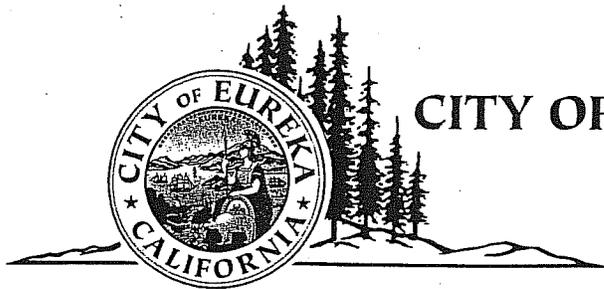


**Attachment B**

**CITY OF EUREKA**

**COMMUNITY  
DEVELOPMENT DEPARTMENT**

531 K Street • Eureka, California 95501-1146  
(707) 441-4160 • Fax (707) 441-4202



December 16, 2005

County of Humboldt  
Planning Division – Community Development Services  
Tom Hofweber, Supervising Planner  
3015 H Street  
Eureka, CA 95501-4484

Re: Martin Slough Interceptor Project

Dear Mr. Hofweber,

As the City of Eureka (City) moves forward with final design of the Martin Slough Interceptor (MSI) project, it is important that we clarify the interfacial issues that could affect the ability of the Martin Slough Interceptor (MSI) project to serve potential future development increases that may be approved in the County of Humboldt (County) general plan update. This summary will help ensure that the City and the County both have the same understanding of these issues. This letter also serves as a request by the City for confirmation of the County's development estimates associated with the County general plan update. These estimates will be utilized by the City when analyzing what changes to the MSI design might be required in order to serve this additional development. The City's goal is to construct the most cost effective project possible and the County's timely assistance is necessary to achieve this result.

**I. MSI DESIGN ISSUES**

**Development Estimates**

We received a letter from you dated August 17, 2005 which provides the City with the County's estimate of the development that could potentially utilize the Martin Slough Interceptor once the County general plan is updated. We understand the numbers provided represent a working estimate and that the numbers will not be fully known until the general plan update is complete.

Following is a summary of how we understand your estimates and how they compare with our proposed project. You will see as you review this section that we are requesting clarification of some of your numbers. The following abbreviations utilized in these estimates are as follows:

DU – dwelling unit

EDU – equivalent dwelling unit: a measurement unit utilized when calculating sewer flows

primary DU's = 1 EDU

secondary DU's = 0.6 EDU

County development considered in City's approved proposed alternative (designed to accommodate development densities approved in the current County general plan)

County future new primary dwelling units = 3,900 DU's x 1.0 = 3,900 EDU's

County future new secondary dwelling units = 1,011 DU's x 0.6 = 607 EDU's

Total future new County dwelling units and EDU's = 4,911 DU's or 4507 EDU's

County development considered in City's Modified Service Area Boundary at Future Densities Alternative (the highest density alternative considered in the MSI EIR)

Note – This alternative includes the areas add2, add3, add5, add6, add7 and add8 as shown on the map you provided to us at our July 29, 2005 meeting. This alternative does not include areas add1 or add4.

County future new primary dwelling units = 6,966 DU's x 1.0 = 6,966 EDU's

County future new secondary dwelling units = 1,475 DU's x 0.6 = 885 EDU's

Total future new County dwelling units and EDU's = 8,441 DU's or 7,851 EDU's

County's High and Low EDU estimates (per 8-17-05 letter)

Note – It appears that the only additional area included in these estimates is area add5. Please confirm which additional areas are or are not included in your totals.

County's low estimate – 2,935 EDU's

County's high estimate – 7,135 EDU's

County's add4 area

Future new primary dwelling units = 1,532 DU's x 1.0 = 1,532 EDU's

Future new secondary dwelling units = 1,532 x 15% = 330 DU's x 0.6 = 138 EDU's

Total new add4 dwelling units and EDU's = 1,862 DU's or 1,670 EDU's

The County's high estimate of 7,135 future County EDU's exceeds the 4,507 future County EDU's considered in the City's approved project by 2,628 EDU's. It appears the County's high estimate includes area add5, but none of the rest of the additional areas; please confirm if this is indeed correct. We believe the County's estimate clearly does not include area add4.

The County's high estimate plus area add4 of 8,805 future County EDU's exceeds the 4,507 future County EDU's considered in the City's approved project by 4,298 EDU's, and results in an EDU total that is 954 EDU's above our highest EDU alternative (which was not approved). Again, it appears this estimate does not include any of the other additional areas except add5 as noted above; please confirm this. It seems these additional areas should be included, which will raise this number even further.

### **Impacts to MSI Design**

The project as approved will be designed hydraulically to accommodate wastewater flows projected to be generated from development forecasted to occur within the MSI service area using the maximum densities that could reasonably occur under current City and County general plans. The project or service area is defined as the area that would be expected to be served by the MSI within Eureka city limits and unincorporated area urban growth boundaries. (A discussion of what specifically defines the service area and how future dwelling units were calculated is contained in the Technical Memorandum dated 12-11-02 and amended 4-23-03, written during the early stages of the MSI ten percent design and EIR preparation.)

