

Office of the City Manager

415 Diamond Street, P.O. Box 270 Redondo Beach, California 90277-0270 www.redondo.org tel 310 372-1171 fax 310 379-9268

January 26, 2017

# VIA U.S. MAIL AND ELECTRONIC MAIL

Mr. Mazhar Ali California Regional Water Quality Control Board Los Angeles Region 320 W. 4th Street, Suite 200 Los Angeles, California 90013

Re: Comments on Tentative Waste Discharge Requirements – City of Redondo Beach, Seaside Lagoon (NPDES No. CA0064297)

Dear Mr. Ali:

The City of Redondo Beach ("City") welcomes the opportunity to comment on the Tentative Waste Discharge Requirements for the City of Redondo Beach, Seaside Lagoon, in Tentative Order No. R4-2017-XXXX, NPDES No. CA0064297 ("2017 Order"). The City appreciates the coordination and cooperation provided by the Regional Board and its staff over the years as the City operates this truly unique public recreational asset. The facility's nature makes it difficult to place in the regulatory spectrum of discharge classifications, and the City acknowledges the Regional Board's efforts to assist in the continuous operation of the facility. Fundamentally, however, applying a permit that is formulated from a template designed for industrial activities to a recreational use creates undue technical challenges. As discussed below, the City has concerns regarding the legality and viability of carrying out the 2017 Order.

Seaside Lagoon has provided protected water recreation to the general public for over fifty years. The Lagoon uses water exclusively from King Harbor, and the City cannot control the water quality of its influent and thus, in general, most pollutant loads in the Lagoon discharge. Seaside Lagoon is a unique body of water that requires practical solutions. As a result, the City seeks fair regulatory treatment for the Lagoon to ensure its continued viability as a public recreational facility. The City hopes to continue working with the Regional Board on a solution that allows the facility to continue to operate. We sincerely hope the Regional Board will take our comments into consideration prior to adopting the new 2017 Order.

### 1. A MAXIMUM DISCHARGE LEVEL SHOULD NOT BE ADOPTED AS AN EFFLUENT LIMIT

The 2017 Order establishes a maximum limit of 2.3 million gallons per day (MGD) of wastewater.<sup>1</sup> A maximum discharge limitation has never been included in the Seaside Lagoon NPDES Permit, and the City believes it is inappropriate to include such a limit in the 2017 Order. Moreover, a maximum discharge limit could disrupt the City's ability to properly operate Seaside Lagoon.

Seaside Lagoon discharges *approximately* 2.3 MGD into King Harbor, some days discharging more and others less. The Fact Sheet recognizes that this flow is a rough approximation: "*approximately* 3,200 gallons per minute (GPM) over a 12-hour operating day, which is equivalent to 2.3 MGD (approximately 0.26% of the total discharge from RBGS), of Power Plant once-through cooling water (that discharges to King Harbor) is directed to Seaside Lagoon."<sup>2</sup> Indeed, Order No. R4-2010-0185 ("2010 Order") also recognized that the facility discharges "roughly" 3,200 gallons per minute or 2.3 MGD in order to maintain sufficient water levels.<sup>3</sup> The City questions why an average flow rate has now been recommended as a maximum effluent limit.

As a practical matter, Seaside Lagoon is a pass through system, discharging no more water than it takes in to create and maintain a sufficient water level in the Lagoon for recreational purposes. During the season, Seaside Lagoon's normal operating hours are from 10:00 AM to 5:30 PM. The system's pumps are normally turned on one to two hours prior to opening and remain on for an additional one to two hours after closing. During the standard twelve-hour operating day, the average flow rate is generally 2.3 MGD. The City does not adjust the flow rate to maintain an average daily flow once the pumps are turned on. Under certain circumstances, additional discharge may be required to operate at sufficient levels and for normal maintenance purposes. For example, special events, such as the City's annual Lobster Fest, are held at Seaside Lagoon during extended hours that could increase the average flow rate.

