OFFICE OF THE CITY CLER. CITY OF OAKLAND AGENDA REPORT

2012 FEB -2 PM 1: 29

TO:

Office of the City Administrator

ATTN:

Deanna J. Santana

FROM:

Public Works Agency

DATE:

February 14, 2012

RE:

Supplemental to Informational Presentation about the US EPA Mandated

Private Sewer Lateral Program

SUMMARY

On December 13, 2011, staff from East Bay Municipal Utility District (EBMUD) provided an overview to the Public Works Committee detailing the US EPA-mandated regional Private Sewer Lateral (PSL) program, which is administered by EBMUD. The Committee directed staff and EBMUD to return on February 14, 2012 and provide additional information on the following:

- 1. Establishing Mello-Roos Districts for PSL funding
- 2. Providing a revolving loan program for PSL funding
- 3. Hardship exemption
- 4. Timing, costs and impacts of City permits
- 5. Exemption for foreclosing banks

This supplemental report provides information on the above requests.

FISCAL IMPACT

This report is informational only; therefore, no fiscal impacts are included.

BACKGROUND

In response to mandates from the U.S. Environmental Protection Agency, City Council adopted two pieces of legislation regarding private sewer lateral (PSL) inspection and certification.

The first legislation was passed in July 2010 adopting EBMUD PSL Ordinance regulating private sewer lateral inspection and testing within private properties. A second ordinance was adopted in July 2011 expanding the PSL Ordinance to the portion of private sewer lateral that is within the public right of way.

Item: _____ Public Works Committee February 14, 2012 The PSL program, required by EPA, is administered by EBMUD in each city within its service area. It requires that the property owner obtain a "Compliance Certificate" for the private sewer lateral prior to: a) transferring property title; b) obtaining any permit for the construction or significant modification of the property that exceeds \$100,000 in value; or c) obtaining an approval for a change in size of the water service meter.

KEY ISSUES AND IMPACTS

EBMUD has sent a response letter to the Committee Members on January 19, 2012, addressing issues raised during the December 2011 Public Works Committee Meeting. A copy of that letter is included as *Attachment A*. The following responses are from staff providing additional information on issues not addressed by EBMUD.

- 1. Mello-Roos Districts. A detailed response is provided in *Attachment A*.
- 2. Revolving loan program: The City may use local funds or State Revolving Fund (SRF) Loan grants to offer loans to private property owners. However, this approach will require additional staffing for loan administration and would significantly reduce the City's capacity to fund the City's future capital projects.
- 3. Hardship exemption: An Oakland hardship exemption program would require the City to pay for any needed work on qualifying properties from the General Purpose Fund. Further, unlike utility bill assistance programs, which are established in advance, it is not clear how properties would be qualified for a hardship program during property transactions.

It is worthy to note that EBMUD is currently offering rebates of up to \$2,225 to select properties within its service area including Oakland to encourage property owners to voluntarily fix their private sewer laterals. This rebate offer is a pilot program and is available in key targeted areas that are selected and coordinated with City's sewer rehabilitation projects. In Oakland, the area includes select properties on 69th Avenue between Mac Arthur Boulevard and Outlook Avenue.

4. Timing, costs and impacts of City Permits: City staff and EBMUD have negotiated and agreed upon a joint operating procedure that is intended to coordinate the respective work of the City and EBMUD staff and eliminate any duplication of inspection and testing. The PSL certification will require two visits by City staff to assure proper workmanship and use of materials in accordance with OMC requirements when laterals are replaced. The first visit is to inspect the connection of the lateral to the sewer main.

Item:
Public Works Committee
February 14, 2012

The second is to inspect the final restoration of the trench. EBMUD staff must visit once when the actual compliance test is conducted, and they will issue the final compliance certification. Cost of City permits range from about \$400 to \$850 depending on the extent of work. The EBMUD permit cost is currently \$150.00.

5. Foreclosures. A detailed response is included in *Attachment A*.

ACTION REQUESTED OF THE CITY COUNCIL

This is informational report. Staff recommends accepting this report.