The hydraulic capacity of the system was determined by considering maximum flows into the system from unavoidable and/or unauthorized inflow and infiltration<sup>1</sup> (I & I) that could potentially occur during a 25-year storm, together with peak wastewater flows from full build-out within the MSI service area based on the maximum densities that could reasonably be achieved under current City and County general plans. The system was conservatively sized to accommodate these flows such that no avoidable overflows would be expected to occur during a 25-year storm event. Once the system is built, the amount of flow the system can handle will be limited by the designed hydraulic capacity rather than an assigned number of sewer hook-ups.

By pursuing an ongoing I & I reduction program, unauthorized flows into the sewer system may be reduced. Accordingly, the system then could accommodate additional wastewater flows without increasing the potential for unavoidable wet weather overflows. The hydraulic capacity of the system will be monitored by flow metering.

If the MSI were to serve the County's high estimate of an additional 2,628 EDU's, let alone any development within area add4, it is anticipated that wastewater flows would increase significantly. Since the City will not compromise the ability of the MSI system to contain avoidable overflows, significant changes to the current design of the project would likely be required to accommodate the resulting additional wastewater flows.

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<sup>1</sup> Inflow and infiltration are known as I & I. These are terms used to describe the ways stormwater and groundwater enter the sewer system. Inflow is water that enters the sewer system from improper connections such as downspouts or sump pumps. Infiltration is water that enters the sewer system through leaky pipes.

## CEQA/NEPA

It is important to note that the principle purpose and design focus of the Martin Slough Interceptor Project is to reduce currently unavoidable sanitary sewer overflows into the environment. The accommodation of future growth is a secondary project purpose, and the growth that was considered in the project design is growth that is currently identified in approved City and County general plans. The MSI project was approved by the City to serve this currently approved growth potential after preparing and certifying an EIR, and was approved by EPA after adopting a FONSI. (EPA is the agency through which the City is receiving federal funding for the project. The federal agency must meet its NEPA obligations prior to releasing project funding.)

The growth or development potential approved in City and County general plans has undergone CEQA review as part of the required process to adopt those plans. Thus, the City's reliance on the development potential identified in these documents when approving the MSI project resulted in the avoidance of growth inducement and the subsequent need for the City to analyze the environmental impacts of the additional "induced" growth, most of which would have occurred in the County and outside City jurisdiction.

As evidenced by the information provided in your August 17, 2005 letter, the County is considering an increase in the development potential above the currently approved County general plan in areas that could be served by the MSI, and therefore in excess of the growth potential approved by the City for the MSI project. The environmental impacts associated with this incremental change in development potential have not yet been considered and analyzed pursuant to CEQA. Assuming this change in development potential is an option the County will pursue in the general plan update, the CEQA review of the impacts from this development increase will occur as part of the CEQA review for the new plan. We understand that the general plan update may take a number of years to complete.

As the preceding section states, it is likely that changes to the current design of the MSI would need to occur to accommodate wastewater flows resulting from this additional development. Since this additional development potential has not yet been addressed through the CEQA process and approved by the County, the City cannot design the project in anticipation of wastewater flows from this additional development until this potential growth is approved by the County, with CEQA compliance undertaken as part of this approval process.

If the County approves the additional growth potential being considered, the City as lead agency for the MSI project, would need to carry out our own additional CEQA assessment for the MSI project to determine what, if any, additional environmental impacts would result from the project if it were designed to accommodate the County's increased development potential. The City would need to utilize the County's updated general plan EIR for our CEQA assessment, particularly in regard to indirect impacts that could result from providing sewer service to this additional development. The City will also need to consider what, if any, additional direct impacts (generally associated with construction) would result if upsizing or relocation of project elements is required to accommodate additional authorized flows. Once the City has completed our CEQA obligations, EPA would also need to conduct a subsequent NEPA assessment and approve the revised project.

### Timing Issues

The City cannot develop a final design for the MSI that considers a County development increase over and above the City's approved project until the increased development potential is approved by the County, which will occur through the general plan update process. In the meantime, the City is moving forward with final design for the MSI project, which will be completed by mid-2007, with the pump station portion of the design being completed by December 2006. This creates an obvious timing problem – final design for the project will be partially or even fully completed, and possibly the permitting process to allow construction of the project started, before the County general plan update will likely be completed. This results in the possibility of the MSI being designed in a manner such that it may not accommodate the full build-out flows that could be generated in the project service area under the County's updated general plan.

The County has asked the City to identify what changes, if any, would need to be made to the MSI in order to accommodate authorized wastewater flows for the County's additional growth potential that could be approved under the new general plan. The County has also requested a cost estimate for making any such design changes. In order to comply with your request, the City needs the County's *final projected development estimates* within the County area expected to be served by the MSI under the updated general plan. We anticipate you will be able to provide us that information once you have considered and responded to our questions in the "Development Estimates" section of this letter.