The 2010 Order also based the Permit's mass-based effluent limits on an average daily flow of 2.3 MGD. Here, the 2017 Order maintains the same effluent limits, but bases them on a maximum flow of 2.3 MGD. As a result, the City believes that setting the limitation as a maximum daily flow was included as a mistake and should be removed. Alternatively, if a maximum discharge must be established in the 2017 Order, the City submits that the maximum flow limitation should be set as an average daily flow of 2.3 MGD.

<sup>&</sup>lt;sup>1</sup> 2017 Order, Part III.A., pg. 3.

<sup>&</sup>lt;sup>2</sup> 2017 Order, Fact Sheet, Part II, pg. F-4.

<sup>&</sup>lt;sup>3</sup> 2010 Order, Part II.B., pg. 7.

### 2. HEAVY METALS SHOULD NOT BE INCLUDED IN THE PERMIT

The City is particularly concerned with the inclusion in the 2017 Order of effluent limitations for the following heavy metals: 1) arsenic; 2) cadmium; 3) copper; 4) mercury; 5) selenium; 6) silver; 7) thallium; 8) zinc; and 9) cyanide (hereinafter collectively referred to as "Heavy Metals"). These Heavy Metals have not historically been included as effluent limitations in Seaside Lagoon's NPDES Permit.

As discussed in more detail in Attachment A, a review of recent Seaside Lagoon data indicates that the City will not be able to consistently comply with the proposed effluent limits for copper, selenium, silver, thallium and zinc. The table below summarizes the rate of compliance with the proposed effluent limits based on effluent data from 2014-2016. As shown in the table below, while application of intake credits increases compliance rates, exceedances are still likely to occur.

	Daily, MDEL <sup>[a]</sup>		Monthly, AMEL <sup>[b]</sup>	
	% Compliance Without Intake Credits	% Compliance <b>With</b> Intake Credits	% Compliance Without Intake Credits	% Compliance With Intake Credits
Copper	52%	76%	44%	72%
Selenium	72%	76%	17%	50%
Silver	16%	64%	11%	61%
Thallium	100%	100%	78%	83%
Zinc	52%	72%	28%	56%

Rate of Compliance with Proposed Effluent Limits Based 2014-2016 Data

[a] For metals, there were 25 effluent and 21 influent daily data points available for this analysis.

[b] There were 18 effluent and 14 influent monthly data points available for this analysis

In addition, insufficient data is available to determine if the City can comply with the proposed effluent limit for mercury.

The City appreciates the effort by the Regional Board staff to address potential exceedances of these metals' limits by allowing application of intake credits in the 2017 Order. However, as noted above and discussed in more detail in Attachment A, applying intake credits may still not result in consistent compliance with the Heavy Metals effluent limits, in large part due to influent water quality. The insufficient intake crediting scheme, discussed later in Part 5 and in Attachment A, still results in the City being responsible for correcting naturally occurring background conditions, which it cannot do and should not have to do. Therefore, the City will not be able to consistently comply with the proposed effluent limits for reasons beyond its control.

The City should only be responsible for those pollutants that Seaside Lagoon actually adds to the water. In other words, the City should not be responsible for exceedences attributable to the influent water or King Harbor. Based on the data collected, it is not clear that the effluent sampling location is truly representative of the effluent and not influenced by the receiving water. For example, it is noted in the 2017 Order's Fact Sheet that, "during high tide conditions, the sampling vault would be almost completely inundated with sea water and the effluent pipe would be completely submerged."<sup>4</sup> It is likely that, even at low tide, some receiving water may still remain that would result in a non-representative sample being collected. The City therefore requests that the Regional Board exclude the Heavy Metals from the 2017 Order.

