

HISTORY OF CLEANING GROUNDWATER AND ENHANCING THE WATER SUPPLY

Over its 24-year history, San Gabriel Basin Water Quality Authority (WQA) has worked with its partners to clean up 1.45 million acre-feet of contaminated groundwater – enough to meet the water needs of Basin customers for almost five years.

2016: 32 Cleanup Facilities are removing contaminants from the groundwater that have been there since the 1950s or earlier

2014: Acquired General Discharge Permit

2013: Extended WQA mandate through 2030

2012: Secured \$10 million in State funding for four projects

2009: Obtained additional \$50 million for WQA Restoration Fund

2000: H.R. 910, which established the San Gabriel Basin Restoration Fund to facilitate groundwater cleanup, became Public Law 106-554

1999: Spearheaded legislation for \$75 million in Federal funding

1995: WQA's first treatment facility completed in Monrovia

1994: Developed Consensus Approach to integrating both water supply and cleanup programs

1993: WQA established by the State Legislature

1983: The US Environmental Protection Agency (USEPA) declared four Superfund sites in portions of the Main San Gabriel Basin

San Gabriel Basin Water Quality Authority **ANNUAL REPORT 2016**

Photo: California Department of Water Resources

San Gabriel Basin Water Quality Authority

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**Cleaning up the Basin's Groundwater and Providing
a Much Needed Boost to Groundwater Supplies**



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IMPROVING THE WATER SUPPLY WHILE ENSURING CLEAN GROUNDWATER

A Message from the Executive Director

Cleanup: Helping to Build Water Supply and Independence. By the end of 2016, when the worst drought in California history was winding down, it became clear how critical our groundwater clean-up efforts are in providing and making available clean water to our communities. Since the early 1990s, over 479 billion gallons of water have been treated and made available to customers – enough to meet all the water needs of our region for over five years.

Funding Issues Threaten Progress. The groundwater cleanup has so far removed a total of over 81 tons of contaminants using 32 treatment facilities spread throughout the Basin. This achievement is currently jeopardized by a lack of funding from the Federal government, which has been paralyzed in its ability to follow through with its funding commitments.

As a result, our top priority in 2016 – as in recent years – has been to ensure continued progress in funding from the Responsible Parties and the State, and to seek to break the Federal funding log jam.

“Because of the drought, the more self-sufficient we are in the San Gabriel Basin, the less water we have to import from the Sacramento River Delta or Colorado River, which are more expensive and less reliable sources of water.”

Ken Manning, Executive Director

Grants and Funding Successes in 2016. We have successfully assisted local agencies to obtain State Proposition 84 grants and apply for Proposition 1 funding. WQA also helped bring a landmark update of the Baldwin Park Operable Unit agreement to near-completion during 2016. WQA is also working with the United States Bureau of Reclamation and Congress to successfully keep open the possibility of additional Federal appropriations.

Key to Our Shared Success is Our Ability to Work Together. As always, I want to thank our partners who all play critical roles in making our joint achievements possible.



Kenneth R. “Ken” Manning
Executive Director

Cleaning and Protecting the Groundwater Reservoir Beneath Our Feet

Our Focus: Cleaning Groundwater and Increasing Water Supply Independence

WQA develops, finances, coordinates and implements groundwater treatment programs in the Basin. Since 1993, WQA has worked successfully with many partners and the Responsible Parties to detect and clean up contamination in six areas called Operable Units.

WQA Cleanup Programs Benefit our Community

Accelerate Removal of Groundwater Contamination. WQA focuses on projects that will accelerate and advance cleanup activities.

Increase Local Water Supply Independence. The recent drought and limited supplies of imported water show how important it is that the high-quality water from the treatment process be used by consumers and not wasted.

Prevent Migration of Contamination into Clean Groundwater Supplies. In some areas, the contamination continues to spread toward and threaten wells. WQA prioritizes cleanup of wells in threatened areas.

Lower Costs for the Public. Cleanup projects can be delayed for years by studies, regulations and litigation. As a result, WQA and local water purveyors pool resources to rapidly get the job done. WQA aggressively pursues outside funding from Responsible Parties as well as the Federal and State governments.

