

**H.R. 142, H.R. 1156, H.R. 2960
AND H.R. 2991**

LEGISLATIVE HEARING
BEFORE THE
SUBCOMMITTEE ON WATER AND POWER
OF THE
COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTH CONGRESS
FIRST SESSION

Wednesday, September 10, 2003

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H.R. 142, TO AMEND THE RECLAMATION WASTEWATER AND GROUNDWATER STUDY AND FACILITIES ACT TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO PARTICIPATE IN THE INLAND EMPIRE REGIONAL WATER RECYCLING PROJECT, TO AUTHORIZE THE SECRETARY TO CARRY OUT A PROGRAM TO ASSIST AGENCIES IN PROJECTS TO CONSTRUCT REGIONAL BRINE LINES IN CALIFORNIA, AND TO AUTHORIZE THE SECRETARY TO PARTICIPATE IN THE LOWER CHINO DAIRY AREA DESALINATION DEMONSTRATION AND RECLAMATION PROJECT; H.R. 1156, TO AMEND THE RECLAMATION WASTEWATER AND GROUNDWATER STUDY AND FACILITIES ACT TO INCREASE THE CEILING ON THE FEDERAL SHARE OF THE COSTS OF PHASE I OF THE ORANGE COUNTY, CALIFORNIA, REGIONAL WATER RECLAMATION PROJECT; H.R. 2960, TO AMEND THE RECLAMATION WASTEWATER AND GROUNDWATER STUDY AND FACILITIES ACT TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO PARTICIPATE IN THE BROWNSVILLE PUBLIC UTILITY BOARD WATER RECYCLING AND DESALINIZATION PROJECT; AND H.R. 2991, TO AMEND THE RECLAMATION WASTEWATER AND GROUNDWATER STUDY AND FACILITIES ACT TO AUTHORIZE THE SECRETARY OF INTERIOR TO PARTICIPATE IN THE INLAND EMPIRE REGIONAL RECYCLING PROJECT IN THE CUCAMONGA COUNTY WATER DISTRICT RECYCLING PROJECT.

**Wednesday, September 10, 2003
U.S. House of Representatives
Subcommittee on Water and Power
Committee on Resources
Washington, DC**

The Subcommittee met, pursuant to notice, at 2:38 p.m., in Room 1324, Longworth House Office Building, Hon. Ken Calvert (Chairman of the Subcommittee) presiding.

Present: Representatives Calvert, Napolitano, Tancredo, Inslee, Grijalva, Osborne, Rodriguez, Pearce, Baca and Ortiz.

STATEMENT OF HON. KEN CALVERT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. CALVERT. The legislative hearing by the Subcommittee on Water and Power will come to order.

The Subcommittee is meeting today to hear testimony on four bills, H.R. 142, to amend the Reclamation Wastewater and

Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Inland Empire regional water recycling project, to authorize the Secretary to carry out a program to assist agencies in projects to construct regional brine lines in California, and to authorize the Secretary to participate in the Lower Chino Dairy Area desalination demonstration and reclamation project.

Mr. CALVERT. H.R. 1156, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to increase the ceiling on the Federal share of the costs in Phase I of the Orange County Regional Water Reclamation Project.

Mr. CALVERT. H.R. 2960, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of Interior to participate in the Brownsville Public Utility Board recycling and desalination project.

Mr. CALVERT. And H.R. 2991, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of Interior to participate in the Inland Empire regional recycling project in the Cucamonga County Water District recycling project.

Mr. CALVERT. I will begin with an opening statement.

Throughout this year, the Subcommittee has focused on the need for non-traditional water supply projects that are regional in scope in an effort to help more communities become drought-proof. The constant and positive drumbeat on the need for these projects led me to include a competitive grants program and a number of other provisions that promote community-based water recycling and desalination efforts in H.R. 2828, my legislation to increase water supplies nationwide. Each of the bills that we will address today will qualify and, I believe, have a better chance of being funded and coordinated more efficiently through H.R. 2828 than the current mechanisms we have in place.

However, I believe we need to continue to make the case for the important role of water recycling throughout the country, thus the need to hear these bills today. As we have often heard, there is a legitimate Federal role in helping communities develop new water supplies because existing traditional water sources are being stretched beyond their safe limits.

