

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

ANNUAL REPORT 2013



Coordinating and accelerating
the largest groundwater cleanup in the nation.

Drought Reminds Us of the Importance of Water

Every resident, business, school, and landscape in the San Gabriel Basin depends on groundwater. That is why contamination of the groundwater is everyone's concern.

San Gabriel Basin Water Quality Authority is actively facilitating the cleanup of the Basin's vast water supplies—for everyone's benefit.

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Cleaning and Protecting the Groundwater Beneath Our Feet



WQA's CLEANUP PROGRAM ADDRESSES LONG-TERM SUPPLY AND DROUGHT

A Message from the Executive Director

For the second year in a row, drought is the first thing that comes to mind when thinking about water supply. Once again, lack of rainfall and major cutbacks in imported water supplies remind us how critical the groundwater basin is as a long-term source of storage and a key water management resource.

Now, more than ever, it is critical that we complete the cleanup and protect groundwater resources so that they can be used conjunctively with surface water to maximize the amount of water available for recreation, business, the environment, and the millions of residents who depend on it.

Collaboration is Key to Our Joint Success

Area water agencies have already treated 1.2 million acre-feet of water. This is enough to fill the Rose Bowl 4,600 times. Yet there is still nearly \$700 million in additional work needed to finish cleaning the Basin.

If we are to succeed at this monumental task, it will be through continued collaboration—making the most of the talent and resources of all stakeholders.



Together we are looking forward to another great year of progress.



Kenneth R. "Ken" Manning
Executive Director

Extended Mission

This year, we are especially heartened by state legislation carried by Senator Ed Hernandez that extends the WQA for another 13 years. This will allow us to keep facilitating treatment projects, locating funding, finding ways to lower costs, and speed the day that we can finally say the cleanup is complete.

20 Years of Progress & Success

GOALS OF THE WQA: LEADING THE NATION IN GROUNDWATER CLEANUP

Complete the Basin Cleanup More Rapidly. WQA focuses on projects that will accelerate and advance cleanup activities to ensure clean water for the San Gabriel Valley community.

Ensure That Highly-Treated Water is Provided to Customers, and Not Wasted. The drought reminds us that every gallon of high-quality treated water is needed by customers and must be made available, and not dumped.

Prevent Movement of Contamination into Clean Areas. WQA prioritizes cleanup projects that maximize use of existing wells and pipelines to save money, and also treat water in areas where it can then be productively used.

Minimize Cost Impact on Local Customers. WQA aggressively seeks funding from the responsible parties as well as federal and state governments. Where needed, WQA and local purveyors pool funds to initiate urgently-needed treatment, but always seek reimbursement afterwards.

In our first 20 years, WQA and all basin stakeholders have achieved immense cleanup progress: 143,000 pounds of contaminants removed, and 1,200,000 acre-feet of water treated.

In the coming 30 years we have \$700 million more in work to do to finish the job!

31 TREATMENT PROJECTS PLANNED, FINANCED, CONSTRUCTED AND OPERATING

1992

La Puente Valley County Water District: Wells 2, 3, & 4

1993

Water Quality Authority: Arrow Project No. 1

San Gabriel Valley Water Company: Well B11B

San Gabriel Valley Water Company: Well B7C

California Domestic Water Company: Wells 3 & 5A

1994

San Gabriel Valley Water Company: Well B6C

San Gabriel Valley Water Company: Well B6D

Bozung: Wells B36, F38, F39 & BC34

1996

Monrovia: Wells 2 & 6

1997

El Monte: Well 12

Water Quality Authority: Big Dalton Project No. 2

California Domestic Water Company: Wells 6 & 14

1998

Golden State Water Company: Encinita Wells 1, 2 & 3

1999

San Gabriel Valley Water Company: Wells B4B & B4C

El Monte: Well 2A

Water Quality Authority (SEMOU)

Monterey Park: Well 5

EPA: (WNOU) Shallow Zone

2000

La Puente Valley County Water District: Wells 2 & 3 (BPOU)



Pictured above: City of Alhambra Treatment Plant.