Provide Environmental Benefits. Cleaning and using local groundwater decreases the need to import water from sensitive northern California rivers. It also saves electrical power needed to pump and transport water long distances.

The groundwater Basin is a large underground aquifer that provides water to 90 percent of the people living and working in the San Gabriel Valley. Some 1.4 million people depend on the Basin's groundwater, an integral part of a secure water future for the Valley.

Many Successes to-Date – but Much More to Be Done

32 CLEANUP FACILITIES AND WQA SPONSORED PROJECTS.

479 BILLION

1.45 MILLION ACRE-FEET OF WATER CLEANED AND MADE AVAILABLE FOR PUBLIC USE.

1.45 MILLION

ENOUGH WATER HAS BEEN TREATED TO MEET BASIN NEEDS FOR 5 YEARS.

81 TONS

5 YEARS

32 PROJECTS

472 BILLION GALLONS OF WATER HAVE BEEN TREATED SINCE THE CLEANUP BEGAN.

81 TONS OF CONTAMINANTS REMOVED.

Facilities Nearly Complete: Next Challenge is Funding Treatment and Remediation

ASSISTING LOCAL AGENCIES TO OBTAIN STATE FUNDING

With treatment plant construction essentially complete, we are faced with the new challenge of how to fund their long-term operation. Only a quarter of the cost is capital, while 75% of the cost is long-term treatment and remediation, and Federal funding has completely stalled in the last several years.



San Gabriel Valley Water Company's Plant B5.

WQA CONTINUING TO HAVE SUCCESS OBTAINING GRANT FUNDING

\$25 Million Total in Proposition 84 Grants. WQA serves as Vice-Chair for the Upper San Gabriel River and Rio Hondo River Subregion of the Greater Los Angeles County Integrated Regional Water Management Group, and in that position has helped the City of Monterey Park recently acquire \$4.15 million in Proposition 84 funding. Including funding from the State Water Board Division of Drinking Water, over time, WQA has helped several local water agencies obtain more than \$25 million from Proposition 84 to fund Capital Projects.

**\$900 Million Raised To-Date
But More Funding Needed**

**\$314 MILLION IN
UNFUNDED COSTS REMAIN**

**It is Critical that the Federal
Government Step Up
and Reinstate Funding**

\$2.4 Million in Proposition 1 Grants. The State Regional Water Control Board is administering \$800 million in Proposition 1 Groundwater Cleanup Grants. The State Board staff contacted WQA and asked that we coordinate a meeting with the applicants so that the

State Board could better understand how proposed projects contribute to the completion WQA's 406 Plan. That two-day meeting was held along with site visits to every applicant's project. WQA staff remain in conversation with the State Board staff to answer questions regarding the overall effect of the projects within the Basin.

WQA followed up this work with the State Board by helping three local providers submit pre-applications for Proposition 1 grants.

Seeking to Make Available \$80 Million in Proposition 1 Treatment and Remediation Funding. There is \$80 million reserved in Proposition 1 for treatment and remediation. However, the Attorney General says that this fund can only be used for capital facilities. For much of the year, WQA has been working with WQA consultants, Bond Counsel and the State Board staff to get a favorable resolution to the issue.

LACK OF FEDERAL FUNDING JEOPARDIZES THE CLEANUP AND WATER SUPPLY

Continuing to Press for Increased Federal Appropriations. If WQA is unable to secure additional Federal funding and increased treatment and remediation flexibility in the very near future, a number of high valued groundwater cleanup projects in the San Gabriel Basin may be forced to shut down. This will jeopardize our progress in containing plumes of contaminants and cut off critical local water supplies for the region.

RESTORATION FUND NEARLY DEPLETED WQA IS WORKING TO RESTORE FUNDING

The lack of funding severely limits WQA's ability to reach a fair settlement and contribution from Responsible Parties, and jeopardizes the entire cleanup.

