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After decades of putting it off, San Diego and other wastewater agencies in the county may finally have to upgrade the Point Loma sewage treatment plant. The bill could surpass \$1 billion. For many residents, that is likely to mean ...

More rate hikes

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After swallowing four recent sewer-rate increases, San Diegans probably will face a fifth round of hefty hikes if city officials have to retrofit the Point Loma Wastewater Treatment Plant to meet federal pollution standards.

The cost of the initiative could top \$1 billion – money that cash-strapped San Diego doesn't have.

Mayor Jerry Sanders and the City Council already are struggling to secure hundreds of millions of dollars for court-mandated upgrades and maintenance on the city's long-neglected sewage collection pipes. The city also didn't help itself by diverting some sewer and water funds to finance other city projects, a practice that Sanders has curtailed.

Fifteen other wastewater agencies in the county are on the hook as well because they use San Diego's sewage system. The cities and special districts would have to pay about one-third of the Point Loma plant bill, and some of them lack the money.

“This is a very large issue, and a lot of our cities are probably going to be wrestling with the fact that they may not have a fund they have set aside” for the retrofit, said Mayda Winter, an Imperial Beach councilwoman and vice chairwoman of a group of wastewater agencies that rely on the Point Loma facility.

Because the Point Loma upgrades and their costs remain speculative, San Diego hasn't calculated potential rate increases for the work.



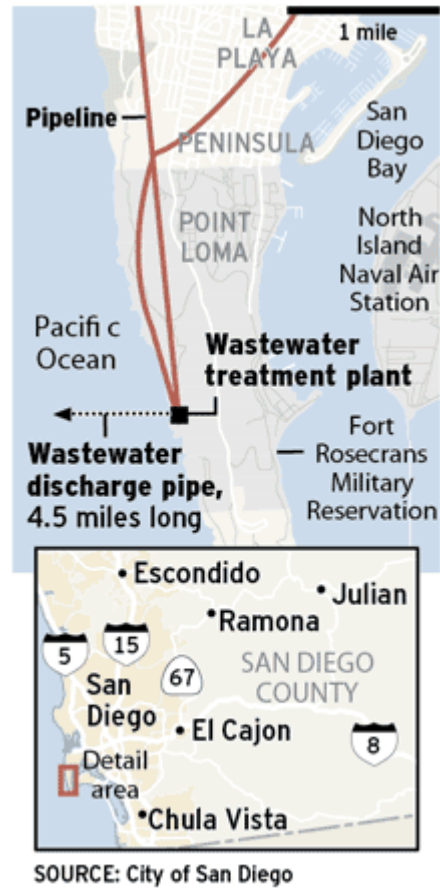
JOHN GIBBINS / Union-Tribune
Senior boat operator Jack Russell (left) and marine biologist Nick Haring collected water-quality samples yesterday from 14 sites off Point Loma and Imperial Beach.

But the jump is likely to be steep, even if the city can offset some construction expenses with federal grants. For comparison, San Diego raised a total of \$108 million with a series of 7.5 percent rate increases from 2002 to 2005. The average monthly residential sewer bill has risen from \$29.81 five years ago to \$35.17 today.

San Diego officials could delay the retrofit by applying for a waiver from the federal Clean Water Act on the premise that there's no evidence of Point Loma discharges damaging the surrounding ocean. They have until early 2007 to start work on the hefty waiver application.

Local environmental organizations aim to block the city from gaining what would be its third exemption, each lasting five years. They're poised to sue if necessary.

The Point Loma facility treats wastewater through a process known as advanced primary treatment. The environmental groups want the region's largest sewage discharger to adopt a more stringent method called secondary treatment.



DANIEL WIEGAND / Union-Tribune

All but two of the nation's major treatment plants – those in San Diego and Honolulu – have switched to secondary treatment.

“They can fight for their waiver . . . but we think we have enough evidence to keep them from getting (it),” said Marco Gonzalez, an attorney for Surfrider and San Diego Coastkeeper, which have hounded the city to upgrade its sewage system for years.

Gonzalez said he's sympathetic to San Diego's fiscal constraints and “will work with (its leaders) to find a solution that makes sense for the city politically and the ratepayers financially.”

Environmentalists are focusing on San Diego because the city owns the treatment plant and is responsible for the Point Loma pollution permit.

Sanders hasn't taken a position on the Point Loma issue, mayoral spokesman Bill Harris said. The council has yet to chart a course.

With the right assurances, some key environmentalists said they wouldn't challenge the city even if it took several years to begin upgrading the Point Loma plant.

For instance, San Diego could work with the U.S. Environmental Protection Agency and environmental groups to develop a timeline for retrofitting the facility.

In the meantime, new technology is expected to lower the price of upgrading wastewater treatment facilities, although it's uncertain how much San Diego would benefit by waiting for such advances.

A troubled system

San Diego's sewage problems go back decades.

Much of the city's raw sewage was dumped directly into San Diego Bay until the early 1940s. Then the Navy complained that the effluent was corroding ships and making sailors sick.