Respectfully submitted,

Vitaly B. Troyan, P.E., Director Public Works Agency

Reviewed by:
Michael Neary, P.E., Assistant Director,
PWA, Department of Engineering and Construction

Prepared by: Gus Amirzehni, P.E., Division Manager, Engineering Design & R.O.W. Management Division

APPROVED AND FORWARDED TO THE PUBLIC WORKS COMMITTEE:

Office of the City Administrator

Public Works Committee February 14, 2012



APPROVED SE TO PORM AND LEGALITY

City Atterfies

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ORDINANCE NO. 13026 -C.M.S.

AN ORDINANCE ADOPTING EAST BAY MUNICIPAL UTILITY DISTRICT'S PRIVATE SEWER LATERAL REGIONAL ORDINANCE ESTABLISHING REQUIREMENTS FOR PROPERTY OWNERS TO INSPECT AND CERTIFY PRIVATE SEWER LATERALS AT THE TIME OF PROPERTY TRANSFER, MAJOR REMODEL AND CHANGE IN WATER SERVICE

WHEREAS, private sewer laterals transport sewage and wastewater from households to the City's main sewers; and

WHEREAS, keeping private sewer laterals free of infiltration and inflow of storm water reduces the chances of sewer overflows; and

WHEREAS, the U.S. Environmental Protection Agency (EPA) is requiring the City of Oakland and EBMUD to develop and implement a regional private sewer lateral (PSL) certification program; and

WHEREAS, in February 2010 the East Bay Municipal Utility District (EBMUD) adopted a Regional Private Sewer Lateral (PSL) Ordinance to address infiltration and inflow (I/I) into private sewer laterals; and

WHEREAS, EBMUD's Regional Private Sewer Lateral Ordinance applies to the jurisdictions in the District's SD-1 wastewater service area including the City of Oakland; and

WHEREAS, The City of Oakland is required to enforce the EBMUD PSL Ordinance, or develop and enforce a no less Stringent Ordinance, and

WHEREAS, The City Council of the City of Oakland finds it necessary and prudent to enforce the EBMUD PSL Ordinance, now, therefore,

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1.

Introduction Date

JUN 1 5 2010

Section 13.08.590 of Chapter 13 of the Oakland Municipal Code is added now to read:

13.08.590 – Enforcement of East Bay Municipal Utility District (EBMUD)
Ordinance No. 311, Title VIII, Regulation of Private Sewer Laterals. The Building Official shall enforce the provisions of EBMUD Ordinance No. 311, Title VIII, Regulation of Private Sewer Laterals and any amendments or modifications to said ordinance, as may be adopted by the City Council. Any permit issued by the Building Official that is subject to compliance with said Ordinance shall not be approved or made final by the Building Official unless a Certificate of Compliance from EBMUD for the sewer lateral is submitted by the applicant.

IN COUNCIL, OAKLAND, CALIFORNIA,	JUL - 6 2010
PASSED BY THE FOLLOWING VOTE:	
AYES- MOOKS, ORANGENES, KAPLAN	N, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER -6
NOES-	
ABSENT-Brucks-1	
ABSTENTION- 0	
Excused - De La Friente - 1	ATTEST: / By onda Jamous
	LaTonda Simmons City Clerk and Clerk of the Council
	of the City of Oakland, Catifornia
	DATE OF ATTESTATION: 7/15/10
	

NOTICE AND DIGEST

AN ORDINANCE ENFORCING THE EAST BAY MUNICIPAL UTILITY DISTRICT'S PRIVATE SEWER LATERAL REGIONAL ORDINANCE ESTABLISHING REQUIREMENTS FOR PROPERTY OWNERS TO INSPECT, AND CERTIFY PRIVATE SEWER LATERALS AT THE TIME OF PROPERTY TRANSFER, MAJOR REMODEL AND CHANGE IN WATER SERVICE

This Ordinance has been prepared enforcing East Bay Municipal Utility District's (EBMUD) Private Sewer Lateral Regional (PSL) Ordinance as amended in EBMUD's Ordinance No. 311, Title VIII, regulations of private sewer laterals. The regional implementation of the PSL ordinance is required by the United States Environmental Protection Agency (EPA). The ordinance requires certification of private sewer laterals by property owners at the time of property transfer, major remodel, and/or change in water service. Its objective is to keep private sewer laterals free of infiltration and inflow of storm water and reduce the chances of sewer overflows.