2000

La Puente Valley County Water District: Wells 2 & 3 (BPOU)

2001

Suburban Water Systems: Well 140W-4

Alhambra: Well 7

Golden State Water Company: San Gabriel Wells 1 & 2

2002

San Gabriel Valley Water Company: Plant 8

2003

Adams Ranch Mutual Water Company: Well 3

2004

Valley County Water District: Nixon East & West

El Monte: Well 10

San Gabriel Valley Water Company: Plant B6 (BPOU)

Valley County Water District: Lante SA-1 & SA-2 (BPOU)

2005

Golden State Water Company: Art 2 & 3, Base 3 & 4, Hwy 1

San Gabriel Valley Water Company: Well G4A

2005

Whittier (WNOU): Intermediate Zone

2007

San Gabriel Valley Water Company: Plant B5 (BPOU)

2008

Monterey Park: Wells 1, 3 & 10

Monterey Park: Wells 9, 12 & 15

ENGAGING ALL STAKEHOLDERS

ENGAGEMENT IS KEY TO COORDINATE, MANAGE AND FUND THE CLEANUP

Our role is to assure the Basin-wide cleanup is completed by coordinating public and private cleanup efforts and obtaining necessary funding.

Proactively Deal With Emerging Chemicals. The WQA continues to proactively address the growing problems of emerging chemicals ("EC"), such as Chromium VI by ensuring that all treatment facilities adequately treat such substances to a safe level.

Progress on Obtaining a General Discharge Permit. Delays or the out-right inability to obtain discharge permits is stalling treatment throughout the Basin and increasing costs. WQA continues working with regulators to obtain a general discharge permit that would facilitate construction and testing of new wells and treatment facilities. WQA has met with all the regulators and interested non-governmental organizations and achieved a consensus on the importance of this issue, setting the stage for a possible resolution in 2014.

WQA reclassified a grant award so that Rowland Water District could conduct an enhanced discharge study for Puente Valley Operable Unit Intermediate Zone treated water. The engineering contract was extended for support of this work.

Regulatory. WQA submitted the required semi-annual status report to the State Water Resources Control Board and the Los Angeles Regional Water Quality Control Board.

Participating in the Integrated Regional Water Management Program. WQA continues to participate in the Upper San Gabriel River and Rio Hondo River sub-region of this program designed to develop collaborative, cost-effective solutions to address the water resource needs of the Region.



Felicia Marcus, Board Chair of State Water Resources Control Board speaking at the San Gabriel Valley Water Forum, October 2013.

Pilot treatment in El Monte.



IN THE CLEANUP



LOCAL, STATE AND FEDERAL LEGISLATIVE SUPPORT

WQA carried out an extensive state and federal legislative agenda, and has made a concerted effort to increase support for the cleanup program. These efforts include travel to and participation in activities in Sacramento and Washington D.C. by the Board of Directors, the Executive Director and the Assistant Executive Director.

Federal Actions. Participated in nine meetings to discuss funding, perchlorate issues and extension of the Restoration Funds.

State Actions. Staff attended numerous meetings and a legislative policy seminar in Sacramento, as well as worked to change some amendments to the proposed Water Bond that are not in the interests of the San Gabriel Basin.

Major Success: Legislation to Extend WQA Passes. WQA's extension bill SB 429 (Hernandez) was signed by the Governor and now the WQA has a sunset date of July 1, 2030. The new sunset date puts the WQA in position to begin negotiations in the Baldwin Park Operable Unit for a new project agreement.

Conducted Tours for Numerous Legislative and Regulatory Leaders. WQA conducted tours for: Felicia Marcus, Board Chair of State Water Resources Control Board; Assemblymen Anthony Rendon, Ian Calderon, and Ed Chau; and Ms. Delamon, the newest member of the State Water Resources Control Board.

Participated in the ACWA Region 8 conference that was held in Carson.