Today, we will focus on how several communities plan to meet their water needs through non-traditional sources. In water-deficient traditions, such as South Texas and the Southern and Central coastal areas of California, advanced water treatment facilities and technologies are being considered to a greater extent than ever before in response to increasing demands on limited high-quality water supplies.

As we know, the Bureau of Reclamation's core function is to develop water supplies. As part of this responsibility, the Department of Interior held a rock-star-like tour this summer on its 2025 program. I am still waiting for the tour T-shirts, but they haven't been delivered to my office.

[Laughter.]

Mr. CALVERT. The tour throughout the West received much input from water leaders on non-traditional ways to improve water supply conditions. I hope this input has reinforced the notion that the

Department can do more to improve water supplies and water recycling and desalination technologies. Today, I look forward to hearing from the Bureau on how it will go about incorporating the tour's input into its Water 2025 and Western Water Initiative programs and its level of support for water recycling and desalination legislation.

H.R. 142, H.R. 1156, H.R. 2960, and H.R. 2991 would allow the Secretary of Interior to provide technical and Federal financial resources through the use of the Title XVI program. We have the privilege of hearing from several leaders who are very aware of how water supplies are being stressed and how important it is for innovative and non-traditional ways to meet future water demands. I thank the panel for being here today and look forward to your testimony.

[The prepared statement of Mr. Calvert follows:]

**Statement of The Honorable Ken Calvert, a Representative in Congress
from the State of California**

Throughout this year, the Subcommittee has focused on the need for non-traditional water supply projects that are regional in scope in an effort to help more communities become "drought-proof." The constant and positive drumbeat on the need for these projects led me to include a competitive grants program and a number of other provisions that promote community-based water recycling and desalination efforts in H.R. 2828, my legislation to increase water supplies nationwide. Each of the bills that we will address today would qualify, and I believe, have a better chance of being funded, and coordinated more efficiently through H.R. 2828 than the current mechanisms we have in place.

However, I believe we need to continue to make the case for the important role of water recycling throughout the Country, thus the need to hear these bills today. As we have often heard, there is a legitimate federal role in helping communities develop new water supplies because existing, traditional water sources are being stretched beyond their safe limits.

Today, we will focus on how several communities plan to meet their water needs through non-traditional sources. In water-deficient regions such as south Texas and the southern and central coastal areas of California, advanced water treatment technologies are being considered to a greater extent than ever before in response to increasing demands on limited high quality water supplies.

As we know, the Bureau of Reclamation's core function is to develop water supplies. As part of this responsibility, the Department of the Interior held a tour this summer on its Water 2025 program.

This tour throughout the West received much input from water leaders on non-traditional ways to improve water supply conditions. I hope that this input has reinforced the notion that the Department can do more to improve water supplies from water recycling and desalination technologies. Today, I look forward to hearing from the Bureau of Reclamation on how it will go about incorporating the tour's input into its Water 2025 and Western Water Initiative programs and its level of support for water recycling and desalination legislation.

H.R. 142, H.R. 1156, H.R. 2960, and H.R.2991 would allow the Secretary of the Interior to provide technical and federal financial resources through the use of the Title 16 Program. We have the privilege of hearing from several leaders who are very aware of how water supplies are being stressed and how important it is to look for innovative and non-traditional ways to meet future water demands. I thank the panel for being here today and look forward to your testimony.

Mr. CALVERT. I will now recognize Mrs. Napolitano for her opening statement.

**STATEMENT OF HON. GRACE F. NAPOLITANO, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF
CALIFORNIA**

Mrs. NAPOLITANO. Thank you, Mr. Chairman. I thoroughly and sincerely appreciate your continued interest in the water recycling and desalination projects. My views in promoting these type of projects are very well known and I have been very outspoken in this Committee and to other Committee members about the necessity of increased funding for both of those type of programs.

Our business community, our community leaders throughout the Western States continue to press for help with vital recycling projects, with desalination projects, with projects to clean up contaminated groundwater supplies, and funding for these projects would solve these costly problems. If we don't care of them now, we pay much more in the future.

And in most of these cases, three-quarters of the funding actually comes from local sources. In many of these cases, the Federal Government only provides seed money, serves as a partner and a facilitator in those projects. But for questionable reasons nobody can explain, we continue to see that these business-friendly and locally supported, cost-effective, locally driven projects initiated by the previous Bush Administration are lost on this current Administration.

