

February 22, 1999

To: Board of Directors (Communications and Legislation Committee--Action)

From: General Manager _____

Submitted by: Mark D. Beuhler
Director of Water Quality _____

Subject: Legislative Initiative—Perchlorate Contamination of Drinking Water Supplies

RECOMMENDATION

It is recommended that the Board support language developed for Metropolitan-sponsored legislation on perchlorate contamination consistent with Board-adopted legislative policy principles.

EXECUTIVE SUMMARY

With health effects data due soon on perchlorate, many water utilities will need to address perchlorate treatment and source protection for groundwater and surface water. At the direction given by the Communications and Legislation Committee, staff requested that Assemblyman Thomas Calderon (Montebello) seek a “spot bill” to pursue funding for perchlorate treatment technologies. A copy of language as submitted to Legislative Counsel is attached as Attachment No. 1. A “spot bill” is a legislative proposal introduced in outline form which would be amended at a later date with more specific language.

Pursuing amendments to this legislation could direct valuable resources to Metropolitan’s member agencies. The Board’s authorization to seek amendments to this spot bill (see Attachment No. 2) will enable Metropolitan to lend support and direction as the bill moves through the legislative process. This language would call for coordination of state and federal funding for perchlorate treatment demonstration projects and source protection demonstration projects.

DETAILED REPORT

Recently, the chemical perchlorate has been found in drinking water supplies in northern and southern California. Perchlorate (as ammonium perchlorate) is used in solid rocket propellants and has been found in areas where aerospace material development and testing has occurred.

Perchlorate has been detected in Colorado River water including Lake Havasu and Lake Mead (the source is Henderson, Nevada) but not in the State Water Project. Several groundwater basins have some perchlorate contamination, including the Main San Gabriel Basin.

The California Department of Health Services has recently adopted a provisional action level for perchlorate in drinking water of 18 parts per billion (ppb). There is currently no primary drinking water standard (health based) for perchlorate.

Perchlorate will likely become an urgent issue for the rest of the United States as additional occurrence data are obtained. Better health effects data and research on cost-effective methods for perchlorate removal are needed.

Amended Policy Principles

Metropolitan adopted the following additional principles on source water quality protection in November, 1997 to address perchlorate contamination:

- Support legislation to assure effective remediation and clean-up of perchlorate contamination in groundwater and surface water.
- Support legislation to provide additional funding for research on perchlorate including occurrence, treatment, and health effects.

The introduction of legislation pursuing perchlorate treatment technologies offers Metropolitan the opportunity to maximize existing efforts by other water agencies and research associations to address perchlorate. Metropolitan's advocacy would call for a coordinated regional effort aimed at securing funding for projects in our service area, especially focusing on the construction of demonstration projects to develop perchlorate removal technology and source protection. Perchlorate contamination of drinking water supplies was identified as a potential sponsorship item for Metropolitan (see Attachment No. 3). These efforts would be consistent with the legislative policy principles previously adopted by the Board, and authorization to develop this language would advance Metropolitan's commitment to leadership in water quality.

EGD/KMC/cs

Attachment 8-11A

Attachment 8-11B

Attachment 8-11C

Attachment 8-11A

Attachment No. 1

LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, Calderon.

General Subject: Drinking water: perchlorate removal.

Existing law, the Calderon-Sher Safe Drinking Water Act of 1996, requires the State Department of Health Services to submit to the Legislature a Safe Drinking Water Plan for California once every 5 years, and to take all reasonable measures necessary to reduce the risk to the public health from waterborne illnesses in drinking water caused by cryptosporidium and giardia. Existing law requires the department to adopt primary drinking water standards for contaminants in drinking water that are to be set at levels as close as possible to the corresponding public health goal. Existing law requires the Office of Environmental Health Hazard Assessment to perform a risk assessment and, based upon that risk assessment, to adopt a public health goal for contaminants in drinking water based exclusively on public health considerations.

This bill would require the department to establish a demonstration project regarding the removal of perchlorate from drinking water, and would appropriate \$500,000 for that purpose from the General Fund to the department.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

An act to add Section 116368 to the Health and Safety Code, relating to drinking water, and making an appropriation therefor.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) Perchlorate has been found in drinking water supplies in northern and southern California.

(b) Perchlorate is used in solid rocket propellants and has been found in areas where aerospace material development and testing has occurred.

(c) No federal or state drinking water standard for perchlorate exists, although the State Department of Health Services has established a provisional action level of 18 parts per billion.

