

AGENDA

BACWA Recycled Water Committee Meeting Notes **EBMUD Headquarters – 2nd Floor Small Training Conference Room** **May 21, 2019** **10:30 a.m. – 12:30 p.m.**

1. Introductions – Olson

Cheryl Munoz – SFPUC
Dave Williams – BACWA
Stefani Olson – DSRSD
Justin Waples – CCCSD
Irene Suroso – DSRSD
William Burell – Regional Water Board
Lorien Fono – BACWA
Reena Thomas – EBMUD
Melanie Tan – Kennedy Jenks
Medi Sinaki – Vally Water
(On phone)
Amanda Roa – Delta Diablo
Eric Hansen – SVCW
Jan Lee – City of Hayward
Melissa Gunther – Regional Water Board
Tom Hall – EOA
Lei Hong – Valley Water
Sindy Mulyano Danre – Redwood City
Joey Yen – Woodard & Curran
Anita Jain – West Yost

2. Funding Opportunities

a. Federal (Strommer/Olson)

i. Water Infrastructure Improvements for the Nation (WIIN) Act

The U.S. Bureau of Reclamation posted their WIIN Act Recycled Water Funding Opportunity Announcement ([BOR-DO-F018](#)) on April 29, 2019 with applications due June 28, 2019. This provides the last \$20 M of the \$50 M program authorization. Agencies/project sponsors who have USBR-approved feasibility studies (which have been [transmitted to Congress](#)) are eligible to apply. USBR expects to make about 6 awards.

Congresswoman Grace Napolitano's "Water Recycling Investment and Improvement Act" (H.R. 1162) currently has 26 cosponsors and was last referred to the Subcommittee on Water, Oceans, and Wildlife (of which Congressman Huffman is Chair and Napolitano is a member). This bill would increase the authorization of appropriations for the recycled water grant program under the WIIN Act from the original \$50 M to \$500 M. It would also increase the current per project federal share from \$20 M to \$30 M (for all Title XVI projects). Even with the current program authorization capped, Congresswoman Napolitano has reportedly been pushing appropriators to add significant recycled water funding in the FY20 budget.

ii. Title 16

No new updates. Funding Opportunity Announcement BOR-DO-F007 was released in March with applications due April 22nd. \$35M was available for this funding opportunity for Title XVI authorized projects.

b. State

i. Update on BAIRWM Prop 1 – Munoz

An Call for Projects email has gone out to agencies in the Bay Area. Applications are due June 3, and the application form is online at the [IRWM website](#). Completed applications must be emailed into Robyn Navarro. The Project Scoring Committee will hold the first meeting to finalize criteria for scoring, then put together a Regional package. They then will meet with DWR to discuss package submittal. There are no limits on dollar amounts for different kinds of project types.

Applicants for projects that are not yet in the IRWMP can have projects added if they are included in the Regional submission packet to DWR.

3. 2016 State Recycled Water Use Permit Transition Update – Gunter

The effective date for the Recycled Water Policy is the end of April 2019. This means that projects with post 2001 Engineering Reports must be transitioned to the State General Order by the end of April 2020. The Regional Water Board was planning to recirculate their updated list of project information, and will do so after the meeting. There are only a few agencies with Engineering Reports that are older than 2001 - Livermore and SASM. Melissa will get back to the Committee with any gaps in information that the Committee will help to gather. She was awaiting legal opinion about covering the production gap created by the State General Order, which states that it does not cover production. Upon consultation with Tim Regan, SWB attorney, Regional Water Board staff concluded that production does not need to be permitted, unless there is a discharge to land or water, in which case it needs to be covered by WDR or NPDES. They are planning another consultation with Melissa's supervisor, as well as Laura McLellan, SWB staff, since there still isn't sufficient clarity. The proposed solution would include three points:

- Make a regulatory connection in the Notice of Applicability letter (Notice) for coverage under the statewide Water Reclamation Requirements for Recycled Water Use Order No. 2016-0068-DDW (State General Order). The legal requirements for recycled water are included in California Code of Regulations Title 22 Water Recycling Criteria. The Title 22 Engineering Report and the Report of Waste Discharge (ROWD) describe the wastewater treatment system and are required for coverage under the State General Order. The State General Order requires compliance with Title 22. The proposal for addressing recycled water production is to include the following in the Notice:
 - Title 22 Engineering Report, ROWD reference, and the requirement of operating in accordance with the information provided in these documents;
 - Section in the Notice that lists the associated NPDES permits where applicable; and
 - Monitoring requirements required to determine compliance with Title 22.
- When an associated NPDES permit is renewed, address the recycled water production and uses in the NPDES permit or Fact Sheet. The information may include, but is not limited to, a reference to the applicable recycled water use order and a description of the recycled water treatment system. The inclusion of recycled water use requirements and specifications is not preferred by NPDES staff at this time but may be included on a project-specific basis. Other regional water boards have incorporated the recycled water production requirements in a Recycling Specifications or Recycled Water Production section and included tertiary recycled water effluent limits.
- For facilities producing less than 100,000 gpd, enrollment under the State Water Board General Waste Discharge Requirements for Small Domestic Wastewater Treatment Systems Order No. 2014 0153 DWQ.

If this isn't acceptable, then the alternative would be including specifications in NPDES permit, or develop another General Order to cover production.

SFPUC's Westside project is connected to Oceanside Plant's NPDES permit, and that seems more straightforward, since RO concentrate associated with the project is discharge. Recycled Water use for the project will be permitted under State General Order.

Delta Diablo has submitted an NOI, but their application process is paused since there needs to be alignment between Regions 2 and 5 since the project is located in both jurisdictions. Region 2 asked whether there could be a single Region providing oversight, and the legal team is assessing this possibility. Otherwise, the State Water Board needs to issue the permit.

Hayward has concerns as they are preparing to apply for coverage. They are resubmitting NOI based on changes to the project and have revised their Title 22 Engineering report.

4. **SB 606 and AB 1668 on water conservation Update – Olson**

DWR and the State Water Resources Control Board held the first quarterly Water Conservation Legislation Urban Overview meeting on Monday, May 20, 2019. The meeting covered the proposed stakeholder engagement process for the 2018 water conservation legislative directives for urban water use efficiency and management.

Each urban water agency will be given estimates and performance measures for conservation rates. There will also be a list of variances, for factors such as seasonal population, and recycled water use. They will use the estimates to determine percentage of irrigable land. One of the standards that has been set 55 gal/cap/day, dropping to 50 gal/cap/day by 2030.

5. **Nutrient Watershed Permit, Regional Recycled Water Study Update - Fono**

The second Nutrient Watershed Permit was adopted on May 8, 2019, and will come into effect July 1, 2019. The permit has four central tenets:

- Nutrient Monitoring– Each agency is responsible for its own effluent monitoring, as required by the Permit. Some monitoring parameters have changed from the first Nutrient Watershed Permit:
 - New influent monitoring requirements for agencies rated >10 mgd
 - No more TKN or soluble reactive phosphorus monitoring in effluent
 - Reporting year now lines up with water year (October 1 to September 30), whereas previously it was permit year (July 1 to June 30)
- Reporting – BACWA will provide the group annual report, due each year on February 1, 2020. Agencies will input their data into the Group Annual Report Data Input Workbook, soon to be updated for the monitoring parameters in the 2nd Watershed Permit and provided to agencies.
- Support for Scientific Studies – In compliance with the Permit, BACWA is funding scientific studies associated with the San Francisco Bay Nutrient Management Strategy. The 2nd Nutrient Watershed Permit is The level of support for the science increased from \$880K/yr in 1st Watershed Permit, to \$2.2M/yr in 2nd Watershed Permit
- Special Studies – Two new studies are required in the Watershed Permit:
 - Regional Evaluation of Potential Nutrient Discharge Reduction by Natural Systems – Study to be conducted by SFEI. Medi noted that Valley Water is working with SFEI on wetlands
 - Regional Evaluation of Potential Nutrient Discharge Reduction by Water Recycling – BACWA to issue [RFP](#) for consultant support. The BACWA Executive Board requested that the Recycled Water Committee provide an oversight and advisory role for the project. There will be a standing item on the agenda for updates.