I and many of my colleagues remain extremely frustrated, confused, et cetera, by this Administration's consistent and continued opposition to recycling and desalination authorization bills, funding specifically for recycling projects. How can Secretary Norton expect us to support the Interior Department's Water 2025 program when this same Department continues to oppose technology-based proven and effective projects? As I expect we will hear in today's testimony, what credibility does the Interior Department have when they refuse to meet our many and repeated requests that they release the reports on the California water recycling mandated by Congress in 1992 that would, without a shadow of a doubt, prove the effectiveness of these projects?

Mr. Chairman, you and I are not the only ones in Congress who are not only puzzled but angered by the Administration's denial of water recycling as an important tool for giving the Nation the reuse of our precious commodity, water. I recall seeing the recent report from Chairman David Hobson of the Appropriations Subcommittee urging the Administration to reconsider its lack of support for this program.

I look forward to hearing from our witnesses today, who, I am sure, will explain the many benefits of these projects to our many communities and send a clear and simple message to this Administration that it cannot afford to turn its back on locally supported beneficial water recycling projects.

Thank you, Mr. Chairman, and I again, for the record, request that report again.

[The prepared statement of Mrs. Napolitano follows:]

**Statement of The Honorable Grace Napolitano, a Representative in
Congress from the State of California**

Mr. Chairman, I sincerely appreciate your continued interest in water recycling and desalination projects. My views on promoting these projects are well-known, and I have been very outspoken to you and other Committee Members about the necessity of increasing funding for them.

Business and community leaders throughout the Western States continue to press for help with vital recycling projects, with desalination projects, and with projects to clean up contaminated groundwater supplies. These projects will solve costly problems, and in most cases, 3/4th of the funding comes from local sources. The Federal government merely provides seed money and serves as a partner and a facilitator in these projects.

But for questionable reasons nobody can explain, we continue to see that these business friendly and supported, cost-effective, locally driven projects, initiated by the previous Bush Administration, is lost on the current Bush Administration.

I and many of our colleagues remain extremely frustrated and confused by this Administration's consistent continuance of opposition to authorization bills and funding for recycling projects. How can Secretary Norton expect us to support the Interior Department's "Water 2025" program when this same Department continues to oppose technology-based projects, as I expect they will in their testimony today? What credibility does Interior Department have when they refuse to meet our many and repeated requests that they release the reports on California water recycling mandated by Congress in 1992?

Mr. Chairman, you and I are not the only ones in Congress who are not only puzzled but angered by this Administration's denial of water recycling as an important tool for water supply nation-wide. I recall seeing the recent report from Chairman David Hobson of the Appropriations Subcommittee, urging the Administration to "reconsider its lack of support for this program."

I look forward to hearing from our witnesses today, who I am sure will explain the many benefits of these projects to their communities and send a clear and simple message to this Administration that it cannot afford to turn its back on locally supported water recycling projects.

Mr. CALVERT. I thank the gentlelady and I will second her request.

Our first panel, we are joined by our colleagues and friends and I have the opportunity and privilege to introduce my neighbor, Mr. Dreier, who also is the Chairman of the Rules Committee, to give his testimony.

**STATEMENT OF HON. DAVID DREIER, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. DREIER. Thank you very much, Mr. Chairman, Mrs. Napolitano, Mr. Tancredo, Mr. Osborne, Mr. Pearce, and Mr. Ortiz. As I look at the combination of the Committee dais and the panel at this juncture, I am happy that Californians outnumber the other members who are in the room at this juncture, but it does not in any way indicate the fact that we don't want to enjoy very strong bipartisan and a broad geographic base of support for recycling initiatives.

I am here very briefly, Mr. Chairman, to simply congratulate you and Mrs. Napolitano on your commitment to our focus on recycling and to say that I have introduced legislation, which members of this Subcommittee and Mr. Miller, you especially, Mrs. Napolitano, are cosponsors, along with our colleague, Mr. Baca, and it is the last measure that you mentioned, Mr. Chairman. It is the H.R. 2991.