WQA HAS PROTECTED LOCAL RATEPAYERS BY ASSURING THAT OTHERS PAY THEIR FAIR SHARE

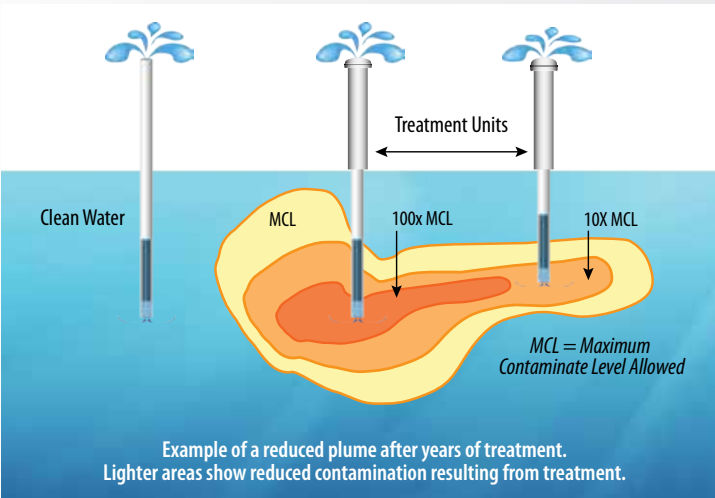


Collaboration is the Foundation of the Basin Cleanup

Since 1993, WQA has worked successfully with many partners and the Responsible Parties to detect and clean up contamination in six areas called Operable Units. Parties responsible for the contamination are paying a majority of the costs, which are expected to exceed \$1.3 billion by 2036.

WHITTIER NARROWS OPERABLE UNIT (WNOU)

WNOU Progresses Smoothly Amid Changes. In 2014 the Whittier Narrows operations transitioned from the United States Environmental Protection Agency (USEPA) to the State. WQA has helped overcome regulatory and institutional hurdles, thereby facilitating the transition to the new operator to continue pumping and to complete the needed improvements. WQA assisted in completing the project’s Proposition 1 application, and continues to work with all entities to ensure that Whittier Narrows is fully operational as soon as possible.



PUENTE VALLEY OPERABLE UNIT (PVOU)

PVOU Shows Benefits of Working Well With Accountable Parties. WQA has been involved with the PVOU process since 2011 and is ramping up its engagement. WQA has approved an \$800,000 matching grant to assist with the project and facilitated a legislative hearing to provide focus to PVOU as well as BPOU and EMOU. That hearing accomplished its purpose – the parties have been on schedule with the project ever since – with a ground breaking scheduled for late 2017 or early 2018. While the remedy is being constructed, San Gabriel Valley Water Company continues to operate its Plants B7 and B11 to halt further migration of the contaminant plume.

EL MONTE OPERABLE UNIT (EMOU)

Making Progress Despite Setbacks from Drought and New Contamination Discovery. WQA has assisted with getting grant funds to involved entities and has helped coordinate Proposition 1 grants for Chromium 6 investigations and cleanup. The WQA has also taken a lead role for the work done in Rosemead to construct the pipeline and wells that will eventually transport water to the City of El Monte for cleanup and distribution. Finally, WQA assisted the City and Responsible Parties to obtain permits, which are expected soon.