*Construction underway this year
in the El Monte Operable Unit.*

“On behalf of the entire community, WQA thanks Senator Ed Hernandez for sponsoring and carrying the bill through to extend the WQA sunset date.”

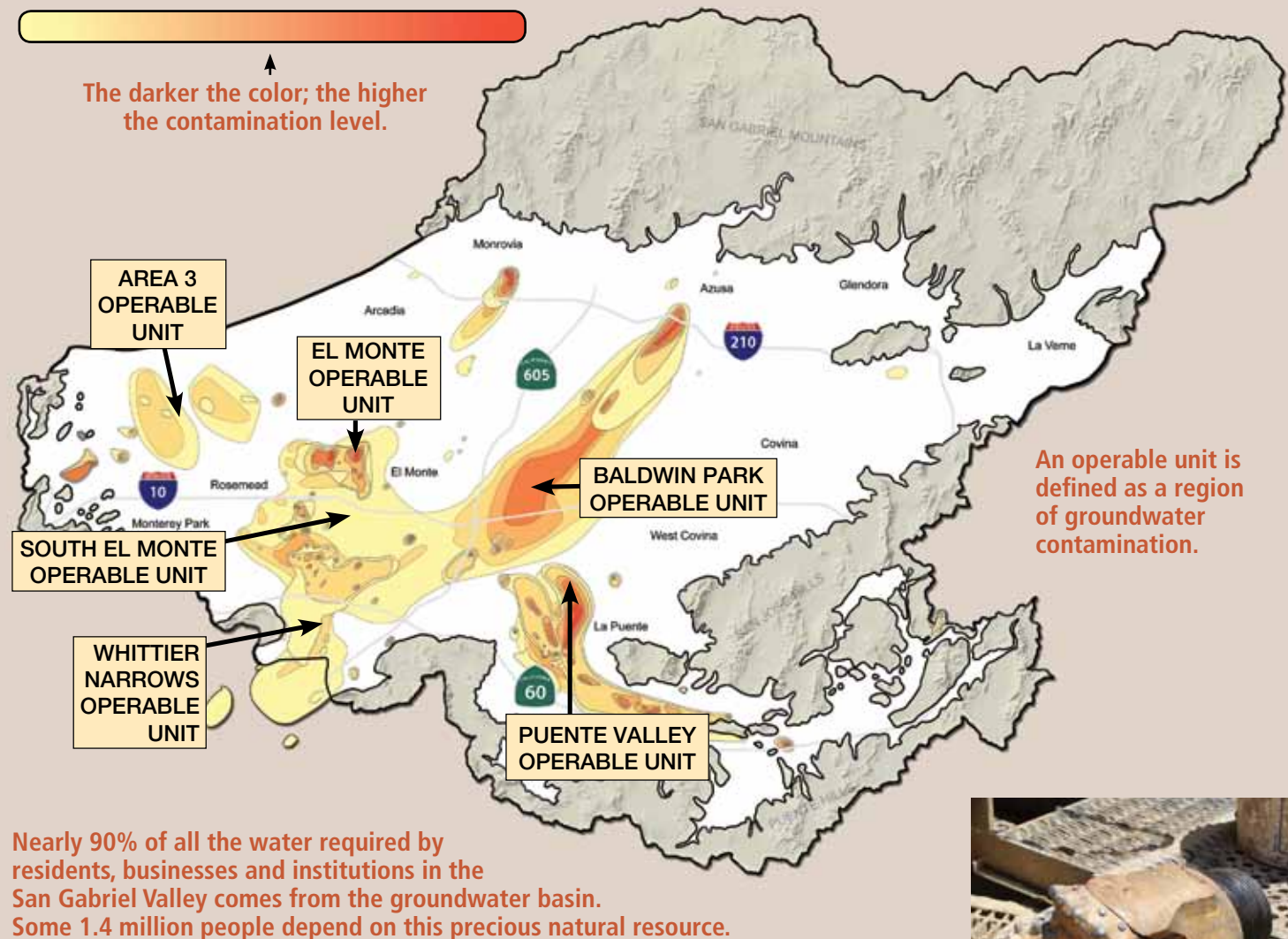
***Brian Urias, Chairman,
Water Quality Authority***

OPERABLE UNIT

POST-WORLD WAR II SPREAD OF CONTAMINATION

Disposal of chemicals into the ground by local industries and agriculture was common in the pre- and post-World War II era. This practice led to widespread contamination in the groundwater Basin.