If the Regional Board determines that the Heavy Metals must be included in the 2017 Order, then the City requests that interim limits and a compliance schedule for a minimum of five years be issued for these constituents to allow the City time to further investigate the following:

- Improvement of sampling and analysis methods to reduce the possibility of sample contamination;
- Improvement of sampling and analysis methods to identify and isolate the pollutant contributions of Seaside Lagoon to the effluent;
- Evaluation of sampling location and identification of a location that is more representative of the effluent and not influenced by the receiving water; and
- Planning considerations relating to removing the barrier between King Harbor and Seaside Lagoon.

# 3. The 2017 Order's TSS Effluent Limitation Does Not Satisfy the Best Professional Judgment Standard

The 2017 Order, like the 2010 Order before it, does not sufficiently explain how the TSS limitation of 75 mg/L is a result of adequately formulated "best professional judgment" ("BPJ"). The Regional Board has failed to justify the TSS effluent limitation. The only citation to any kind of scientific rationale for its decision is a reference to a "Gold Book" study that found that "TSS at a concentration of 80 mg/L yielded adverse effects to aquatic life."<sup>5</sup> However, this citation to the Gold Book study standing alone is not a sufficient explanation for the Regional Board's BPJ rationale for the TSS limitation. The Gold Book sections relating to TSS effluent limitations rely on a study performed over 45 years ago in 1970. This study was conducted on a freshwater stream, not on an ocean ecosystem like King Harbor.

The Ninth Circuit has held that in issuing permits on a case-by-case basis using its BPJ, a permit-issuing authority "does not have unlimited discretion in establishing permit effluent

<sup>&</sup>lt;sup>4</sup> 2017 Order, Fact Sheet, Part II.B., pg. F-6.

<sup>&</sup>lt;sup>5</sup> 2017 Order, Fact Sheet, Part IV.C.5.k., pg. F-22.

limitations. EPA's own regulations implementing this section enumerate the statutory factors that must be considered in writing permits."<sup>6</sup> The Ninth Circuit also noted that, "[i]n addition, courts reviewing permits issued on a BPJ basis hold [permit granting authorities] to the same factors that must be considered in establishing the national effluent limitations."<sup>7</sup>

Accordingly, the Regional Board should analyze each of the statutorily enumerated factors, including but not limited to 40 C.F.R. §§ 125.3(c) and (d) and 33 U.S.C § 1314(b), in the Board's BPJ determination of the TSS limitation. For instance, regarding the effluent limitations pursuant to the best conventional pollution control technology standard that applies to TSS, 33 U.S.C. § 1314(b) requires permit-issuing authorities to consider: (i) the reasonableness of the relationship between the costs of attaining a reduction in effluent and the effluent reduction benefits derived; (ii) the comparison of the cost and level of reduction of such pollutants from the discharge from publicly owned treatment works to the cost and level of equipment and facilities involved; (iv) the process employed; (v) the engineering aspects of the application of various types of control techniques; (vi) process changes; and (vii) non-water quality environmental impact (including energy requirements).

In addition, the 2010 Order's TSS effluent limit was further justified by noting that other industrial permits contain the same daily maximum effluent limit.<sup>8</sup> However, Seaside Lagoon is not a typical industrial discharger and by the very nature of the Lagoon (e.g., sandy bottom), higher TSS would be expected to be present in the water and possibly higher than in King Harbor itself because the Lagoon is more shallow and more likely to be influenced by the sandy bottom without adversely affecting the beneficial uses of the harbor. The nature and use of the Lagoon should be considered in determining if a TSS limit is applicable or necessary to protect beneficial uses.

Amending the TSS limit in the 2017 Order is permissible under several exceptions to the anti-backsliding rule. The Clean Water Act and its implementing regulation provide exceptions to the Clean Water Act's anti-backsliding requirement that all effluent limitations of a renewed or reissued permit must be at least as stringent as the effluent limitations in the previous order.

First, a permit may be modified to contain a less stringent effluent limitation if the "Administrator determines that technical mistakes or mistaken interpretations of law were made in issuing the permit . . . . "<sup>9</sup> The City contends that the Regional Board made a technical

<sup>8</sup> 2010 Order, Part IV.B.2.c., pg. F-18.

