

# **BACWA Recycled Water Committee Meeting**

**EBMUD Headquarters – 2nd Floor Small Training Room**

**October 1, 2014**

**10:00 a.m. – 12:00 p.m.**

**Call-in Number: 1-866-206-0240**

**Participant Code: 617381#**

## **1) Introductions – Muñoz**

- Cheryl Munoz – San Francisco Public Utilities Commission
- Kimberlee West – Bay Area Clean Water Agencies
- Mike Connor – BACWA/East Bay Discharges Authority
- Roanne Ross – Whitley Burchett representing Redwood City
- Linda Hu – East Bay Municipal Utility District
- Vince Christian – Regional Water Quality Control Board
- Andria Loutsch - CDM Smith representing North Bay Water Reuse Authority
- Leah Walker- City of Petaluma
- Dan Jackson - City of Benicia
- Eric Rosenblum – Envirospectives, Inc.

### **On phone**

- Dawn Taffler - Kennedy Jenks
- Courtney Rubin – RMC Water and Environment
- Briana Bookout – Central Contra Costa Sanitary District
- Kevin Booker - Sonoma County Water Agency
- Jayne Strommer - Delta Diablo Sanitation District
- Jennifer West - WateReuse CA Section

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

### **a. Update on Prop 84 activities**

#### **i. Prop 84 Round 2 update**

- ABAG signed the master agreement with DWR and is moving forward with 19 Local Project Sponsor agreements.
- ABAG will be holding a kickoff workshop for Round 2 on October 31, at noon at the ABAG auditorium. At least one person from each project must attend the kickoff meeting with the exception of Regional Conservation.

#### **ii. Drought Relief Round**

DWR announced draft recommendations on funding on 9/23. A total of \$333 million in project grant funds were requested by agencies throughout the state, and DWR recommended \$200 million for project grant funding. Although many projects were not recommended for funding statewide, over \$28 million of the \$33 million requested was recommended for SF Bay Area projects. The \$5 million that was not awarded includes the following two projects:

- DERWA Recycled Water Project was disqualified in the draft recommendation due to noncompliance with CASGEM (California Statewide Groundwater Elevation Monitoring). Prior to award conversations between EBMUD and DWR, management had indicated that CASGEM compliance was limited to the basins where the project is located rather than all of the basins in an agency's service area. This project overlies a basin in Livermore Valley that is CASGEM compliant. Dublin San Ramon Services District/East Bay Municipal Utility District Recycled Water Authority (DERWA), as well as the two agencies individually, have challenged the draft disqualification to restore their project funding without taking away funds from other projects.
- Santa Clara Valley Water District project (powdered activated carbon project for water quality) was disqualified in the draft recommendation because it was determined to be an O&M project,

therefore it does not qualify for the drought round. SCVWD has elected to not challenge disqualification.

- Public comment period runs from 9/23 – 10/8. A public comment hearing was held on 9/30. Final awards will be determined in mid-October.
- There is a Project Steering Committee meeting on 10/6 to discuss Round 3.
  - Projects that did not get funding in 3A (drought relief) application can apply for 3B. If drought continues, there may be more pressure to continue funding for drought relief. Projected timeline: draft solicitation in Spring 2015 with applications in Fall 2015.

### **3) State Revolving Fund Loan Program - Muñoz**

- a. Funds available for recycled water projects  
Very low interest loans are available through Drinking Water State Revolving Fund and can be used for construction with no limits on how much you can request.
- b. Comments on draft guidelines “Policy for Implementing the Drinking Water State Revolving Fund” due 10/6  
Loans allot a 20-year financing period, and you would have to request a 30-year loan and prove the need for it if desired. Your asset life might be 40 - 50 years, so a 20-year loan may be too short for agencies.
  - It is likely that recycling administration of the Water Bond will be administered by SRF program and will fall under these guidelines.

### **4) Introduction of RWQCB Staff Member Melissa Gunter - Gunter**

- a. Melissa will be working with Blair Allen on recycled water project permitting. She was not able to make the meeting, and we hope she will attend the November meeting.

Discussion ensued on the SWRCB's new statewide General Reuse Order 2014-0090 and its applicability in Region 2. The SF Bay Area would like to retain the option to have new recycled water projects covered under General Order 96-011. General Order 96-011 is specific to Region 2 (SF Bay Area). Bay Area agencies are generally happy with this permit, and new projects do not want to have to apply for coverage of new statewide permit that includes additional monitoring and reporting requirements. We currently know of two agencies, SFPUC and City of Pleasanton that are applying for general recycling permits. SFPUC has been told they must use the new statewide General Reuse Order 2014-0090, and it was reported that Pleasanton could use 96-011.

There was discussion by the Committee that 96-011 might be implemented on a case-by-case basis. It was noted that if the Committee wants to advocate a specific position on permitting, it would be most effective to work with local Regional Board management. The BACWA board meets monthly with the Regional Board executive officer. Mike Connor (chair of BACWA) offered to discuss this issue at their next meeting with the Regional Board. Cheryl will talk to Dave Williams about this.