Discovery of the problem occurred in the 1970s when toxic chemicals were detected in the area's drinking water wells. By the 1980s, the U.S. Environmental Protection Agency's Superfund program undertook efforts to address this problem. Since then, an aggressive cleanup program has been implemented to meet the complex challenges of removing contamination from the groundwater basin.



Drill bit used on water wells.

CLEANUP PROGRESS

SOLVING PROBLEMS, RAISING FUNDS, COORDINATING AGREEMENTS AND MAKING CLEANUP PROGRESS

South El Monte Operable Unit (SEMOU) **132,882 Acre-Feet Treated**

With all projects in the SEMOU funded through 2019, and the settlement agreements completed, WQA was able to disburse all of its funding for the various projects.

Baldwin Park Operable Unit (BPOU) **285,416 Acre-Feet Treated**

Companies responsible for the contamination continue to pay all costs of cleanup from 2002 through 2017. WQA continues to process all funds back to the treatment plant operators and owners, as well as provide project coordination services. This year WQA assisted SGVWC Plant B6 to obtain a discharge permit to test their new cost and resource-saving, single-pass ion exchange treatment technology. WQA also extended its agreement with a private property owner to allow access to the monitoring wells in the BPOU for another ten years. This year, Water Quality Authority arranged funding from Proposition 84 for a series of improvements in the BPOU that include: construction of a nitrate blending by-pass system for Valley County Water District; construction of a new nitrate treatment process for San Gabriel Valley Water Company's B6 Plant; as well as pipelines between its B6 and B24 Plants so that they can blend and use water from the PVOU intermediate zone remedy.

El Monte Operable Unit (EMOU) **84 Acre-Feet Treated**

Construction has started on the eastside project, including the pipelines and deep zone extraction wells. Staff is monitoring construction progress, providing technical support and providing reimbursements of federal funds.

Whittier Narrows Operable Unit (WNOU) **20,066 Acre-Feet Treated**

WQA was instrumental in facilitating transfer of regulatory responsibility from the USEPA to the state, and implementation of a long-term operation agreement with SGVWC. This will ensure long-term, beneficial operation of the facility and use of the treated water. Upgrades to the treatment system are underway to ensure the quality and usability of the water. WQA will continue to seek additional funding for the project.

Puente Valley Operable Unit (PVOU) **87,000 Acre-Feet Treated**

It has been an ongoing challenge to find a productive use for the treated water from PVOU due to its lower quality. WQA has been assisting with remedial design, project oversight and federal reimbursement. Under this role, WQA required that additional reverse osmosis treatment be added. WQA has been working towards a useful application for the treated water and continues doing so.

Area Three Operable Unit (ATOU) **23,966 Acre-Feet Treated**

WQA continues funding and assisting the City of Alhambra with its treatment and remediation costs for Phase II, and will assist the EPA where needed to complete its planning to assess cleanup options under the Federal Superfund program.

CONTAMINATED AREAS OUTSIDE OF OPERABLE UNITS:

Whitmore Street Groundwater Remediation Facility **230 Acre-Feet Treated**

This project, which is owned and operated by WQA, is removing a hot spot of contamination that threatened downgradient water supplies. It received a second round of five-year funding this year from the State Water Resources Control Board. WQA was able to refine its operations to continue meeting quality requirements without the costly additional treatment that had been planned in past years.