<sup>&</sup>lt;sup>6</sup> National Resources Defense Council, Inc. v. EPA, 863 F.2d 1420, 1425 (9th Cir. 1988) (citing 40 C.F.R. § 125.3(c), (d) and 51 Fed. Reg. at 24915 ("In developing the BPJ permit conditions, [the EPA] Regions are required to consider a number of factors, enumerated in [33 U.S.C. § 1314(b)]....").

<sup>&</sup>lt;sup>7</sup> *Id.*; See also, *Trustees for Alaska v. EPA*, 749 F.2d 549, 553 (9th Cir. 1984) (EPA must consider statutorily enumerated factors in its BPJ determination of effluent limitations).

<sup>&</sup>lt;sup>9</sup> 40 C.F.R. § 122.44(1)(i)(B)(2); 33 U.S.C. § 1342(o)(2)(B)(ii).

mistake and/or a mistaken interpretation of law in the 2005 and 2010 Orders by setting the TSS limitation at 75 mg/L, when a TSS level of 150 mg/L is consistent with BPJ.

Second, a permit may be modified to contain a less stringent effluent limitation if "information is available which was not available at the time of permit issuance . . . and which would have justified the application of a less stringent effluent limitation at the time of permit issuance."<sup>10</sup> Since the 2010 Permit, new information is available that demonstrates an upward trend in TSS concentrations despite the City's improved management practices and better understanding of the TSS source in the sampling vault.

Third, a permit may be modified to contain a less stringent effluent limitation if "a less stringent effluent limitation is necessary because of events over which the permittee has no control and for which there is no reasonably available remedy."<sup>11</sup> As explained more fully in Part 2 herein, the City cannot control the occurrence of TSS due to the natural conditions in Seaside Lagoon and King Harbor.

### 4. CHRONIC TOXICITY SHOULD NOT BE INCLUDED IN THE PERMIT

The 2017 Order includes a effluent limit for chronic toxicity. This effluent limit is based on a single result greater than 1 TUc in 2013.<sup>12</sup> The 2017 Order justifies the need for toxicity testing based on the use of chlorine in the Lagoon for disinfection. However, the effluent is dechlorinated prior to discharge and the effluent consistently complies with and is well below the chlorine residual effluent limit. Therefore, there does not appear to be a reasonable potential for the effluent to cause toxicity.

In addition, the effluent limit is based on use of the Test of Significant Toxicity (TST). While the City understands that several permits have been issued in Region 4 specifying use of the TST, other regions have chosen to defer using this method until the Statewide Policy for Toxicity Assessment and Control is approved in final form. Region 4 includes effluent limits for toxicity with no dilution credit and requires the TST. More importantly, Publicly Owned Treatment Works using the TST have reported unexpectedly high failure rates for toxicity testing using the TST. The Sanitation Districts of Los Angeles County, for example, have recently evaluated the reliability of the method based on their experience with high failure rates. Using outside laboratories, they found that half of the non-toxic blank samples were identified as toxic using the TST.

Because of issues experienced with the TST, a coalition of wastewater associations including the Southern California Alliance of Publicly Owned Treatment Works (SCAP), the Central Valley Clean Water Association, the Bay Area Clean Water Agencies (BACWA) and

<sup>&</sup>lt;sup>10</sup> 40 C.F.R. § 122.44(l)(i)(B)(1); 33 U.S.C. § 1342(o)(2)(B)(i).

<sup>&</sup>lt;sup>11</sup> 40 C.F.R. § 122.44(l)(i)(C); 33 U.S.C. § 1342(o)(2)(C).