Once we receive confirmation of your development estimates, the City in conjunction with our contract project engineer SHN Consulting Engineers & Geologists Inc. can quickly determine whether the MSI project would require modifications should the system be ultimately approved to serve the County's additional development. If it is decided modifications would be required, which will be the case if the County's final estimates are at least as high as your preliminary estimates, SHN at the County's request can provide the County with a scope of work and budget to conduct a study and prepare a report that will identify those modifications and the costs associated with implementing them. Should the County wish to pursue preparation of the study, the County would need to contract directly with SHN for that work.

The end result would be a study and accompanying report that identifies what project modifications would be required should the system be approved to accommodate the County's projected growth, and the costs to make those modifications, including additional design work and additional construction costs. Project modification costs will be dependent on the stage of project development during which the changes would need to be made. Generally, the farther into the implementation of the project we progress, the more expensive it will likely be to make the required changes. For example, making changes after final design is complete will be more expensive than making them before we complete the final design and plans. Making changes after we have permitted the project or worse yet, once we have started construction, would be even more expensive. In addition to the tangible costs for additional design work, construction change orders, or permit amendments, the issues associated with delaying the project and the costs of potential project delays would also need to be considered. The further along we progress, the issues and costs of possible delays would likely increase, both in terms of hard costs (e.g. change orders during construction) as well as indirect costs (e.g. delays in development dependent on the MSI).

There are benefits to conducting the identified study now. First, we can confirm whether or not project modifications will be required. If none are required, the timing issue becomes moot; this outcome, however, is unlikely. Second, if and when it is decided that the MSI project will be and can be modified to accommodate the County's new growth figures, we will already know what needs to be done, which will save time in the future when time lines become more critical. Finally, there may be some discretionary and insignificant design changes that could be made now that would make future modifications simpler and less expensive, while still remaining in compliance with the intent of our current project approval. The downside to moving forward with the study now would be the risk of spending time and money analyzing project modifications for additional growth potential that may not be ultimately approved in the updated general plan. The County should also be aware that this letter does not address the ultimate responsibility, or source, to fund project modification costs. The County needs to weigh these risks when determining how to proceed.

## II. TRAFFIC MITIGATION

Another issue impacting the County's ability to rely on the MSI to serve future development, including any additional development that may be approved through the general plan update, is the mitigation of traffic impacts from development enabled by the MSI. The MSI project EIR contains a mitigation measure that requires that the City prohibit connections to the Martin Slough Interceptor, or to any part of the City's wastewater collection system that will develop additional conveyance capacity as a result of the Martin Slough Interceptor Project, until a Memorandum of Agreement (MOA) and a "Cumulative Traffic Impact Assessment and Mitigation Program" (Program) have been implemented, and until appropriate funding has been secured for improvements identified in the Program.

We acknowledge that the City and County are currently moving forward to develop a Memorandum of Understanding as a precursor to developing the MOA required by the mitigation measure, and that development of the MOA will occur in the near future followed by development of a Program to insure the required funding is provided. However, since it is an important issue that significantly impacts the County's ability to approve new development directly or indirectly dependent on the MSI for sewer services, a mention of this issue seemed appropriate to include here.

## III. WATER QUALITY

Finally, we would like to take this opportunity to remind the County of the commitments that were made in the letter from Community Development Director Kirk Girard dated September 7, 2004, included in the Final EIR for the MSI project. These commitments were made in regard to the mitigation of the cumulative hydrological effects on the aquatic environments in the Martin Slough basin related to runoff intensification and water quality impacts resulting from development in the County that would be enabled by the MSI. The letter states that in addition to the policies, regulations and practices that the County currently has in place which would mitigate these impacts, *"the County is in the process of updating its General Plan and will be preparing an EIR analyzing the environmental effects of development, including the cumulative impacts of runoff intensification."*

*The County anticipates working cooperatively with the City on the mitigation measures appropriate for the scale of development ultimately chosen by the Board of Supervisors for this project area."*

This issue is important to the City not only because those hydrological impacts that originate in the County have impacts to the City, but also because the City will be utilizing the County's general plan update EIR if changes to the MSI project are required, as discussed previously. Thus, the City anticipates that potentially significant impacts related to water quality and runoff intensification will be adequately analyzed and mitigated by the County.

We hope this letter provides you with an adequate summary of the issues affecting the ability of the MSI project to serve future development within the County. We need a final written confirmation of your numbers as soon as possible but certainly within the next few weeks, confirming the increased development potential that the County would like to have analyzed in order to determine what would be needed for the MSI to serve the additional development that may be approved in the general plan update. Please note, as well, that this letter, except as may be specified herein, does not address the responsibility for, or source of, any additional funding that is required to initiate and complete MSI-related planning, design and construction efforts which are required by the County's ultimate plan update.

We appreciate the County's efforts in moving forward to address these important issues to assist in achieving a cost effective project. We look forward to continued progress on the MSI traffic mitigation requirements, and to working with the County to resolve the hydrological effects to the City from development within the County. Please feel free to contact the project manager Kurt Gierlich or me should you have any questions.

Sincerely,



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cc: Steve Davidson, HCSD  
Jeff Nelson, SHN  
David W. Tyson, City Manager  
Kevin R. Hamblin, Community Development Director  
Kurt Gierlich, Deputy City Engineer