

BACWA Recycled Water Committee Meeting
EBMUD Headquarters – 2nd Floor Board Conference Room
March 12, 2014
10:00 a.m. – 12:00 p.m.

1) Introductions – Muñoz

- Linda Hu - EBMUD
- Paul Gilbert-Snyder - EBMUD
- Roanne Ross - Whitley Burchett for Redwood City
- Vince Christian - Regional Water Quality Control Board
- Pam John - Santa Clara Valley Water District
- Cheryl Munoz - SFPUC
- Beverly James - Novato Sanitary District
- Lorien Fono - BACWA
- Leah Walker - City of Petaluma
- Rhodora Biagton - Dublin San Ramon Services District
- Melody LaBella – CCCSD
- Dave Williams- BACWA
- Andria Loutsch – CDM Smith for NBWRA
- Amanda Schmidt – West Yost Associates

On phone

- Eric Hansen – City of San Jose
- Bhavani Yerrapotu – Sunnyvale
- Jayne Strommer – Delta Diablo
- Dave Richardson – RMC
- Derek Reyner – Calistoga
- Anita Jain – Whitley Burchett/DSRSD and RWC
- Michelle Trinh – HydroScience/Sunnyvale

2) BAIRWMP & Prop 84 Updates – Muñoz/L. Hu

a. Update on BAIRWMP activities

i. DWR review of Draft Bay Area IRWM Plan scheduled to be completed by end of Mar 2014

DWR has told agencies receiving Prop 84 Round 1 funds not to wait, and to adopt the plan before DWR staff finishes their review.

ii. Agencies receiving Prop 84 Round 1 funds need to have resolutions adopting the 2013 BAIRWMP by May 11, 2014

The May 11, 2014 deadline for adoption was previously reported for agencies accepting Round 2 and 3 grant funding, but is actually only for Round 1 awardees, particularly those that are specifically named in the agreement. The date is incorporated into the Round 1 agreement (page 7, provision 12). Round 1 "Partnering agencies" are not named, but they should adopt the plan just in case. Round 2 and 3 awardees won't be bound to adopt the IRWMP until they sign an agreement, but there's no benefit in waiting.

b. Update on Prop 84 activities

i. Round 2 update

- ABAG/SFEP gathering documents for contracting process

Jenifer Krebs (ABAG) has asked for updated information, financial documentation, work plans, schedule, etc. Awardees should get their project descriptions as accurate as possible to avoid the need for formal amendments in the future which cause delays. A kickoff meeting is scheduled for March 17 at ABAG offices. DWR wants to have a final agreement with ABAG by the end of June/beginning of July, and ABAG

will have local project sponsor (LPS) agreements a month later. The DWR draft agreement is out for review, and they want comments by April.

- (a) *Agency financial and environmental documents should have been submitted to Athena Honore*
- (b) *Agencies comments on Round 2 Grant Agreement (DWR-ABAG) and/or LPS (ABAG-Local Agency) Agreement to Jennifer Krebs by April 4, 2014*
- (c) *Goal is to sign and complete LPS agreements by the first week of July, 2014*

ii. *Round 3*

The *Governor's Declaration of drought is impacting the Round 3 process. Information from DRW is that there is a desire to award grants quickly for drought relief projects. This will likely result in Round 3 being awarded in two phases.* The draft guidelines for the drought expedited projects are expected from DWR by March 14. Proposals may be due by August 1, with agreement signed by the end of this calendar year. There is a question about the start date for reimbursable costs. Project proponents are asking DWR to make it early enough, or even retroactive, so that agencies can get started as soon as possible and not get held up by the agreement execution date. They are also looking into whether they can add projects to Round 2.

- *Project Concept Submittals*

(a) *Governor's Declaration and drought relief legislation (SB 731)*

All the drought-related bills were passed and signed; DWR is expediting \$200M of \$475 remaining Proposition 84 funds for drought relief projects. There may be two deadlines – one for drought relief projects and one for other projects. Or, there may be two separate rounds of funding (referred to as 3A and 3B). Projects need to be "shovel-ready", meaning those that can break ground, or even deliver recycled water, this year.

(b) *Prop 84 Round 3 funds for Bay Area*

Approximately \$30M of the \$72M may initially be allocated for drought relief.

(c) *Review recycled water projects for potential inclusion in drought relief (Round 3A) and IRWMP (Round 3B)*

There was a discussion of the risk of starting construction before the grant agreement is in place. The projects that are ready to go have planning and CEQA completed and likely have been designed. Ultimately the question is when can you start delivering the water. There was a discussion of the need project applicant to be flexible in what should be asked for by DWR.