<sup>&</sup>lt;sup>12</sup> 2017 Order, Fact Sheet, Part IV.C.7, pg. F-26.

the National Association of Clean Water Agencies (NACWA) filed suit against USEPA in federal court seeking to halt the use of an unapproved toxicity test method for compliance in California NPDES permits. Federal regulations do not identify the TST as an accepted test method, and the lawsuit alleges that use of the TST will result in higher costs to dischargers and potential enforcement jeopardy as a result of the increased frequency of false positives associated with the TST.

With no reasonable potential for the effluent to cause toxicity and because the TST is not an approved method, the City requests that the effluent limit for chronic toxicity be removed from the 2017 Order and that the chronic toxicity testing requirements be carried over from the 2010 Order.

### 5. THE PROPOSED INTAKE CREDITS DO NOT FULLY ADDRESS THE CITY'S CONCERNS

The City appreciates the availability of intake water credits for metals and TSS that already exist in the intake water;<sup>13</sup> however, the intake water credits do not sufficiently address the City's concerns regarding the feasibility of complying with the 2017 Order. The City raised similar concerns in its comments on the 2010 Order and, unfortunately, these concerns have not been addressed. As noted above, intake credits will not assure compliance with the proposed effluent limits. The City's understanding of the intake credits is that any credit given to effluent concentrations is limited by the ambient conditions. In other words, if the City's contribution is below the proposed numeric effluent limit, but the influent water exceeds such limit, the City would only receive credit to the extent of the value of the influent. This means the City could not contribute even one mg/L of a given pollutant to the effluent. This is especially alarming given that TSS testing in saline environments is highly variable and, thus, unreliable as a permit limit.

In addition, given that intake credits can account for source water quality, the City requests that intake credits also be applied to bacteria. While 2016 data indicator bacteria (i.e., Total coliform, fecal coliform, and enterococcus) have been below effluent limits, there is an ongoing concern regarding Seaside Lagoon discharge's ability to consistently comply with these limits. It is likely that these constituents are also present in the receiving water making intake credits appropriate.

# 6. THE 24-HOUR NOTIFICATION REQUIREMENT IS UNNECESSARY AND OVERLY BROAD

Although a standard condition in waste discharge requirements issued by the Regional Board, the City seeks further clarification regarding its obligations under Part VI.A.2.s. of the 2017 Order, relating to 24-hour notification. That provision requires the City to notify the Regional Board by telephone within 24 hours of having knowledge of any noncompliance

<sup>&</sup>lt;sup>13</sup> 2017 Order, Fact Sheet, Part VI.C.6., pgs F-22 through F-25.

with the Seaside Lagoon NPDES Permit, followed by written notification within five days. The written notification must state the measures taken to remedy the noncompliance and prevent recurrence.

The City is not fundamentally opposed to such a requirement, but believes the language is overly broad. Instead, the City believes that Part VI.A.2.s should be consistent with Attachment D, Part V.E., which requires 24-hour reporting only in instances where noncompliance may endanger health or the environment. That requirement, according to Regional Board staff, generally excludes potential violations found in monitoring data and is concerned with accidental spills and emergencies. This 24-hour reporting requirement is consistent with Federal law.<sup>14</sup> The City requests that either Part VI.A.2.s be removed from the 2017 Order or modified to be consistent with Part V.E. of Attachment D.

#### 7. OPENING SEASIDE LAGOON TO KING HARBOR

The City appreciates the Regional Board's recognition that circumstances surrounding the operation of Seaside Lagoon may change during the term of the 2017 Order. To that end, Fact Sheet Part II.E. permits the City to "breakdown the barrier and open the Facility to King Harbor." Tentative development plans in the area call for Seaside Lagoon to be reconfigured such that Seaside Lagoon would become a tidally influenced ocean water, sand bottom passive facility open to King Harbor. Although the City has made no firm decision to reconfigure Seaside Lagoon at this time, the 2017 Order provides the City with needed flexibility should plans change during the Order's term.

