensure water for Morro Bay.

Q – How will the City pay for the project?

A – New water and wastewater rates will cover the debt services associated with low-interest loans. The City is also seeking grants from various State and Federal agencies to further reduce the cost for the project.

All components of the Water Reclamation Project have been structured to maximize competition and to help ensure the project is as affordable as possible. Currently, customers are helping pay for this program through a \$41 monthly surcharge, approved in 2018 to assist with funding the project. Even with the surcharge, Morro Bay water rates are in line with what residents pay in Los Osos and Cayucos, where new wastewater treatment projects were recently or are currently being built.

The City is pursuing grants and low-interest loans through the State Water Resources Control Board, and other State and Federal agencies to help fund the project and minimize impacts on customers. The City

has secured up to \$62 million in low-interest funding from the United States Environmental Protection Agency (EPA) Water Infrastructure Finance and Innovation Act (WIFIA) program for the project. Alone, this loan will make available up to 49 percent of the project cost in low-interest funding, which is ultimately expected to save Morro Bay ratepayers \$29 million over the life of the project. Our Water Morro Bay was also placed on the Clean Water State Revolving Fund (SRF) fundable list for the Fiscal Year 2019/2020. SRF funding (grants and low interest loans) combined with the WIFIA loan and cash on hand will fully fund the project.

Q – What will happen to the old Wastewater Treatment Plant?

A – The outdated plant will be taken out of service after the new plant is constructed, commissioned, and ready to reliably produce treated effluent. Potential future uses for the site are currently being considered.

Q – What other projects are included in the City’s Capital Improvement Program?

A – Detailed analysis identified critical improvements to the City’s water and sewer infrastructure that must be made through the year 2040 to keep all vital systems in top working order. This includes \$26.1 million in improvements to the water system, and \$18.2 million for the sewer system. These investments are included in the City’s five-year rate plan approved in 2018. Repair of aging pipelines is included in this cost, with an immediate focus on replacement of the sewer main in north Main Street.

Q – Where will the pipelines be constructed?

A – The pipelines will be constructed on South Bay Boulevard from the WRF to Quintana Road, on Quintana Road from South Bay Boulevard to Main Street, on the west side of Highway 1 from Main Street to Atascadero Road and on Atascadero Road to a new lift station constructed in the City’s existing Corporation Yard near the beach. The City has met with businesses and community members to prepare for construction and reduce impacts as much as possible.

Multiple pipeline route alternatives were analyzed as part of the conceptual design. The factors analyzed included potential cultural resource impacts, environmental resource impacts, public and business impacts, constructability and cost.

Q – How much water will be recycled and how much can be extracted?

The City’s goal is to recycle as much water as possible. The facility will have the ability to treat up to 0.74 million gallons per day (MGD) (825 acre-feet per year) or about 76 percent of the WRF’s average daily flow design capacity (0.97 MGD). Groundwater modeling results have shown that all recycled water can be used for groundwater injection and extraction in the Morro Valley, and injection locations are being analyzed to determine the maximum amount for groundwater that can be extracted without impacting water quality.

Q – What is the construction schedule for the WRF project?

A – The WRF project, including construction, is scheduled to be completed by 2023. This will include a lift station, pipelines, and full advanced treatment to produce water fit for supplementing the City’s potable groundwater supply. The City received a time schedule order from the Regional Water Quality Control Board on June 27, 2018, that requires the City to comply with new full secondary treatment requirements by February 28, 2023. The City anticipates being in compliance with the time schedule order by mid-2022.

Q – What will the construction impacts for the WRF be and how will these be mitigated?

A – The proposed pipelines will run underground through the City of Morro Bay on Atascadero Road, Main Street, Quintana Road and South Bay Boulevard. Construction impacts could include noise, dust, vibrations, traffic and other impacts typical of a pipeline project. Construction impacts are unavoidable for a project of this significance and size, but the City will work to minimize inconveniences and maintain a safe environment for residents, businesses, visitors, commuters and crews. The City is committed to keeping all stakeholders informed and up-to-date throughout the entire process of design and construction.

Q – How can I receive community email notifications about the project?

A – Sign up through this website by clicking [here](#).

Q – Who can help answer my questions?

A – Send us your questions and comments [here](#).