Linda provided a master spreadsheet of the eight projects that local project sponsor submittals to Linda before the meeting. There was a discussion of each project:

- East Bayshore Recycled Water Project
- San Ramon Valley Recycled Water Project
- Diablo Country Club Satellite Recycled Water Facility (won't begin this year)
- Moraga Country Club Satellite Recycled Water Facility
- Central Dublin Recycled Water Distribution and Retrofit Phase 2 – retrofits will be cost match portion.
- Recycled Water Distribution and Retrofit for County and Federal Facilities – Phase 1
- North Bay Water Reuse Program – Milliken-Sarco-Tulocay (MST) Recycled Water Distribution System
- North Bay Water Reuse Program – Las Gallinas Valley Sanitary District (LGVSD) Recycled Water Facility Capacity Upgrade – Can finish construction of UV expansion by the end of the year to increase treatment capacity by 4mgd
- Project 9 – Petaluma urban recycled water distribution expansion to urban water users. Leah Walker will provide more information to Linda, and phase it out with costs for each of 3 phases. This one is ready to go this year.
- Central Redwood City Recycled Water Project
- SFPUC Regional Recycled Water Capacity Improvement
- SFPUC Westside Recycled Water Project – Won't be ready to go, but will carve out a portion to add to round 3B
- Santa Clara Valley Water District Wolfe Road Recycled Water Project – ready to go in 2015

- Santa Clara Valley Water District has a project with pipelines constructed and customers lined up; they just need to add modules to expand an existing treatment system.
- Calistoga Recycled Water Storage Facility Project – Already have distribution system. They need more storage. Fall 2014 will yield 15 AFY, but plan to increase in the future.
- Sunnyvale has an indirect potable reuse project, which Bhavani would like to add to BACWA's list.
- There is also a Pleasanton project that isn't on the list and isn't in the IRWMP.

There was a discussion of whether there is a penalty for not meeting a delivery date required as an application criteria. This will guide which projects get included. It's unknown whether there will be a drought relief component to funding round 3B – it will likely be a function of whether or not it rains. If not, it's possible the 3B pot will be allocated to drought relief as well.

There was a discussion of the challenges with retrofits and whether it could qualify for grants since they are ultimately owned by private entities.

New projects can be added to the IRWMP after May. The process is not difficult, but we need to let Linda and Cheryl know and have to go through the CC.

The Round 3 nutrient project being proposed by BACWA will not include recycled water projects.

3) FY 2014-2015 Recycled Water Committee Budget and Projects - All

a. *Status of Recycled Water Landscape Guide*

Eric reported that the draft landscape guide received 600 comments from 50 respondents. They got a lot of requests to put together a summary guide. There are some extra funds from the sponsors to put together the summary guide. They are currently editing and aiming for May 2014 for completion. Cheryl asked if we will get a second round of review to see how comments are incorporated. We might need more funds if consultant is to incorporate a second round of comments. They may be able to put together a table of comments and how they were addressed. The current plan is to have the final product be a downloaded product. The committee may want to budget printing costs. The budget includes workshops when guide is published.

b. *Discussion of potential projects*

- c. The BACWA 2014-15 budget is going to their board in March for approval. This is the time of the year the committees look to the next year program and request funds from BACWA.

i. *2011 Recycled Water Survey update*

This committee produced the first *Recycled Water Survey* in 2011 with the plan to update it every few years. It has been three years and is time to consider the first update. There was a discussion of the value of updating the *Recycled Water Survey* to BACWA membership, particularly members that are solely wastewater treatment and discharge agencies. Most committee members feel that there is value to having the information. Dave made the point that perhaps water agencies should pay for the survey, since they are required to gather information on recycled water. The water agencies need to update their Urban Water Management Plans in 2015 so it may be possible to consolidate recycled water use and planning information collected from that effort. This would mean waiting until 2016. This information is going to probably be gathered as part of the information gathered by the consultant as part of the BACWA nutrient upgrade/optimization study. The recycled water committee will not be requesting budget from BACWA in 2014-15 for an update to the *Recycled Water Survey*.

ii. *Other projects*

Support for recycled water project Prop 84 Round 3 application – there are still some funds remaining in Whitley Burchett FY2013-14 contract for IRWMP support that could be re-allocated to 2014-15 to assist with the Round 3 application.

- iii. Funding for Lorien's time is provide through a separate budget and does not come for this committee's budget.

4) Partnership Updates – Strommer/James

a. *WRWC*

In response to the drought the SWRCB as on their March 18 Board agenda a resolution to provide low interest SRF loans for recycled water. (\$400M at 0.5%, followed by \$200M at 1%). There is a staff report

on the web and comment letters are due March 6 at noon. Gary Darling will be making a presentation supporting this effort at the next State Water Board Meeting.

b. NBWRA

Starting work to launch NEPA/CEQA on Phase 2 of project.

5) Announcements/Agency Updates – All

CWEA Santa Clara Valley Section meeting in Menlo Park on 3/20, 9:30 to 1:30, 701 Laurel St. – 1. Presentation by Gordon Williams from Trussel technologies on maximizing the capacity of filtration systems, 2. Presentation by Bill Mitch from Stanford on reducing NDMA and other chlorinated byproducts in recycled water streams. Free.

CWEA Santa Clara Valley Section meeting at Stanford, May 15 - David Sedlak will be discussing ReNUWIT. David Smith from WaterReuse will talk about direct potable reuse.

WaterReuse Northern California chapter meeting - April 25 in Santa Rosa –topic: working with regulators.

There was a discussion of using recycled water for stockwater in Petaluma. Organic dairies have said they don't want it.

6) Next Meeting – April 2, 2014 from 10:00 am to 12:00 pm, 2nd Floor Small Training Room at EBMUD Headquarters