Covina Irrigating Company Perchlorate Treatment Facility

This was the last of several projects in the Valley to receive a portion of the \$10 million awarded to Valley projects, and construction is already underway. This is an example of the high level of collaboration in the region: Covina Irrigation is a private company, receiving Federal and State funds, as well as receiving support from WQA, a local agency.

Closeup of a treatment facility.

WORKING TOGETHER FOR AN

MAINTAINING RELATIONSHIPS AND EDUCATING THE PUBLIC

Met with the Secretary of CALEPA to brief him on the WQA and how it works along with other agencies in the Basin.

Met with the Senate sub-committee staff to discuss the WQA extension bill.

Presented Water Drop Award. Presented Greg Nordbak with the Water Drop Award for his outstanding contributions to the groundwater joint activities in the San Gabriel Basin.

Participated in a Joint Board meeting with other local water agencies: San Gabriel Basin Water Quality Authority, Upper San Gabriel Valley Municipal Water District, Three Valleys Municipal Water District, and San Gabriel Valley Municipal Water District. The managers met and reported on their agency and current activities and priorities.

Maintained Membership in San Gabriel Valley Economic Partnership. This is an effective way to bring water issues to the broader community.

Participated In the Drinking Water Program Transition Task Force. WQA was asked to participate on the task force to discuss the transfer of the drinking water program from the Department of Public Health to the State Water Resources Control Board (SWRCB).

Spoke at the Mini Water Forum that was held at Cal State Los Angeles.

Participated in the San Gabriel Valley Water Forum in October.

PROGRESS IN IMPROVING INTERNAL EFFICIENCY, CONTROLLING COSTS

ADMINISTRATIVE EFFICIENCY

WQA already distributes its Board and committee agendas electronically at a saving of \$30,000 per year. Last year, that part of the project was completed by making the agenda process paperless and providing iPads to Board Members and staff instead (saving about \$10,000 per year). The most cost-effective approach to scanning and digitizing existing files is still being evaluated.

ASSESSMENT UNCHANGED FOR TENTH YEAR

The Assessment to fund WQA's cleanup activities was held unchanged at \$7.25 per acre-foot for the tenth year in a row. This has been made possible by an intense focus on: limiting costs to local customers; seeking reimbursements from responsible parties; and applying for grants from outside sources.

ENSURING FINANCIAL STABILITY

IMPROVED FINANCIAL SECURITY

The Staff and the Board reviewed WQA's investment portfolio and banking relationships. The goal was to ensure safety and liquidity over yield in its investments, and cost-effective service from its bank.

Carbon treatment units.