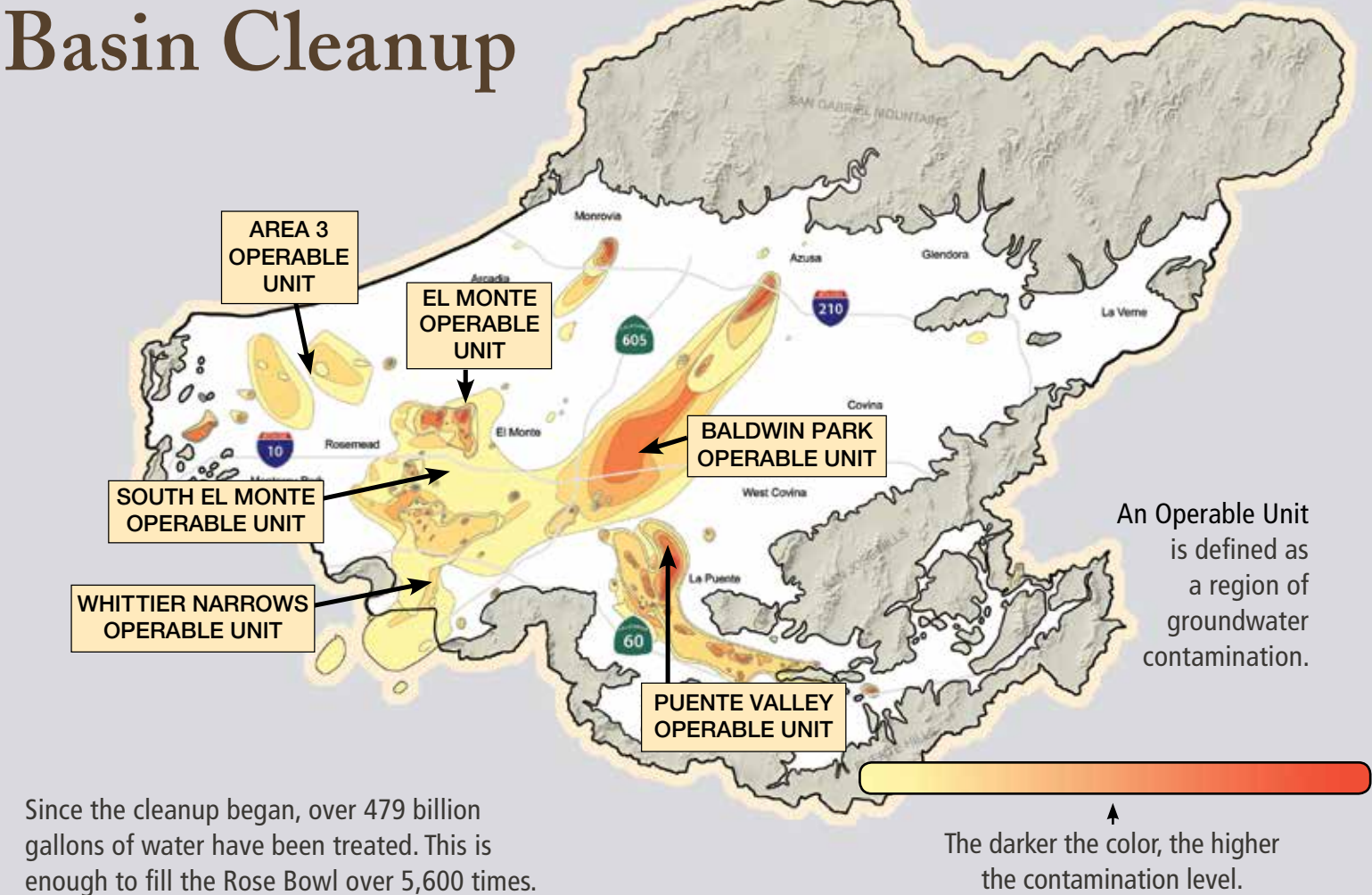
SOUTH EL MONTE OPERABLE UNIT (SEMOU)

Continued Operations. SEMOU is a fund lead project that requires WQA to obtain funds from USEPA to cover the differential costs associated with groundwater cleanup. Even though WQA entered settlements with the Responsible Parties in the SEMOU, the USEPA has control over the majority of funds for cleanup. WQA works closely with the water purveyors who are doing the work and the USEPA to make sure cleanup continues, and continues pressing for 1.4 Dioxane to be included as part of the final cleanup.

NON-OPERABLE UNIT CLEANUPS

Covina Irrigation Company (CIC). WQA has helped CIC obtain Proposition 84 funding for a new reservoir, site improvements, well rehabilitation, as well as Federal funding for a potential treatment process that is still under investigation.

Whitmore Project. WQA added a new extraction well, and retrofitted a monitoring well to restore capacity due to falling groundwater tables during the drought. WQA also received approval for another year of funding from the State Water Resources Control Board. Staff also submitted a Proposition 1 application to investigate contamination around the Whitmore well site.



Since the cleanup began, over 479 billion gallons of water have been treated. This is enough to fill the Rose Bowl over 5,600 times.