All permit compliance activities, other than individual monitoring, to be funded by BACWA through the Nutrient Surcharge.

6. **Legislation and Regulatory Update (Hu/Thomas)**

a. Active Legislation

AB 292 (Quirk) Potable Reuse Terminology (WRCA sponsored bill)

Bill passed out of the Assembly with no 'no' votes. WRCA met with SWRCB staff recently to discuss staff's concern that definition of raw and treated water augmentation is too narrow. WRCA is considering revising the definition of the 4 different types of potable reuse so that all types of potable reuse projects can be captured in one of the categories, which will minimize the need for special permitting by the SWRCB.

AB 405 (Rubio) Tax Exemption RW Chemicals

Bill is on Appropriations suspense. Key concern is that bill excludes public agencies from tax exemption of recycled water treatment chemicals (bill currently applies to privately owned "public utilities"). Author understands the concern. WRCA is waiting for amendment to review.

AB 1180 (Friedman) Title 22 Update NPR (WRCA sponsored bill)

SWRCB prefers the handbook method to update T22. However, WRCA members are not comfortable with the more informal handbook process to update T22 – Jennifer West informed SWRCB staff of WRCA's position. WRCA encourages letters of support from agencies to support this bill. Bill passed out of the Assembly Appropriations Committee today. This bill will now go to the Assembly Floor in next two weeks for a vote and then to the Senate Environmental Quality Committee.

AB 1588 (Gloria/Grey) Water-Wastewater Training

WRCA received the amendments...moving to support position. Bill is on Appropriations suspense.

SB 332 (Hertzberg-Wiener) Ocean WW Discharge

Today the Senate Appropriations Committee “held” — did not pass to the floor — Senator Hertzberg’s bill SB 332 that would severely limit ocean wastewater discharges. This means it is likely a two-year bill as it missed the legislative deadline to pass to floor for a vote. While there are rule waivers that could come into play, WRCA thinks there is only a slim chance it will reemerge in 2019. The Senator can take up the bill next year in the Senate Appropriations Committee.

SB 45 (Allen-Stern) Wildfire, drought, flood bond

Includes \$600 M for water supply. WRCA will continue to track this bill.

Budget Prop 68 RW Funds

The proposed Prop 68 includes \$80 million in grants and loans for recycled water projects. Senate moved measure forward. Waiting to see what happens in Assembly. Assume that bill will move through with support. Funds are tied to same guidelines as Prop 1 program.

CWSRF Intended Use Plan Comment Letter

There are upcoming workshops on changes and updates to the plan. A major proposed change is 0.25% interest rate reduction if applicant is willing to take a 20-year loan. Construction costs are eligible. State targeting to issue a little over \$1 billion in loans this year from the program. Large projects have concerns with size of 20-year loan.

Urban Overview Meeting (Water Efficiency Leg. Implementation)

Meeting is open to the public. WRCA will forward the meeting agenda and registration information.

7. Announcements/Agency Updates – All

WaterReuse Northern California Chapter Meeting, August 23, 2019 in Palo Alto

8. Future Agenda Topics:

Study from Redwood City to discuss indoor reuse. Would look at not using copper pipes for recycled water distribution would be preferable to avoid corrosion issues. Melanie will provide an update next month.

Cheryl will present on the Westside project.

Next Meeting

Tuesday, July 16, 2019, EBMUD Small Admin Training Room