EFFICIENT AND EFFECTIVE CLEANUP



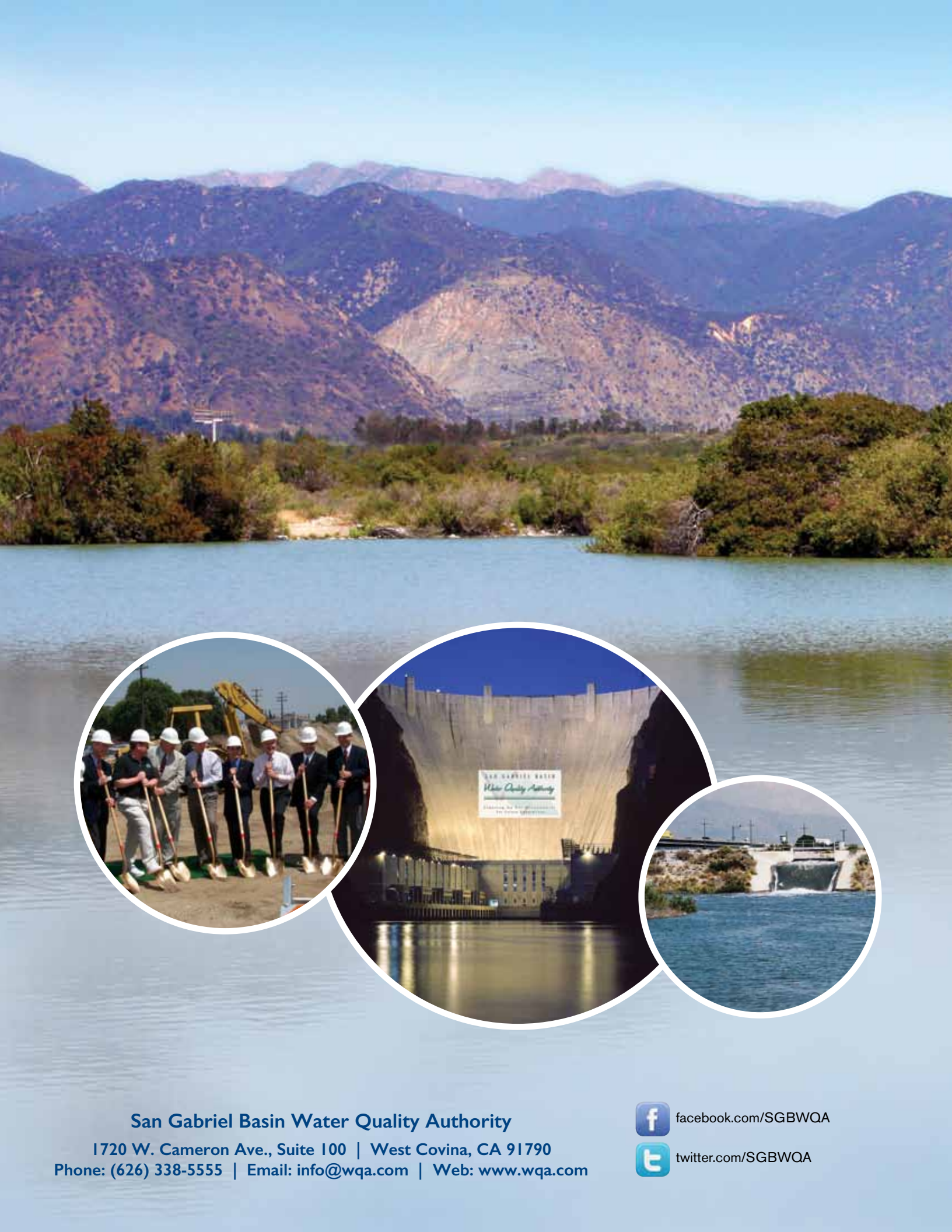
CLEANUP SUCCESS: TWO DECADES OF ACHIEVEMENTS

- 1993 WQA founded.
- 1994 WQA uses a consensus approach, integrating water supply and cleanup. Responsible companies agree to fund cleanup in the BPOU.
- 2000 First treatment plant in nation to treat perchlorate for potable use (LPVCWD plant completed).
- 2003 Major agreement for private businesses to pay \$250 million for cleanup in Baldwin Park Operable Unit area (BPOU).
- 2010 WQA obtains ability to use bond funding for treatment and remediation (AB153).
- 2013 WQA sunset extended to 2030 to allow continued cleanup (SB429).

FUNDING SUCCESS: \$663 MILLION TO-DATE FROM ALL SOURCES

- 1997 \$1.7M acquired from state administered escrow funds to reimburse BPOU.
- 1998 WQA First to fund perchlorate and NDMA treatment facility construction. (\$1.5 million for LPCWD along with 25% federal funding).
- 1999 WQA spearheads legislative effort for \$75 million federal funding with San Gabriel Valley Water Association.
- 2004 \$7.5 million loan obtained when Proposition 50 passes.
- 2007 \$1.4 million in funding obtained for treatment WSGRF from SWRCB.
- 2009 \$50 million additional funding for the restoration secured when Congress passed H.R. 146.
- 2012 \$10M in Proposition 84 funding secured for five projects
- 2012 \$950,646 from SWRCB for Whitmore Street Groundwater Remediation Facility.

Photo above is a view of a spreading basin.



San Gabriel Basin Water Quality Authority

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