APPROVED AS TO FORM AND LEGALITY

City Attorney

OAKLAND CITY COUNCIL

ORDINANCE REVISION AMENDING OAKLAND MUNICIPAL CODE TITLE 13, CHAPTER 13.08 TO ADD NEW REGULATIONS REQUIRING OAKLAND PROPERTY OWNERS TO INSPECT AND CERTIFY LOWER SEWER LATERALS IN THE PUBLIC RIGHT-OF-WAY AT THE TIME OF PROPERTY TRANSFER, MAJOR REMODELING AND CHANGE IN WATER SERVICE

WHEREAS, the United States Environmental Protection Agency (EPA) requires the City of Oakland, other East Bay municipalities and the East Bay Municipal Utility District (EBMUD) to develop and implement a regional program to reduce infiltration and inflow (I/I) into the cities' sewer systems and EBMUD's collection and treatment system; and

WHEREAS, EPA is requiring Oakland's property owners to have private building sewers (both upper building sewer laterals on private property and lower building sewer laterals in the public right-of-way) inspected and certified at the time of property transfer, major remodeling, or changes in water service to address infiltration and inflow (I/I) into building sewers; and

WHEREAS, in February 2010 EBMUD adopted regional regulations (EBMUD Regional Private Sewer Lateral Ordinance No. 311) to inspect and certify upper building sewer laterals; and

WHEREAS, the City of Oakland passed an ordinance amending Oakland Municipal Code Chapter 13.08 to adopt EBMUD's upper building sewer lateral regulation in Oakland (Ordinance No. 13026 C.M.S., passed July 2010); and

WHEREAS, EPA is requiring the City of Oakland to further regulate lower building sewer laterals in the same manner as upper building sewer laterals; and

WHEREAS, the City of Oakland desires to have EBMUD inspect and certify lower building sewer laterals at the same time it inspects and certifies upper building sewer laterals; and

WHEREAS, EBMUD has agreed to inspect and certify lower building laterals at the same time it addresses upper building sewer laterals; now, therefore,

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1.

Add the following definitions to Section 13.08.020 - Definitions.

"Compliance Certificate" means a certificate issued by EBMUD indicating that a building sewer (upper building sewer lateral and lower building sewer lateral) complies with the requirements as set forth in the EBMUD Regional PSL Ordinance, Title VIII and this Chapter.

"EBMUD" means the East Bay Municipal Utility District, Special District No.1.

"EBMUD Regional PSL Ordinance" means the East Bay Municipal Utility District Ordinance 311, Title VIII, Regulation of Private <u>Upper</u> Sewer Laterals, its implementation and any future amendments or modifications thereto.

"Exemption Certificate"- A certificate issued by EBMUD to property owners who can demonstrate that work on the lateral has been completed in accordance with local ordinance requirements within 10 years of the period of time set forth in the EBMUD Regional PSL Ordinance.

Section 2.

Section 13.08.600 of Chapter 13 of the Oakland Municipal Code is added now to read:

13.08.600 - Building Sewer Inspection, Replacement, Compliance with EBMUD Regional PSL Ordinance, and Compliance Certificates.

The property owner shall be responsible for inspecting building sewers, obtaining all required permits, performing all necessary building sewer repair or replacement, scheduling inspections with EBMUD, passing a verification test witnessed by EBMUD, obtaining and filing with the City a Compliance Certificate from EBMUD as set forth in the EBMUD Regional PSL Ordinance for the entire building sewer (upper building sewer lateral and lower building sewer lateral) when one or more of the following events occurs:

A. <u>Title Transfer.</u> Prior to transferring title associated with the sale of any real property that contains any structure with a building sewer. Title transfer means the sale or transfer of an entire real property estate or the fee interest in that real property estate and does not include the sale or transfer of partial interest, including a leasehold. In addition, the following shall not be included: (1) transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or tmst, (2) transfers from one co-owner to one or more other co-owners, or from one or more co-owners into or from a revocable trust, if the trust is for the benefit of the grantor or grantors, (3) transfers made by a tmstor to fund an inter vivios tmst. (4) transfers made to a spouse, to a registered domestic partner as defined in Section 297 of the Family Code, or to a person or persons in the lineal line of consanguinity of one or more of the transferors. (5) transfers between spouses or registered domestic partners resulting from a decree of dissolution of marriage or domestic partnership, or a decree of legal separation or from a property settlement agreement incidental to a decree. (6) transfers from property

owners to any financial institution as a result of a foreclosure or similar process.