If opened to King Harbor, Seaside Lagoon would effectively become a beach and cease discharging into King Harbor. Accordingly, Seaside Lagoon would fall outside the Clean Water Act's jurisdictional scope and no longer require an NPDES permit. As an open system without any means of water conveyance, the modified Seaside Lagoon would not constitute a "point source" of pollutants.<sup>15</sup> Moreover, an open Seaside Lagoon would not be "adding" pollutants to King Harbor because Seaside Lagoon would be a part of King Harbor.<sup>16</sup>

The City requests that additional language be added to clarify the regulatory consequences of opening Seaside Lagoon to King Harbor. Specifically, the Fact Sheet should

<sup>15</sup> A "point source" is defined as "any discernible, confined and discrete conveyance,

- including but not limited to any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, or vessel or other floating craft,
- from which pollutants are or may be discharged." 33 U.S.C. § 1362(14); see also South Florida Water Management District v. Miccosukee Tribe of Indians, 541 U.S. 95, 105 (2004).

<sup>&</sup>lt;sup>14</sup> 40 CFR § 122.41.

<sup>&</sup>lt;sup>16</sup> Los Angeles County Flood Control District v. Natural Resources Defense Council, Inc., 133

S.Ct. 710, 713 (2013) ("Under a common understanding of the meaning of the word 'add,' no pollutants are 'added' to a water body when water is merely transferred between different portions of that water body.").

include an affirmative statement that, once the barrier is removed, the City would no longer require an NPDES permit in order to operate the facility.

# 8. THE 2017 ORDER SHOULD ADDRESS OPERATIONAL CHANGES TO THE AES REDONDO BEACH GENERATING STATION THAT MAY OCCUR DURING THE ORDER'S TERM

The AES Redondo Beach Generating Station ("RBGS") is an electrical generating station with a capacity of 1,356 megawatts that operates during peak demand. It operates as a once-through cooling system with water from King Harbor used to cool turbines. As you know, Seaside Lagoon accepts warmed discharge from the RBGS to fill the Lagoon.

The RBGS is regulated by a discharge permit issued by the Regional Board, most recently in 2016 as Order No. R4-2016-0222, NPDES Permit No. CA0001201. This Order is scheduled to expire on September 30, 2021, which would be during the term of the 2017 Order for Seaside Lagoon. However, the RBGS could be retired as soon as December 31, 2020, in accordance with the State Water Board's Once-Through Cooling Policy. Once retired, the RBGS would presumably cease cooling water discharges to King Harbor and Seaside Lagoon. Accordingly, at that time, Seaside Lagoon would no longer rely on cooling water from the RBGS.

The City is aware that if the RBGS's NPDES permit expires and is not renewed in 2021 or the RBGS is retired in 2020 as planned under the Once-Through Cooling Policy, the City could be precluded from obtaining water from the RBGS facility. This could significantly alter the manner in which Seaside Lagoon operates. Although the effect on Seaside Lagoon of retiring the RBGS and thereby ceasing its discharge has not been fully evaluated, it is possible that if RBGS's existing piping infrastructure is left in place standing water in the RBGS discharge pipe and the Seaside Lagoon discharge pipe could be used to maintain water levels in the Lagoon. However, the actual source of water in the event of an RBGS retirement is not yet certain.

The City seeks guidance from the Regional Board regarding the consequences of the RBGS retiring or no longer holding an NPDES permit to discharge into King Harbor and Seaside Lagoon. Would Seaside Lagoon require a permit or other authorization from the Regional Board to intake water from King Harbor? We recognize that this may be speculative at this time, but it would assist the City's decision makers in making an informed judgment on the continued operation of Seaside Lagoon after the RBGS is retired or no longer holds a discharge permit.

