

## PRESS RELEASE

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## CITY OF MORRO BAY ADMINISTRATION CELEBRATES PROGRESS ON WATER RECLAMATION FACILITY CONSTRUCTION

Morro Bay, Calif. – On Monday, Morro Bay Mayor and City Councilmembers visited the Water Reclamation Facility (WRF) construction site on South Bay Boulevard north of Highway 1 for a progress update and tour of construction activities on the City's largest-ever infrastructure project.

"It is great to see construction underway on a project that has been talked about for decades," said Morro Bay City Manager Scott Collins. "Significant progress has been made on earth moving work, concrete and rebar placement, and trenching and pipeline installation."

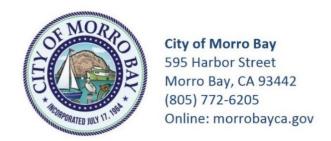
Construction began on the Water Reclamation Facility in March 2020, and after six months of construction, more than 75,000 cubic yards of soil have been moved on the site, a basin and tank are under construction that will collectively include 600 tons of concrete and 28 tons of rebar, and 23-foot tall walls are being constructed.

"We committed to the ratepayers of Morro Bay that we would complete this project on time and within budget," said Collins. "We remain on track to complete the project in November 2022 and are pleased to report that current utility rates will not increase despite challenges with project permitting, contracting and land acquisition."

Construction of the Water Reclamation Facility involves dozens of companies and suppliers, and has created over 50 construction related jobs to date. To date, \$72 million worth of low interest State and Federal loans are in place for the \$130 million project.

The City is committed to providing cost-effective water and wastewater services with comparable utility rates to surrounding coastal communities. In early 2020, the City of Morro Bay 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. 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 (\$900,000 per year savings in debt payments). The City is currently completing the loan agreement process with the California State Water Resource Control Board for a grant and low-interest loan from the State Revolving Fund (SRF) program.

Once the Water Reclamation Facility is complete, a portion of the City's wastewater will be purified through a scientifically-proven advanced purification process, injected into the groundwater basin for several months until it meets state and federal drinking water standards, and sent to the City's drinking



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water distribution system. The project will help protect the local groundwater supply by replenishing the local groundwater basin and provide a reliable drinking water supply even during extended periods of drought.

## **About the Water Reclamation Facility**

The City of Morro Bay Water Reclamation Facility Program involves replacing the City's existing wastewater treatment plant with an advanced water purification facility that 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 is capable of providing up to 80 percent of the City's water needs in the future.

The project includes construction of a new one million gallon per day advanced treatment facility, two new lift stations, an approximately 3.5 mile pipeline alignment, and wells to inject the purified water into the groundwater aquifer, which can be extracted for reuse through the City's existing infrastructure. The current schedule includes construction completion in 2023.

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