Tijuana sewage treatment project still an open question by Mike Lee SAN DIEGO - The fate of the U.S. government's long-delayed attempt to improve treatment of Tijuana sewage remained shrouded in mystery Wednesday, despite a deadline that federal officials had set to complete several critical pieces of the costly proposal. At least one major milestone - the execution of a construction contract - was missed. But the federal agency in charge of the project refused to answer questions about the contract, the financing or the regulatory approvals that were supposed to be in place by Wednesday. The lack of answers generated additional concern about a project that has been debated and delayed for several years. MEXSEWER - The odor reduction station is part of the U.S. International Boundary and Water Commission's treatment plant in San Ysidro. The plant was built in the late 1990s to treat Tijuana River sewage, but the water it discharges has never met federal water-quality standards. Photo by Scott Linnett. "There appears to be no resolution in sight," Imperial Beach (Calif.) Mayor James Janney said. The U.S. International Boundary and Water Commission and a private partner, Bajagua LLC of San Marcos,

The U.S. International Boundary and Water Commission and a private partner, Bajagua LLC of San Marcos, are trying to improve treatment of wastewater produced by the agency's San Ysidro facility. The plant was built in the late 1990s to treat Tijuana River sewage, but the water it discharges off the south San Diego County coast has never met federal water-quality standards.

Bajagua wants to pipe water from San Ysidro to its proposed treatment facilities in Tijuana and then sell the reclaimed water to local businesses. The company and the boundary commission said last year that their development agreement could be terminated if Bajagua failed to perform any of its obligations by May 2.

A Bajagua spokesman said the company had done everything it could to uphold the deal, but that "bureaucratic and international factors" have prevented it from issuing a construction contract and filling a bank account to pay for the work.
The boundary commission "has not communicated to us how they intend to proceed," said Craig Benedetto, spokesman for Bajagua. "We believe we have met our obligations and are awaiting a decision from them."
Critics have complained that Bajagua got the sole-source project because of its political connections. They also have questioned whether the company can make good on its promises.
Company boosters say there are plenty of safeguards and that Bajagua can do the job well.
If completed, Bajagua's project could cost U.S. taxpayers about \$600 million over 20 years of operation. However, the U.S. government still could scrap plans for the Bajagua plant and try to build another treatment facility near the existing one in San Ysidro.
In February, President Bush's budget request included \$66 million for a U.S. plant that would be available if the Bajagua project is canceled. At the time, a spokeswoman for boundary commission said domestic upgrades were "more efficient and less expensive" than construction in Tijuana.
On Wednesday, the Justice Department issued a one-sentence statement that left open the possibility that Bajagua's proposal wasn't the only one being evaluated. It said the government is "pursuing all available options to bring it into compliance with the Clean Water Act." Government lawyers refused to answer specific questions.

Even if the boundary commission sticks with Bajagua, it's not clear the government will pay for it. The president's budget request in February linked project funding for fiscal year 2008 to the parties' meeting the May 2 milestones.
Bajagua's plan also could be interrupted by U.S. District Judge Barry Ted Moskowitz. In June, he urged the boundary commission to get the project on track after regional water-pollution regulators complained about delays.
Moskowitz said he was prepared to order the agency to "formulate another plan" if "in the not-too-distant future, it becomes clear that the Bajagua project will not" meet water treatment standards by September 2008.
The San Diego Regional Water Quality Control Board will review the issue May 9. Art Coe, a senior board staff member, said it doesn't appear that the boundary commission can meet the court-ordered deadline for water quality. He wouldn't speculate about how his agency's board would respond.
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