(d) Perchlorate was first discovered in several wells in eastern Sacramento County, and subsequent testing in the San Gabriel Valley revealed six wells that contain perchlorate in excess of the state's provisional action level.

(e) Perchlorate is a highly soluble chemical that travels freely in groundwater and surface water and no simple treatment method has been developed to remove it from drinking water supplies.

(f) A demonstration project to explore treatment technologies would provide better data on cost-effective methods for perchlorate removal.

SEC. 2. Section 116368 is added to the Health and Safety Code, to read:

116368. The department shall establish a demonstration project regarding the removal of perchlorate from drinking water through the issuance of requests for proposals. The department shall review applications received in response to the requests for proposals and select for funding one or more projects to develop a cost-effective method for the removal of perchlorate from drinking water. The department shall give preference in selecting projects to be funded to those projects that obtain additional funding from other sources, or to those projects that also address other drinking water quality issues, such as volatile organic contaminants or nitrates.

SEC. 3. There is hereby appropriated from the General Fund to the State Department of Health Services the sum of five hundred thousand dollars (\$500,000) for the administration and funding of the demonstration project regarding removal of perchlorate from drinking water established pursuant to Section 116368 of the Health and Safety Code.

Attachment 8-11B

Attachment No. 2

SUGGESTED AMENDMENTS TO THE PERCHLORATE SPOT BILL

The State Water Resources Control Board shall expend up to one million dollars (\$1,000,000) from the General Fund for the purpose of funding treatment and source protection demonstration projects for the removal of perchlorate from drinking water sources.

Preference will be given to those demonstration projects that leverage other sources of local, state, and federal funding. Preference will also be given to projects that remove both perchlorate and other contaminants such as volatile organic chemicals and nitrates.

The State Water Resource Control Board will create an advisory committee to evaluate proposals for demonstration projects and establish the funding criteria for the projects. The advisory committee will establish the following:

- Criteria for project eligibility,
- Procedures for the submission of applications,
- Procedures for the approval and disapproval of a proposed demonstration project, and
- Criteria for funding a proposed project.

The advisory committee will recommend to the Board a list of demonstration project(s) that meet the eligibility requirements.

The advisory committee shall include, at a minimum, members from appropriate state and local agencies, affected industries and businesses, the water agencies whose drinking water is impacted by perchlorate and would benefit directly from a demonstration project, nonprofit environmental groups, and other interested parties.

Grant recipients shall submit to the Board a detailed report upon completion of the demonstration project or activity funded under this article. The report shall summarize the completed and/or ongoing activities and indicate whether the purposes of the project have been met. The Board shall make the report available to interested federal, state, and local agencies and other interested parties.

The Board shall make annual reports to the Legislature regarding this program. The annual report shall include, at a minimum, qualitative comments on the program in achieving the program objectives.

The Board may adopt regulations to implement this article.

Not more than three percent of the total amount deposited in the account may be used to pay the costs incurred in connection with the administration of this article.

Attachment 8-11C

Attachment No. 3

Issue: Perchlorate Contamination of Drinking Water Supplies

Applicable Legislative Policy Principle: Source Water Quality Protection

Legislative Proposal: Seek appropriate state and federal funding for impacted water agencies to implement a demonstration project for the removal of ammonium perchlorate from drinking water supplies.

Background and Legislative History: There have been several legislative attempts to regulate perchlorate in drinking water. During the 1997-98 legislative session, Senator Byron Sher (Palo Alto) and Assemblyman Bob Margett (Arcadia) co-authored SB 1033 to establish a primary drinking water standard for perchlorate. Governor Pete Wilson vetoed the bill based upon the lack of health effect data necessary to set a drinking water standard. If this bill had passed, there would have been no proven method of treatment for affected water utilities.

Arguments for: Water supplies within three regions of California (Rancho Cordova, Redlands and the San Gabriel Valley) have been significantly impacted by perchlorate contamination. The remediation of these vital drinking water supplies would relieve dependence on imported supplies as well as cleanup the contaminated sources. Perchlorate has also been detected in Colorado River supplies. Because the San Gabriel Valley is within Metropolitan's service area, it would be particularly helpful if a treatment demonstration project were located in that area.

Arguments against: There is no apparent downside for drinking water utilities. Opposition may come, however, from fiscal conservatives if the cost of the demonstration program was judged to be too expensive.

Potential Supporters: Association of Groundwater Agencies; American Water Works Association, California-Nevada Section; Association of California Water Agencies; San Gabriel Valley Watermaster; Department of Health Services; several Metropolitan Member Agencies.

Potential Opponents: Unknown.