San Diego built a small treatment plant in 1943, but it eventually couldn't accommodate the city's growing volume of wastewater from a burgeoning population.

The \$5.1 million Point Loma facility opened in 1963. In the 1990s, it was given its largest overhaul, at a cost of \$250 million.

Today the plant treats about 175 million gallons of sewage a day at the advanced primary level, which removes about 85 percent of suspended solids from wastewater. Secondary treatment would boost that level to 90 percent or higher.

Even as San Diego improved the Point Loma facility and built two major water reclamation plants in the past decade, its sprawling network of sewer pipes was falling apart.

The network has been beset by underfunding, state fines, litigation and – until recently – a disproportionate number of sewage spills. As a result, San Diego is under a legal contract with environmental groups and the EPA to spend \$82 million by July on maintaining and upgrading its sewage system.

A long-term pact under development is expected to commit San Diego to investing \$150 million to \$200 million a year on sewage-related maintenance and capital improvements through 2013. The city hasn't detailed how it plans to raise that money.

These annual cost figures don't include a Point Loma retrofit. That project is likely to take a decade, with the bulk of the construction costs coming several years into the project.

San Diego has a reserve fund for sewer-system emergencies, but it hasn't set aside money for secondary treatment at Point Loma because the city has never decided that it would do the retrofitting, Metropolitan Wastewater Department spokesman Michael Scahill said.

Sewer-system upgrades typically are financed with bonds based on a city's rates.

Councilman Jim Madaffer, chairman of the council's Natural Resources and Culture Committee during the last waiver application process, said San Diego has waited long enough to commit to secondary treatment. He wants city leaders to negotiate with regulators and environmental groups for time to raise money.

“I think that it is not only the right thing to do now, but I think it is inevitably something we are going to have to do,” Madaffer said.

The Metropolitan Wastewater Joint Powers Authority, a coalition of cities and special districts using San Diego's wastewater facilities, has yet to weigh in.

The sewage system's largest user, aside from San Diego, is Chula Vista.

It probably would be saddled with about 10 percent of the Point Loma plant upgrade costs, or roughly \$100 million at current estimates. Chula Vista officials said they have \$5 million in a reserve fund that could be used for sewer projects.

“My sense is that the region will struggle as a whole with that (fiscal) challenge,” said Leah Browder, deputy director of Chula Vista's Engineering Department.

Water-pollution debate

San Diego first sought a waiver for the Point Loma plant through a protracted process that began in 1979. If the city seeks an additional waiver, it would need to start working on the lengthy application early next year and submit the document by December 2007.

Water-pollution regulators have warned that San Diego shouldn't expect waivers forever, but they haven't ruled out a further exemption.

“Point Loma is monitored extensively, and I just don't have great cause for alarm” about the effluent's environmental effects, said John Robertus, chief of the San Diego Regional Water Quality Control Board.

“If we do go to secondary . . . it might be purely political,” he said.

Alexis Strauss, director of water programs at the EPA's office in San Francisco, said she wouldn't summarily reject the idea of letting San Diego maintain its current program for five more years.

“Frankly, the city of San Diego is doing an excellent job of advanced primary (treatment),” she said.

But history says the waivers' days may be numbered.

About 30 of some 16,500 wastewater treatment plants nationwide still operate under waivers to avoid meeting the secondary standard, the level prescribed by the federal Clean Water Act of 1972.

At capacity, the Point Loma plant can discharge as much treated sewage as all the other exempted facilities combined.

Four years ago, the Orange County Sanitation District's governing board voted 13-12 to move from partial secondary treatment to full secondary treatment.

The main pressure for such improvements came from community and environmental activists, not from regulators, said Jim Colston, the district's legal and regulatory affairs liaison.

In prior years, Huntington Beach had suffered from numerous beach closures because of high bacteria levels. The cause was never officially determined, but the sanitation district decided to adopt full secondary treatment anyway at a cost of about \$600 million.

The money came mostly from significant sewer-rate increases, but the agency also received a few million dollars in federal grants, Colston said.

Some San Diego officials and business leaders said an additional Point Loma waiver should be considered because water testing hasn't shown damage to the marine ecosystem near where the facility discharges its treated sewage.

“It may be that (secondary treatment) is inevitable but, at this point, the waiver seems appropriate,” said Craig Benedetto, chairman of the infrastructure committee for the San Diego Regional Chamber of Commerce.

City research crews spend more than 110 days a year on boats monitoring the water, fish and other factors around the Point Loma outfall.

Environmentalists said the monitoring program isn't enough to identify the wide variety of potential impacts created by the continuous stream of effluent.

A 2004 assessment by UCSD's Scripps Institution of Oceanography said San Diego could do a better job of tracking the effluent plume and pay more attention to tiny organisms such as plankton, among other things.

The city, which spends about \$4.5 million a year on ocean monitoring, is expanding its testing to incorporate many of Scripps' suggestions.

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