



ENDORSED FILED

SEP 24 2015

July 23, 2015

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SUTTER
CLERK OF THE COURT
By JACKIE LASWELL Deputy

Honorable Brian R. Aronson
Presiding Judge
Superior Court of California
County of Sutter
446 Second Street
Yuba City CA 95991

Re: 2014-2015 Sutter County Grand Jury Report – Wastewater Treatment Plants

Dear Judge Aronson;

This letter is the official response of the City of Yuba City regarding the Grand Jury Report on Wastewater Treatment Plants.

FINDINGS

F1: The Yuba City Waste Water Plant has, on occasion, failed to meet water quality standards as set by the State. The reason for the failure is that the older equipment is antiquated and is wearing out.

Response: Partially agree. Many process units throughout the facility have been updated to modern-day standards. The aeration basin and plant power feed units are good examples. Process units such as the secondary clarifiers mentioned in the report can and are scheduled to be updated to operate in the most efficient manner. The City recently awarded a contract with RMC Water and Environment of Walnut Creek to provide engineering services for many upcoming plant upgrades.

F2: The State is setting higher standards for wastewater discharge into our rivers and their environs.

Response: The City agrees with this finding.

F3: Management of the older Yuba City Plant appears to be excellent. However, it is challenging keeping the older equipment operating in an efficient manner. There is always the possibility of exceeding limits which contaminate the environment and create a financial loss to Yuba City.

Response: The City agrees with this finding.

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RECOMMENDATIONS

R1: *The Yuba City wastewater treatment plant is due for an upgrade. Planning for the inevitable upgrade will require local funds. Money should be set aside in the city budget for the upgrade.*

Response: This recommendation has been and will continue to be implemented. Wastewater treatment plants are required to be upgraded for two reasons.

1. To maintain the treatment facility in good working order. Due to the nature of wastewater treatment, facilities are constantly in a state of rehabilitation, upgrade and/or maintenance. As mentioned in finding #1, the City is beginning a project to rehabilitate and upgrade process units throughout the facility. The purpose for these projects is entirely driven by the need to keep the facility operating reliably and efficiently.
2. New regulatory discharge requirements. Many wastewater treatment plants are upgraded due to new discharge requirements. As noted in the report, discharge permits are renewed every five years. Discharge permits in the State of California are very unique to each discharger due to site specific conditions such as what kind of receiving stream (ditch, creek, river, etc.) is available amongst other things. State adopted discharge permit conditions should drive the design of plant upgrades; otherwise, there is not guarantee that future discharge requirements could be reliably met.

The City's Capital Improvement Program (CIP) includes planning for facility upgrades that may be required after the next discharge permit is adopted in 2018-2019. The City is currently preparing a rate study for both water and wastewater treatment facilities. Any recommended rate adjustment will include additional funding for plant upgrades. The rate study is scheduled to be completed by the end of 2015.

R2: *Yuba City needs to research the possibility of obtaining grant money or loans for the purpose of upgrading the wastewater treatment plant.*

Response: This recommendation has been and will continue to be implemented. The City continuously applies for and researches grants or other funding mechanisms for all plant projects.

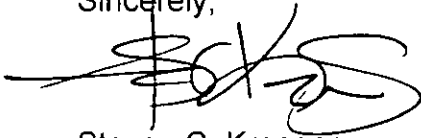
- Grants: the City obtained approximately \$6 million in grants within past four years for the wastewater infrastructure projects.
- Low interest Loans: the City obtained approximately \$10 million in low interest loans with interest rates from 1.8% and 2.2% during the same period.

R3: *Yuba City is currently in another dry year with limited fresh water available. A feasibility study should be conducted to determine how to use the treated discharge from the plant for landscaping or agriculture.*

Response: This recommendation is being implemented. The study of treated wastewater reuse is included with the project award to RMC Water and Environment of Walnut Creek to provide engineering services for many upcoming plant upgrades (as noted in F1 response above). The project is expected to commence in July 2015. Study of the reuse of treated wastewater will be completed early in the design process as other upgrades or process decisions will be dependent upon how the City will use and/or dispose of treated wastewater.

The City of Yuba City focuses on continuously improving our ability to provide public services to meet the needs of our community. The efforts of the Grand Jury are a service to the community and are to be commended.

Sincerely,

A handwritten signature in black ink, appearing to read 'SCK', with a large, stylized flourish extending to the right.

Steven C. Kroeger
City Manager

cc: Mayor and City Council
Diana Langley, Public Works Director
Michael Paullucci, Deputy Public Works Director - Utilities

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