### **5) Legislation/Regulations Updates – Rosenblum/Muñoz/Hu**

- b. Legislation
    - i. AB 1471 – Water Bond (Prop 1)
      - Chapter 9 includes \$725 million for both recycled water and desalination. The funding allocation between recycled water and desalination will most likely need to be legislated.
      - End-user retrofit projects are eligible for funds under Chapter 9.
      - With respect to funding requirements in the bond, Chapter 9 includes references to California Water Code sections 79140 and 79141. These codes mandate that 50% of total funding will be for loans, and 50% will be for grants.
- There is concern about the new requirement of a 50% local funding match for the grant portion. Prop 50 and 84 required only a 25% funding match. This could cater to larger agencies, as smaller agencies may not have the local match. Jennifer West stated that it is possible to apply the loan portion of funding to the required 50% local match of the grant.
- Chapter 7 contains \$65 million for SF Bay Region Integrated Regional Water Management projects, including recycled water projects. A 25% local match is required.

- Jennifer indicated that the loan match and allocation to desalination projects issues will be put before the WaterReuse CA Board and discussed at their 10/24 meeting. WaterReuse will need to coordinate with California Desal Association and the Board to determine recommendations.

ii. AB 2071 (Levine) - Livestock watering - signed by the governor on 9/2

iii. AB 2282 (Gatto) – recycled water systems in new buildings – signed by the governor

iv. AB 1699 (Bloom) – synthetic plastic microbeads – inactive, and AB 2417 (Nazarian) - CEQA exemption of recycled water pipelines still holding

c. Regulations

i. California Environmental Dialogue (CED)

Jennifer West, the new managing Director of the CA WaterReuse Section, gave an overview of the CED. She indicated that the CED is a subgroup of California for Environmental and Economic Balance (CEEB) to bring industry, environmentalists, and some public agencies together. Tam Dudoc and Fran Spivey-Weber from the State Board are involved. WaterReuse was invited to participate as well.

-The CED has developed a small recycled water workgroup that will be developing a policy paper on recycled water that is planned to include potential revisions to General Order 2014-0900. WaterReuse CA is advocating change from WDRs (waste discharge requirements) to WRRs (water reclamation requirements) through this platform. Jennifer indicated that the CED is looking for one bullet point, broad-based recommendations on non-potable water issues. CED is not interested in getting detailed recommendations but just wants high-level recommendations.

- After the background explanation of the CED and their current focus, there was general agreement voiced by Cheryl and Eric Rosenblum that the CED is not the right forum for the BACWA agencies' recycled water permitting issues. Jennifer pointed out that Recycled Water Committee issues are technical and not applicable to CED.

ii. Onsite recycled water systems

A workshop will be held 11/3 – 11/6 at the Evergreen Lodge, Yosemite, CA regarding residential, commercial, and industrial on-site water reuse. "California Water Reuse" (no affiliation with WaterReuse CA Section) will be hosting the event. Eric has been invited to talk about policies and technologies for water reuse. The Committee thought that this would be a good opportunity for WaterReuse CA to present and coordinate efforts on what has been done, and is currently in the works regarding on-site recycled water systems.

**6) Bay Area Recycled Water Truck-fill Facilities Survey – Ross**

a. Update on survey and schedule

A SurveyMonkey survey has been developed by Whitley Burchett & Associates to gather information that will be used to create a BACWA Bay Area Recycled Water Truck-Fill Location Guide with basic information (hours, costs, training, etc.) on local water recycling and a map of recycled water truck-fill locations. The survey is expected to be sent out to BACWA agencies on Tuesday, 10/7, giving participants two weeks to fill out and submit results.

A "heads-up" announcement was included in the October BACWA newsletter. Also, WBA will draft a letter announcing the forthcoming survey for Dave Williams to send the BACWA agencies.

Dave had an initial conversation with Dyan Whyte from the RWQCB about granting approval for recycled water to be trucked across use area boundaries, provided that there is approval from both the local agency that is the supplier and the agency that has jurisdiction over the use area where the water is to be used (receiving agency). Cheryl will draft a letter with this request for Dave to send to Dyan.

- Cheryl plans on writing an abstract for the WaterReuse CA Conference on this survey to get recognition for BACWA's effort. Mike Connor also suggested submitting an abstract for the CWEA

conference a well. Cheryl will prepare an abstract. Mike also thought it might be a good topic for the BACWA annual meeting in January.

**7) Partnership Updates – All**

- a. NBWRA - kicked off the Phase 2 feasibility study process. The study will take three years to complete, looking at a broad range of water supply topics.
- b. Sonoma County Water Agency has received a request from a small trucker wanting to make a business by selling recycled water in Santa Rosa. Many agencies have gotten similar requests. There are concerns with training and end-use tracking or guidelines/requirements.

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

- Lorien had a baby girl, Lyra on Sept. 25.

**9) Next Meeting** – November 5, 2014 from 10:00 am to 12:00 pm, 2nd Floor Small Training Room at EBMUD Headquarters.

**\*If you need parking, please contact Maureen West at [mwest@ebmud.com](mailto:mwest@ebmud.com) or (510) 287-7011 ASAP.**