- B. <u>Construction and- or Remodeling</u>. Whenever a property owner apphhes for any permit or other approval needed for construction, remodeling, modification or alteration of any structure with a building sewer where the cost of the work is estimated to exceed \$100,000.
- C. <u>Change in Water Services</u>. Whenever a property owner applies for any permit or other approval from the EBMUD for an increase or decrease in size of the owner's water meter.
- D. An Individually-Owned Unit in a Multi-Unit Structure Served by a Common Private Sewer or Shared Laterals such as condominium or other common interest development. Within the period of time set forth in the EBMUD Regional Ordinance, the homeowners' association or a responsible party- for this type of multi-unit structure shall determine if the sewer lateral(s) is(are) in compliance with the EBMUD Regional PSL Ordinance and perform any necessary repair or replacement work to achieve compliance. Thereafter, re-certification of the sewer lateral shall occur at twenty (20) year intervals.
- E. Property Developments Other Than Those Specified in (D) Above With Sanitary Sewers Totaling Greater Than 1000 Feet In Length. Within the period of time set forth in the EBMUD Regional PSL Ordinance, property owners or responsible parties for property developments with sanitary sewers totaling greater than 1000 feet in length, shall submit for EBMUD approval, a Condition Assessment Plan with a schedule to perform testing to assess the condition of all of the sewer laterals on the property to determine compliance with the EBMUD Regional PSL Ordinance. Within the period of time specified in the EBMUD Regional PSL Ordinance, property owners or responsible parties shall complete all condition assessment testing, and submit a Final Corrective Action Work Plan for EBMUD approval. Thereafter, After the work is completed, re-certification of the sewer lateral shall occur at twenty (20) year intervals.
- F. Exception. A property owner with an un-expired sewer lateral Compliance Certificate or similar documentation from another agency, or with a dated approved building/sewer permit from a permitting authority indicating that the sewer lateral was replaced in total within 10 years of the period of time set forth in the EBMUD Regional PSL Ordinance may submit the information to EBMUD along with a request for an Exemption Certificate. Upon review and approval, an Exemption Certificate will be issued by EBMUD. A-property-owner-of-a-structure with a building-sewer that is less-than-10-years-old-from-the-dote-ofi-(1)-intended-title-transfer, (2)-obtaining-a permit-for-remodeling, or-(3)-obtaining-an-approval-for-the-change-in-water-service, and-has-appropriate-evidence, such-as-a-valid-building-permit-showing-that-the-sewer lateral-wos-replaced-in-total-and-rocoivod-a-final-inspection-from-the-City, may-request an-Exemption-Certificate-from-EBMUD-and-does-not-have-to-obtain-a-Compliance Cortificate-
- G. <u>Dangerous and Insanitary Sewer Condition</u>. Whenever a dangerous or insanitary sewer condition is found as set forth by this Chapter and a notice to abate is provided according to the procedure established by the Director of Public Works.

Section 3.

Section 13.08.610 of Chapter 13 of the Oakland Municipal Code is added now to read:

13.08.610 - Responsibility and Standards for Maintenance of Upper and Lower Building Sewer Laterals.

It shall be the responsibility of the property owner to perform all required maintenance, repairs and replacement of the upper and lower building sewer lateral in accordance with EBMUD's and the City of Oakland's ordinance requirements. Standards for maintenance of the upper and lower building sewer lateral are set forth below:

- A. The upper and lower building sewer lateral shall be kept free from roots, grease deposits, and other solids, which may impede or obstruct the flow.
- B. All joints shall be watertight and all pipes shall be sound.
- C. The upper and lower building sewer lateral pipe shall be free of any structural defects such as fractures, cracks, breaks, openings, or missing portions.
- D. All cleanouts shall be securely sealed with a proper cap or approved overflow device at all times.
- E. There shall be no non-sanitary sewer connections to the upper or lower sewer lateral or to any plumbing that communects to the upper or lower sewer lateral.

Section 4.

Section 13.08.620 of Chapter 13 of the Oakland Municipal Code is added now to read:

13.08.620 - Adoption of the EBMUD Regional PSL Ordinance by Reference.

The East Bay Municipal Utility District Ordinance 311, Title VIII; Regulation of Private Upper Sewer Laterals is hereby adopted by reference. The City Council may adopt amendments or modifications to the ordinance thereto, as the ordinance may be amended or modified by EBMUD.