# 9. THE FACT SHEET'S COMPLIANCE SUMMARY IS INACCURATE

The Fact Sheet indicates that violations of the 2010 Order dating from July 21, 2014 through June 30, 2015 are currently subject to a pending enforcement action.<sup>17</sup> By letter dated May 25, 2016, Regional Board Assistant Executive Officer Paula Rasmussen notified the City that ten of the twelve violations during this period had been expunged due to inaccurate monitoring data collected during high tide. On June 22, 2016, the City accepted liability for the remaining two violations during this period by accepting the Regional Board's settlement offer and paying the mandatory minimum penalty of \$9,000. Any violations arising from monitoring data from July 21, 2014 through June 30, 2015 have therefore been resolved and any enforcement action should be closed. The City requests that this case closure be reflected in the Fact Sheet.

### 10. THE 2017 TENTATIVE ORDER IMPOSES REQUIREMENTS THAT ARE EXPENSIVE AND BURDENSOME

Seaside Lagoon has been an important civic and recreational facility for residents and visitors of Redondo Beach since 1963. It provides protected water recreation for a general public comprised of approximately 150,000 people annually, approximately 80% of which do not reside in the City of Redondo Beach. Through the operation of Seaside Lagoon, the City of Redondo Beach provides a truly unique recreational service to the general public.

But the increasing demands of maintaining an aging Seaside Lagoon and complying with the facility's discharge requirements threaten the facility's continued viability. The City continues to believe that the Seaside Lagoon NPDES Permit imposes unnecessarily challenging standards. The 2017 Order continues this trend and imposes more expensive and burdensome requirements than the 2010 Order that, if not addressed, could result in the City permanently closing Seaside Lagoon.

In addition to the approximately \$27,000 spent annually on monitoring, the City has also spent substantial amounts to maintain Seaside Lagoon. The operating cost for Seaside Lagoon in Fiscal Year 2014-2015 alone was \$630,002. Even with admission fees to offset this cost, the City still incurred an operating deficit \$224,713. As the facility continues to age, operating costs will continue to grow. The City also continues to be concerned that, despite good faith efforts to comply with its NPDES Permit, the Regional Board could impose civil penalties against the City for pollutant exceedances that are beyond the City's control. Since 1999, the Regional Board has imposed roughly \$230,000 in civil penalties against the City for violations of the Seaside Lagoon NPDES Permit. The City appreciates the Regional Board's willingness to work with the City to reduce these fines to a more manageable amount. However, each time the City defends itself against these enforcement actions, it incurs

<sup>&</sup>lt;sup>17</sup> 2017 Order, Fact Sheet, Part II.D., pg. F-9.

additional technical and legal costs. Seaside Lagoon already operates at a deficit, which means that the City must use other revenue to pay for enforcement actions.

Furthermore, the City fears that the Regional Board could impose much higher penalties using its full authority under the Water Code. During past enforcement hearings, Regional Board staff suggested that penalties for prior violations could be in the billions of dollars.<sup>18</sup> Although the City understands the Regional Board is unlikely to exercise its discretion to impose such penalties, the City simply cannot afford even a fraction of such significant liabilities. Moreover, the civil penalties resulting from a private citizen's suit under the Clean Water Act could result in significant liabilities and defense costs as well. It is absolutely critical that the Regional Board not adopt waste discharge requirements that set the City up for inevitable failure, particularly when historical data show that certain pollutants in local ocean water far exceed the limits proposed in the 2017 Order.

We urge the Regional Board to take practical measures in its efforts to improve water quality in the Southern California region. The City is committed to working with the Regional Board in order to achieve our mutual goals and looks forward to engaging in a constructive dialogue with Regional Board staff on these issues.

Very truly yours,

Joe Hoefgen City Manager

Attachment: Seaside Lagoon Effluent Limits and RPA Review, prepared by Larry Walker & Associates

cc: Honorable Mayor and Members of the Redondo Beach City Council Michael W. Webb, City Attorney, City of Redondo Beach Mr. Samuel Unger, Executive Officer, Los Angeles Regional Water Board

<sup>&</sup>lt;sup>18</sup> Line 5, Page 31 & Line 2, Page 46 of May 17, 2010 Panel Hearing Transcript.