

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

September 13, 1993

To: Board of Directors (Special Committee on Legislation--Action)
 (Executive Committee--Action)
 General Manager (Water Problems Committee--Information)

From:

Subject: H.R.2853 & S.1352 (San Gabriel Basin Demonstration Project)

Report

On August 4, Congressman Esteban Torres (Pico Rivera) and 42 co-sponsors introduced H.R.2853, entitled the San Gabriel Basin Demonstration Project Act. Senator Feinstein introduced essentially the same bill on the same day in the U.S. Senate as S.1352. H.R.2853 parallels H.R.3207 which Congressman Torres introduced in the previous Congress and which your Board authorized the General Manager to support, with appropriate amendments, by action at your April 1992 meeting.

H.R.2853 would authorize the San Gabriel Basin Demonstration Project, to cleanup volatile organic chemical (VOC) contamination in several areas of the San Gabriel groundwater basin pursuant to the Federal Superfund Law (The Comprehensive Environmental Response, Compensation and Liability Act [CERCLA]). The Bill would authorize CERCLA expenditures totaling nearly \$200 million for capital investment and up to \$40 million annually for operating costs.

Of special importance to Metropolitan, H.R.2853 would coordinate that investment with Metropolitan's proposed San Gabriel Basin Conjunctive Use water supply project and with conjunctive use funding by the U.S. Bureau of Reclamation under the Reclamation Projects Authorization & Adjustment Act of 1992 (PL 102-579). In particular, it would authorize \$136 million for a conjunctive use treatment plant in the Baldwin Park area, that would also allow utilization of the basin as a storage facility for increasing reliability of Southern California water supplies.

The Bill directs EPA to delegate administration of the clean-up project to the San Gabriel Basin Water Quality Authority which would then contract with other agencies such as Metropolitan to provide water treatment and related services. It also requires that within 6 months after the Bill's enactment at least 65% of the parties EPA identifies as responsible for the VOC contamination (PRPs), contract with EPA

to pay at least 50% of the VOC removal costs. The Bill authorizes federal payment of 20% of those costs and exempts water suppliers such as Metropolitan from VOC contamination liability suits brought by PRPs.

H.R.2853 would benefit MWD by facilitating EPA participation in MWD's proposed San Gabriel Basin Conjunctive Use Project. Although it would provide \$170 million less in capital appropriations for cleanup than last year's H.R.3207, that reduction appears consistent with current staging plans for Metropolitan's conjunctive use program. However, some amendments may be appropriate regarding cleanup costs for other types of groundwater contamination such as nitrates and other matters.

Board Committee Assignments

This letter is referred to:

The Special Committee on Legislation for action because of its authority to review and make recommendations regarding proposals for State legislation that may affect the District, pursuant to Administrative Code Sections 2571 (a) and (b).

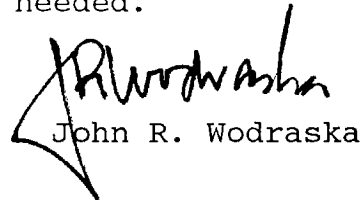
The Executive Committee for action because of its authority to study, advise and make recommendations with regard to legislation in any way affecting the District, pursuant to Administrative Code Section 2417(a).

The Water Problems Committee for information because of its authority to study, advise and make recommendations with regard to policies regarding the underground storage of water and use thereof, pursuant to Administrative Code Section 2481(i).

Recommendation

SPECIAL COMMITTEE ON LEGISLATION AND EXECUTIVE COMMITTEE FOR ACTION

It is recommended that the General Manager be authorized to support and seek passage of H.R.2853 and S.1352 with appropriate amendments as may be needed.


John R. Wodraska