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PASSE	ED BY THE FOLLOWING VOTE:		
AYES-	BROOKS, BRUNNER, DE LA FUENȚI and PRESIDENȚ REID ————————————————————————————————————	E, KAPLAN, KERNI	SHAN, NADEL, SCHAAF

NOES-

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ABSTENTION-

ATTEST:

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

Introduction Date JUL 5 2011

DATE OF ATTESTATION July 21, 201

ATTACHMENT A



DAVID R. WILLIAMS DIRECTOR OR WASTEWATER

January 19, 2012

The Honorable Libby Schaaf, Council Member The Honorable Rebecca Kaplan, Council Member The Honorable Nancy Nadel, Council Member The Honorable Larry Reid, Council Member

Oakland City Hall 1 Frank Ogawa Plaza Oakland, CA 94612-1923

Dear Public Works Committee Members:

This letter responds to questions raised at the December 13, 2011, Public Works Committee Meeting regarding the East Bay Regional Private Sewer Lateral (PSL) Program. The Regional PSL Program is a collaborative effort of EBMUD, Stege Sanitary District, and the Cities of Oakland, Emeryville, and Piedmont to reduce wet weather discharges to the Bay. EBMUD and the communities each hold Stipulated Orders (SOs) with USEPA, the State Water Resources Control Board, and the San Francisco Bay Water Quality Control Board that mandate certain efforts. To fulfill a specific SO requirement, the Oakland City Council considered and adopted EBMUD's Regional PSL Ordinance in July 2010. The City also adopted its own lower lateral ordinance to complement EBMUD's ordinance in July 2011.

The Public Works Committee asked EBMUD to consider changes to the Regional Ordinance to remove an exemption for foreclosed properties and help financially-limited home buyers in Oakland comply with the ordinance. Please note that because changes to EBMUD's ordinance would affect all communities participating in the regional program we reviewed the requests in that context.

Applicability of PSL Ordinance to Foreclosures

EBMUD's SO and the City of Oakland's SO both mandate that the Regional PSL Ordinance require property owners to obtain a compliance certificate prior to transferring title to property. To make it clear that a property owner losing his/her home due to an inability to pay the mortgage would not be burdened with the requirement to have the sewer lateral repaired or replaced, the regional ordinance specifies that a foreclosure is not considered a title transfer. The Committee requested that EBMUD consider removing this "foreclosure exemption" from the regional ordinance.

EBMUD could make this change, but it would not affect foreclosure actions. Under California law, the title to property financed through a mortgage remains with the lender and the property is held by the buyer in trust until the mortgage is paid off Because there is no transfer of legal title when a lender forecloses, the requirement to get a compliance certificate is not triggered.

P.O. BOX 24085 . OAKLAND . CA 94822-1055 . (910) 287-1408

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On the other side of the foreclosure process, there is a transfer of title from the bank to the new property owner, and this transfer does trigger the Regional PSL Ordinance requirement. The Regional PSL Ordinance does not stipulate whether the seller or the buyer must do the lateral work, since this is a determination for the contracting parties.

EBMUD proposes to remove the conflising language regarding foreclosures from the regional ordinance during the next cycle of ordinance revisions. This language deletion will not require any entity to perform sewer lateral work upon foreclosure. That would require adding an additional trigger to the regional ordinance. Adding a foreclosure trigger is not prudent due to the complexity of the foreclosure process. With multiple steps and multiple parties, we have significant concerns regarding our ability to identify the appropriate party and enforce the requirement. The property will be brought into compliance when it is resold, and the water quality benefits will be achieved at that point. We are aware of no other point of sale ordinance that applies to foreclosures and believe the practical challenge associated with implementing a foreclosure trigger is the reason. We note that the City of Oakland has the ability to add a foreclosure trigger to its PSL Ordinance and to develop a strategy to enforce it, should the City choose to do so.

Time Extension Deposit

In the EBMUD and community SOs, EPA directed EBMUD and the communities to require property owners to fix their laterals prior to transfer of title. Recognizing that some property owners may require more time to conduct the work, EBMUD developed an optional time extension process. With this provision in place, property owners have a choice whether to complete the work prior to sale or to apply for a time extension. Because the time extension provision is not in strict compliance with the SOs, buy-in from the regulators was secured before EBMUD included this provision in the ordinance as a benefit to customers.