I am pleased that there is an emphasis here from the Congress, and I would say to Mrs. Napolitano, having listened to her slightly—I put you in the undecided column on the administration

on this based on your comments. I don't take it as a negative. I will say that often, the legislative branch does provide encouragement to the second branch of government, the executive branch, and clearly, the leadership role that you and Mr. Calvert are showing on this, I believe will play a role in it, as well as moving the very important legislation that we are going to be here talking about.

I am very pleased that we have Richard Atwater, who is the General Manager of the Inland Empire Utilities Agency, and he is going to be testifying here on behalf of this important legislation, because as you said in your opening remarks, Mr. Chairman, we are looking for a locally led coalition that does include people at the various levels of government, but it needs to be locally driven. I think that is one of the things that we focus on when it comes to environmental issues, when it comes to water issues, because obviously that is the appropriate thrust to take, rather than having it dictated from a higher level.

So I hope very much—I believe that is what H.R. 2991, which I have introduced along with our colleagues, is designed to do, and I hope very much that you will be able to move ahead on that. I thank you very much for having me and I hope you will—you know, we just went through that series of votes and I had a 2:30 meeting, so I hope you will excuse me and allow me to go back up to try and make sure we keep the flow of legislation for you all to vote on the House floor in order.

Mr. CALVERT. Thank you for your testimony.

Mr. DREIER. Thank you very much.

[The prepared statement of Mr. Dreier follows:]

**Statement of The Honorable David Dreier, a Representative in Congress
from the State of California**

Mr. Chairman, thank you for holding this hearing on pending water legislation. I am pleased to submit this statement for the record on behalf of the Inland Empire Regional Water Recycling Initiative, H.R. 2991, legislation I recently introduced to authorize water recycling projects under the U.S. Bureau of Reclamation's Title XVI program.

The Inland Empire Regional Water Recycling Initiative includes two projects, the first of which will be constructed by the Inland Empire Utilities Agency (IEUA) and will produce 70,000 acre-feet of new water annually. This project is expected to be fully constructed and on-line by 2008. The second of these projects, to be constructed by the Cucamonga County Water District (CCWD), will produce an additional 5,000 acre feet of new water annually. This project is expected to be fully constructed and on-line by 2010. Between these two projects, 75,000 acre feet of new water will be produced annually before the end of the decade.

Earlier this year, the U.S. Department of the Interior announced a new initiative—Water 2025 - Preventing Crisis and Conflict in the West—aimed at preventing chronic water supply problems in the Western United States resulting from drought, growth, or other challenges. In addition to the federal strategy, California, more than a year ago, established a special Water Recycling Task Force, managed by the State Water Resources Control Board. The Task Force concluded that by the year 2030, California should develop 1.5 million acre feet of new recycled water.

In addition to being consistent with these broad studies, H.R. 2991 directly impacts the U.S. Bureau of Reclamation's Title XVI program, which is dedicated to investigate and identify opportunities for water reclamation and reuse. The Bureau's budget is consistently underfunded. The Fiscal Year 2004 request from the Administration was \$878 million. While this is an increase of \$23.1 million from the Fiscal Year 2003 request, it is approximately \$33.3 million less than Congress appropriated for FY03. Currently under Title XVI, there are \$580 million worth of existing authorized projects that have yet to receive any funding.

This is why I am pleased to be an original cosponsor of Chairman Calvert's Water Supply, Reliability, and Environmental Improvement Act, H.R. 2828. With the

introduction of this legislation, it is clear that the time has come to focus efforts on water reuse, a critical component in a balanced water supply. Title I of H.R. 2828 established a competitive grants program for desalination, groundwater recharge, brine removal, water quality, and water reuse projects. With the federal share set at 35 percent of the project's total cost, the federal government can partner with local governments and local water agencies, in a fiscally responsible manner, to meet our serious water needs. This new program will only bolster ongoing activities within the Bureau, and bring focus to an area of water policy that has gone largely ignored for far too long.

Water supply issues in California and other Western states are of paramount concern, especially in light of ongoing challenges with the Colorado River Quantification Settlement Agreement. In order to meet the water needs of the Inland Empire, and to help alleviate California's over-dependence on the Colorado River, I see this legislation as a key federal-local partnership to bring a significant amount of new water supply to the region.

