

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the status of the Los Angeles Groundwater Replenishment (GWR) Project and San Fernando Groundwater Basin (SFGB) remediation.

Recommendations for Council action:

1. NOTE and FILE the January 14, 2014 Los Angeles Department of Water and Power (LADWP) report relative to the status of the GWR and SFGB remediation.
2. REQUEST the LADWP to report to the Energy and Environment Committee within 60 days in regard to:
 - a. Accelerating the Environmental Impact Report (EIR) and implementation schedule of the GWR Project.
 - b. Potential funding options for the GWR Project to include local and private partnership options.

Fiscal Impact Statement: None submitted by the LADWP. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On April 2, 2014, your Committee considered a January 14, 2014 LADWP report relative to the status of the GWR and SFGB remediation. According to the LADWP, the City is developing a joint project between LADWP and the Bureau of Sanitation (BOS) to replenish the SFGB with up to 30,000 acre-feet per year (AFY) of purified recycled water. This locally-controlled water GWR project will move the City toward its goal of reducing dependence on imported water supplies and help secure a more reliable and sustainable water supply for future generations. Advanced water purification facilities proposed under the GWR Project will produce high quality purified water at lower costs, using less energy and generating fewer greenhouse gases than water purchased from Metropolitan Water District of Southern California (MWD).

A series of advanced treatment processes will be added to the City's Donald C. Tillman Water Reclamation Plant (DCTWRP) in Van Nuys to produce purified recycled water that is very close to the purity of distilled water. This water will then be conveyed through existing and new pipelines to the Hansen and Pacoima Spreading Grounds in the East Valley. This recycled water will be added to the spreading grounds or injection wells where it will flow through the soil to replenish the aquifers in the SFGB. This natural subsurface treatment of the water will continue until it is pumped out by existing groundwater wells miles away to supplement our local drinking water supplies.

After several years of community engagement and participation, the City launched the environmental impact review process for the GWR Project. On September 6, 2013, an Initial Study and Notice of Preparation (IS/NOP) of a draft EIR were issued. Three public scoping meetings were held to receive comments and input from the community about environmental aspects of the proposed GWR Project for consideration in the EIR. Scoping meetings were held in Encino, Arleta, and at LADWP's

downtown headquarters. The comment period for the ISINOP closed on October 21, 2013. Following the guidelines of the California Environmental Quality Act (CEQA), a draft and final EIR will be completed within the next two years. As part of continued stakeholder outreach, the City will seek participation from Neighborhood Councils, environmental organizations, and community stakeholders throughout the environmental review process.

The LADWP then went on to state that the Eastern portion of SFGB is contaminated primarily due to improper handling and disposal of solvents since the 1940s. This contamination has severely impaired the SFGB and reduced the LADWP's ability to pump its adjudicated right of 87,000 AFY of water. Therefore, remediation of SFGB is necessary to restore the environment and provide public benefit. There are many legal and regulatory requirements that must be met to in order to remediate the SFGB. One of the key regulatory requirements is Policy 97-005 issued by the California Department of Public Health (Public Health). This policy requires ten steps to approve a project, including but not limited to a raw water quality characterization, risk analysis, and environmental documentation.

The LADWP is currently in the initial phases of Public Health's approval process by developing the water quality information required to proceed with regulatory review. Since 2009, LADWP has been moving forward with a \$34 million Groundwater System Improvement Study (GSIS) to fully characterize the SFGB as necessary to develop conceptual plans for short- and long-term strategies for remediation, containment, cleanup and removal of the contaminated groundwater. One aspect of the GSIS is the development of an additional 25 monitoring wells necessary to complete the raw water quality characterization. These wells are currently under development and are expected to be completed in February 2014.

An on-going parallel activity is the conceptual planning of potential remediation facilities for the groundwater cleanup. A high-level concept plan and cost estimate was developed for the remediation facilities necessary to clean-up 123,000 acre-feet of contaminated groundwater per year. Conceptual estimate is \$600-900 million and the LADWP will be refining this estimate as the information from the GSIS is finalized, and again as any remediation facility projects progress through the final planning and design phases. Development of this facility has to be accomplished in accordance with the requirements of CEQA and other laws, rules, and regulations.

After further consideration and having provided an opportunity for public comment, the Committee moved to note and file the January 14, LADWP report and further recommend requesting the LADWP to report back to the Committee in 60 days in regard to accelerating the Environmental Impact Report implementation schedule of pumping groundwater for the GWR Project. Finally, the Committee requested the LADWP to report back to the Committee in 60 days in regard to potential funding options for the GWR Project to include local and private partnership options. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
FUENTES:	YES
BLUMENFIELD:	YES
LABONGE:	ABSENT
HUIZAR:	ABSENT
KORETZ:	YES

ARL
4/2/14

-NOT OFFICIAL UNTIL COUNCIL ACTS-