

# BACWA Recycled Water Committee Meeting Notes

EBMUD Headquarters – Rm: Adm Conf 6A & 6B

June 4, 2014

10:00 a.m. – 12:00 p.m.

## 1) Introductions – Muñoz

- Linda Hu – EBMUD
- Roanne Ross – Whitley Burchett, for Redwood City
- Vince Christian – Regional Water Board
- Lorien Fono - BACWA

*On phone:*

- Greg Norby – Ross Valley Sanitary District
- Rhodora Biagtan - DSRSD
- Jeff Tucker – Napa Sanitation District
- Andria Loutch – CDM Smith
- Lea Walker – City of Petaluma
- Jayne Stommer – Delta Diablo
- Kevin Booker – Sonoma County Water Agency

## 2) Prop 84 & BAIRWMP Updates – Muñoz/Hu

*a. Update on Prop 84 activities*

*i. Round 2 update*

- ABAG/SFEP contracting process
  - (a) Comments on Round 2 Grant Agreement (DWR-ABAG) and/or Local Project Sponsor (ABAG-Local Agency) were sent to DWR. We are waiting for a response from DWR. Grant agreements for Round 3 will be similar to Round 2.
  - Tentative Schedule
    - Sign Grantee contract with DWR in June
    - Sign Local Project Sponsor Agreements in June/July

*ii. Round 3*

*- Prop 84 Round 3 funds for Bay Area*

*(a) Drought relief round*

Cheryl distributed handout from the Coordinating Committee (CC) Meeting. At the time of the last meeting, DWR had not indicated how the funding would be allocated. The Project Screening Committee (PSC) internally allocated \$32M for this drought round. This is 40% of the \$72M IRWM grant balance. The group has 1.5 months to submit the grant application. The project types that were screened were Water Supply Enhancement, Recycled Water, Human Right to Water, and Drought Preparedness. Human Right to Water are for agencies with severe water shortages. At the meeting, the PSC presented draft funding recommendations and the CC approved the funding recommendations.

The PSC reviewed 54 projects totaling more than \$420M using scoring factors. New criteria were added in specifically for the drought. The 54 projects were screened down to 34 projects at \$313M, and then 5 more were dropped due to eligibility requirements. The remaining 29 projects were then ranked further. The more projects there are the harder it is for the DWR to evaluate and the more effort required by ABAG to prepare the proposal and then administer grant, so it is hoped that the Regional Application will score better with fewer projects. There were 11 projects in the end, with 4 recycling projects that were worth about \$13M (of the \$32M) projects. The agencies whose recycled water projects will be included in the application are:

- (b) Napa SD (\$4M)
- (c) SCVWD/Sunnyvale (\$4M)

- (d) DERWA (Dublin San Ramon/EBMUD) (\$4M)
- (e) Calistoga \$750,000 (also included in Human Right to Water – they may run out of water next year)

Three of the four were combined projects, which helped them score better in the screening.

The regional Grant applications due to DWR July 21, 2014 - DWR added a few weeks to original July 3 date. Final awards will be in October. The PSP came out this week. Deadlines are to get project information in to CC this week and budget information next week. The PSP puts emphasis on explaining how the project will benefit the water supply in your area.

Petaluma, Las Gallinas, Redwood City and San Jose were screened out. Roanne pointed out that Redwood City did not receive any Prop 84 funding in any of the rounds and wants to make sure that they have a chance in the next round of funding. One argument that may be used for next round of funding is that a project cannot proceed without funding. The retroactive date for the next round of funding may be January 2015, so unfunded agencies that will go ahead and build should keep track of costs which may be reimbursable if they get funded in the next round. Even if the next round of funding does not have a drought focus, Regional Recycled Water projects can be included in the BACWA nutrients proposal.

*(b) Remaining IRWM funds round*

The Prop 84 Round 3 Implementation Grant process for the remaining \$40M is anticipated to begin in Spring 2015.

*(c) Related BAIRWMP activities*

Addition of projects to the 2013 BAIRWMP – Not all the projects that will be in the Regional Grant Application are in the Plan yet, which is a requirement. They will be included in an addendum, and will need to be approved by the Coordinating Committee (CC) for inclusion in the Plan. This item will be on the CC's June 23, 2014 meeting agenda. Individual agency adoption of the IRWMP is required to receive grant funds in Rounds 2 and 3. Agencies receiving Round 2 funds must adopt the Plan before final Local Project Sponsor agreements are executed with ABAG/SFEP. The Plan must be adopted by prospective Local Project Sponsors 45 days after the applications are due for Round 3.

### **3) Legislation/Regulations Updates – Muñoz/Hu**

a. Regulatory updates

i. [General Water Recycling Permit](#)

BACWA provided comment letter, stating that Region 2 entities would like to continue to use 96-011 for new and existing permits. The hearing was June 3. The State Water Board posted an updated draft including responses to comments on May 30. Section 29, under purpose and applicability, pg. 13, was added in in response to BACWA's and WateReuse's comments (which captured their spirit, but isn't quite what we were asking for):

*Producers, Distributors, or Users of recycled water covered under existing orders (water recycling requirements, master reclamation permits, general or individual waste discharge requirements, or waivers of waste discharge requirements) for the use of recycled water may elect to either continue coverage under existing orders or apply for coverage under this General Order.*

It is unclear if the Regional Board will continue to issue 96-011 to new projects.