As discussed at the committee meeting, a \$4,500 deposit is required to secure the optional time extension. The \$4,500 deposit ensures that the new owner, who will be responsible for complying with the regional ordinance after the sale, will have some funds to complete the sewer lateral work by the time extension deadline.

The Committee requested that EBMUD consider the following options associated with the deposit:

- Removal of deposit requirement/hardship exemption or reduction
- Early release of funds to allow citizens to pay upfront costs

Removal of Deposit Requirement/Hardship Exemption or Reduction. The SOs require EBMUD and the communities to implement an enforceable program, and the deposit requirement adds enforceability to the time extension provision for those who choose to use it. Once a sale closes, EBMUD has limited capabilities for enforcement aside from termination of water service. Without enforcement tools, it would be very difficult for EBMUD to ensure compliance and we

Public Works Committee Members January 19, 2012 Page 3

are concerned that this would weaken the PSL program effectiveness. If the work is not done, improvements to water quality in the Bay will not be realized. The hardship exemption or reduction concept raises a concern about ability to pay for the work. We believe it would be difficult to define "hardship" (e.g. value of home, net worth, income) and assess ability to pay in the context of a real estate transaction, and do not consider this an appropriate role for the District given its specific responsibilities as a water and wastewater service provider. We note that the City of Oakland has the authority to establish a program of this nature for its property owners, should it choose to do so.

Early Release of Funds. It is EBMUD's intent that the \$4,500 held as a deposit can be put toward payment for the lateral work. EBMUD has committed to refunding the \$4,500 within two weeks of compliance certificate issuance. At the committee meeting, concern was raised regarding the need to pay contractors up front for materials prior to completion of the work. Since the meeting, we have spoken with a number of contractors who are performing sewer lateral work in our service area. They indicated that they do not require any up front payment for materials. Further, they stated that if informed early by the property owner, they would accept payment two weeks after completing the work, after the refund has been issued. This feedback supports our intent that new homeowners can use the \$4,500 to pay the contractor for PSL work; we therefore do not believe that it is necessary to release funds prior to issuing a compliance certificate.

Alternative Funding Mechanisms

In response to the Committee's request, EBMUD has reviewed the feasibility of developing a Mello-Roos District or revolving loan program as mechanisms for assisting property owners in paying for PSL work.

Mello-Roos. A Mello-Roos District sets a special property tax to pay for public service improvements such as new or expanded facilities or services, however, PSLs are not considered authorized facilities under the Mello-Roos Community Facilities Act of 1982. California Government Code § 53311.5 makes it clear that except for seismic upgrades, earthquake damage repair, repair of damage due to soil deterioration, hazardous substance remediation, flood and storm protection, energy efficiency, water conservation, and renewable energy improvements, the alternative method of financing provided for by the Mello-Roos Community Facilities Act may only be used for certain public facilities and services. Private sewer laterals are not defined as public facilities under the act and are not one of the categories of private facilities that can be financed through a Community Facilities District.

Revolving Loan Program. A revolving loan program would allow property owners to pay over time for PSL improvements to their personal property. As a water and wastewater special district, EBMUD has concerns about administering a loan program to help a timited group of homeowners repair private property since funds to capitalize a loan fund would have to be raised from all ratepayers. We are not prepared to establish new services like a revolving loan fund for PSL work at the present time. The City may consider implementing its own funding program to assist Oakland residents.

Public Works Committee Members January 19, 2012 Page 4

Conclusion

We appreciate the City's desire to explore ways to make it easier for individuals to purchase homes in Oakland. While we look forward to implementing the Regional PSL Program on behalf of the City, working closely with your staff, we note that the City has the option to opt out of the Regional PSL Program by developing its own PSL Program that is deemed by EPA to be "no less stringent" than EBMUD's regional program; however, we recommend that the significant benefits associated with having a consistent regional program be considered in any such decision.

We look forward to reviewing the information contained in this letter with you at the February 14, 2012 Committee Meeting.

Sincerely,

DAVID R. WILLIAMS

Director of Wastewater

cc: Alexis Strauss, EPA Region IX

David R. Williams

Bruce Wolfe, San Francisco Bay Regional Water Quality Control Board Vitaly Troyon, City of Oakland Public Works Agency

DRW:JK:ae

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