“The Baldwin Park Operable Unit is the most effective and largest groundwater cleanup program in the country. WQA is largely responsible for that effective program.”
John Lyons, Acting Deputy Director of USEPA, Region 9

NEARING COMPLETION OF MAJOR BPOU AGREEMENT

BALDWIN PARK OPERABLE UNIT (BPOU)

The BPOU has been the most successful groundwater cleanup program in the country due, to a great extent, to the creation of a landmark agreement first executed in 2002. As a result, the Responsible Parties have paid to build - and are required to continue to provide funding to operate the cleanup facilities for a total of about 15 years under the current agreement through 2017. After several years of intense negotiations, the agreement, close to completion by the end of 2016, was extended for another 10 years.

KEY TERMS OF THE DRAFT AGREEMENT

VALUE TO RATE PAYERS:	\$200 million to \$250 million paid by Responsible Parties.
WHO PAYS:	Responsible Parties pay cleanup costs.
WHO DOES THE WORK:	Local suppliers continue operating the treatment facilities.
IMPROVEMENTS:	More efficient project management structure speeds cleanup and lowers costs.
WQA ROLE:	WQA set the environment for successful negotiations by maintaining pressure through supporting a public hearing by Senator Hernandez, publication of advertorials, contribution of bridge funds, and through intensive coordination with USEPA.

Working Together and Keeping the Public Informed

One of WQA’s goals is to make sure that the public is updated regularly about the progress being made on groundwater cleanup. This is accomplished through WQA’s extensive outreach program.

NEW TOOLS EXPAND OUTREACH TO THE COMMUNITY

This past year WQA added new communication strategies to more effectively communicate with Chinese and Spanish speaking residents, and also to youth. Below are examples of WQA’s outreach programs:

- **EcoVoices Summer Outreach to Students.** This science and math-rich hands-on program provides 1,000 young people from eight schools with lessons on San Gabriel River watershed issues, including: groundwater quality, drought preparedness, pollution prevention, and restorative biodiversity. It is delivered in a dynamic and theatrical way that helps students remember and retain what they hear.
- **Advertorials in Multiple Languages.** WQA began publishing advertorials in Spanish and Chinese language newspapers to reach the region’s expanding immigrant population.
- **Chinese Television.** The WQA Executive Director initiated a project with the Main San Gabriel Basin Watermaster General Manager to conduct quarterly TV interviews on the status of the drought and other water issues.
- **Website Improvements.** WQA has made improvements to its website, adding content and graphics.
- **Email Blast.** WQA conducted an email blast of its annual report publication to 62,500 people throughout the San Gabriel Valley. It was received by 60,201, with 18,842 opening it and 8,093 reading it. This is a strategy that is cost effective and fast to employ.
- **Children’s Hospital.** WQA participated in National Jeans Day for Children’s Hospitals, helping raise money for this important cause.



EcoVoices students sample San Gabriel River water.



Advertorials are published in English, Spanish, and Chinese.



Email blasts are a new cost-effective communication tool.

PARTICIPATING IN THE COALITION FOR ENVIRONMENTAL PROTECTION, RESTORATION AND DEVELOPMENT

Because WQA helped develop the original Department of Public Health (DPH) permits on dealing with highly contaminated groundwater (DPH 97-005 permits) and continues to be the primary user of these permits within the region, WQA was asked by the Coalition for Environmental Protection, Restoration and Development (Coalition) to be a part of the discussion on the effectiveness and refinement of the 97-005 DPH policy. The goal is to identify improvements and then work with the legislature and the Department of Drinking Water to implement them through legislation or administrative changes.

Water Quality Authority agreed to participate in and help fund development of these reforms with a group of water agencies that are concerned about Regional Reliability and Sustainability of the water supply.

Participants include: Los Angeles Department of Water and Power, Southern California Edison, Metropolitan Water District of Southern California, City of Long Beach, Orange County Water District, Central Basin Municipal Water District, Water Replenishment District, Southern California Water Committee, Department of Toxic Substances Control, and State Environmental Protection Agency.

OTHER COLLABORATION ACTIVITIES

The WQA Executive Director spoke at or attended the following water conferences and forums:

- Spoke at the Association of Groundwater Agencies (AGWA) Conference in Ontario
- Spoke at the Southern California Water Committee Conference on Drought Response
- Attended the L.A. Water Resource Future at UCLA
- Participated in the San Gabriel Water Forum
- Speaker at the Water 101 information session



WQA Executive Director Ken Manning speaking at the Water 101 information session.