Linda was on the subcommittee with WateReuse to provide input to the State Water Board. The original SWRCB 2009 permit only covered landscape irrigation and few entities opted in. The State Water Board used 96-011 as a template for their General Permit, but then added to it. Then they got 34 comment letters and in response, added more requirements. The NGOs comments were responsible for beefing up the monitoring requirements. Under the current draft permit, recycled water purveyors are now required to monitor for priority pollutants. They also need to show that they are providing water to users at agronomic rates. Specifically, a lot of material got added into Attachment B – MRP –at the last minute and WateReuse did not have time to comment. Probably no one in Region 2 would want to opt into the permit, but it may be attractive to agencies in other regions, such as the Central Valley. It's not clear what the Southern California dischargers will do, given that their permitting problems were the original driver for the General Permit.

## ii. Water Bonds

There are four water bond bills that are still potentially viable. The most favorable, SB 848, increases the Recycled Water Component to \$1.5B. However, 10% needs to go to disadvantaged communities, which is difficult to achieve in the urban Bay Area, since water utilities provide the same water supply to poorer communities as they do to wealthier neighborhoods. WateReuse has a Leg/Reg committee conference call on Friday at noon where they will discuss the future of the bills – Cheryl will send out information. Note: Dave Smith has resigned as Executive Director, but will stay on until a new ED can be recruited.

## iii. Water Rights petition language in NPDES permits

The language requiring a Water Rights petition when increasing recycled water deliveries got removed from most permits where there's no question about water rights, such as estuarine dischargers like Palo Alto and Benicia. Delta Diablo had language reinserted, since there's a municipal intake downstream. The language in their Tentative Order says they need to determine if Section 1211 is applicable. Vince has asked Division of Water Rights about what we can do to streamline these petitions. Only the Napa river dischargers are really impacted by the requirement to file a water rights petition when they increase recycled water, which is nonsensical since the Regional Water Board simultaneously telling them to reduce their discharges by increasing recycled water. Note language from Delta Diablo Permit (pg. F-3), which is likely what we'll see in permits moving forward: *When applicable, State law requires dischargers to file a petition with the State Water Resources Control Board (State Water Board), Division of Water Rights, and receive approval for any change in the point of discharge, place of use, or purpose of use of treated wastewater that decreases the flow in any portion of a watercourse. The State Water Board retains separate jurisdictional authority to enforce such requirements under Water Code 1211. This is not an NPDES permit requirement.*

The proposed Statewide General Permit for Recycled Water also addresses water rights as follows (pg. 11, section 27): *The use of recycled water that would otherwise be discharged to a watercourse can adversely affect the availability of water for beneficial uses of water downstream of the discharge point, including in-stream uses. Water Code section 1211 requires that: (1) the owner of any wastewater treatment plant obtain the approval of the State Water Board before making any change in the point of discharge, place of use, or purpose of use of treated wastewater where changes to the discharge or use of treated wastewater have the potential to decrease the flow in any portion of a watercourse, and (2) the State Water Board review the proposed changes pursuant to the provisions of Water Code section 1700 et seq. In order to approve the proposed change, the State Water Board must determine that the proposed change will not operate to the injury of any legal User of the water involved. (Wat. Code, §1702.) The State Water Board also has an independent obligation to consider the effect of the proposed change on public trust resources and beneficial uses established for areas downstream of the discharge point, and to protect those resources where feasible. (National Audubon Society v. Superior Court (1983) 33 Cal.3d 419 [189 Cal. Rptr. 346].)*

## 4) Partnership Updates – All

- a. WRWC – Jayne Stommer reported that per the recent recycled water survey sponsored by the WRWC, \$5.5B is planned for water recycling across the state, and so the \$500 million allocated in some versions of the water bond won't go far. WateReuse has been lobbying to increase the share of recycled water in the water bills. A joint letter May 19 letter from WRWC, WateReuse, CASA, and Northern San Diego Water Reuse Coalition was sent to Senators and Assembly members requests restoring \$1B to recycled water projects. It had 42 signatures from supporting agencies and agencies can sign on to the support letter retroactively. West Basin coordinated the signatures – Jayne will forward the information on the letter to Linda.

Some agencies have specifically asked for grants to be administered by the State Water Board rather than the DWR, since the IRWM process is so arduous – agencies could apply individually, rather than as a regional application, and wouldn't have to compete with other functional areas.

- b. NBWRA – North Bay Board of Directors authorized feasibility study for next phase of program, which will incorporate new projects and service areas. Kevin Booker noted that NBWRA signed onto the WateReuse letter on the water Bill.

**5) Announcements/Agency Updates – All**

- a. BACWA's Assistant Executive Director – Sherry Hull will be replacing Alexandra Gunnell as AED.
- b. *Other announcements*

DWR is requiring groundwater monitoring as part of grant eligibility. Linda asked on behalf of EBMUD about water quality monitoring of groundwater around the Richmond basin. This groundwater isn't used but is still considered a "high priority" basin. Vince pointed her toward Geotracker. Steven Hill is the contact at the Regional Water Board for questions about groundwater monitoring.

Next WaterReuse meeting is in August 29th at Santa Clara Valley Water District.

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