The local support for IEUA's ongoing efforts is so strong because water recycling is such an innovative and environmentally sound tool for meeting our water needs. IEUA currently offers disinfected, tertiary recycled water through its four treatment facilities, that meets all standards under California's Title 22 requirements for non-restricted recreational use, which includes full body contact activities, such as swimming. Monitoring and reporting to the Regional Water Quality Control Board is required to ensure recycled water quality standards are being met.

IEUA also produces recycled water for a variety of non-potable purposes, such as landscape irrigation, agricultural irrigation, construction, and industrial cooling. By replacing these water-intensive applications with high-quality recycled water, fresh water can be conserved or used for drinking, thereby reducing the dependence on expensive imported water. In addition, by recycling water which would otherwise be wasted and unavailable, IEUA provides that the water available goes through at least one more cycle of beneficial use before it is ultimately returned to the environment.

The Inland Empire Regional Water Recycling Initiative has the support of all member agencies of IEUA, as well as the water agencies downstream in Orange County. IEUA encompasses approximately 242 square miles and serves the cities of Chino, Chino Hills, Fontana (through the Fontana Water Company), Ontario, Upland, Montclair, Rancho Cucamonga (through the Cucamonga County Water District), and the Monte Vista Water District. The Initiative is also consistent with regional watershed plans, the California Department of Water Resources water recycling task force, the U.S. Bureau of Reclamation's comprehensive water study, and the Department of Interior's "Water 2025" plan.

I look forward to working closely with the Subcommittee on Water and Power as well as the full House Resources Committee to see that H.R. 2991 receives strong consideration, approval for House Floor consideration, and eventual passage and enactment. Again, thank you for holding this hearing.

Mr. CALVERT. Unless there are any questions, you are free to go.

Mrs. NAPOLITANO. No questions, but Chairman Dreier, and I understand what you are alluding to, but understand that when we are faced with the cuts in the Bureau of Reclamation's water recycling, none of these projects would go forward.

Mr. DREIER. Well, I understand, and that is why I am saying that the stellar leadership that you and Chairman Calvert are providing—

Mrs. NAPOLITANO. We need some help.

Mr. DREIER. Well, listen, I am sitting here and I am ready to stand up. And so once I get in motion, I will be ready, willing, and able to do even more on behalf of it. Thank you very much again, Mr. Chairman, and now the first string, Mr. Miller and Ms. Sanchez, are going to take over.

Mr. CALVERT. Thank you.

Mr. DREIER. Thank you very much for having me.

Mr. CALVERT. Thank you, Mr. Dreier.

Next, our friend, my colleague and also my neighbor, Mr. Miller, to give his testimony.

**STATEMENT OF HON. GARY G. MILLER, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. GARY MILLER OF CALIFORNIA. Thank you, Mr. Chairman, for holding this important hearing. We spend a lot of time talking about these issues and how it really impacts California, so this is a real pleasure to be here before you and the Committee.

This is a matter that is critical for the Southern California region. I am pleased to be here with my colleagues from California, both Mr. Dreier and Ms. Sanchez, who have very similar bills, but we are all trying to accomplish the same process.

Many States today are faced with the formidable task of providing reliable and safe water resources for a rapidly increasing population. Southern California's arid climate makes it difficult for this region to find a viable, dependable source of water. The Interior Department's ruling to reduce the availability of Colorado River water to Southern California exacerbates the area's water supply problem by diverting approximately 700,000 acre feet of water a year alone. Not having a reliable source of water discourages economic growth, imperils the environment, and compromises the health and safety of Southern California residents.

It is for this reason that Congress must work to find an innovative and effective solution to the challenges posed by such debilitating water shortages, and I believe H.R. 142 offers such a viable solution. This bill will help significantly enhance the region's water quality and safety by constructing a water recycling project, regional brine lines and desalination demonstration reclamation projects.

First, to the construction of the water recycling project, Southern California will be provided with a critical 70,000 additional acre feet of new water annually. In a region that is prone to drought, the expansion of this water supply will deliver safe and much needed water to the area's outdoor recreational facilities, waters, parks, freeways, landscapers and irrigators.

Second, the construction of the desalination reclamation project to the Lower Chino Dairy Area offers a viable solution to the region's water woes, and as you know, Mr. Calvert, we have about 380,000 adult dairy cows sitting on that aquifer that causes a tremendous problem. As former President Dwight D. Eisenhower once said, we need a far-sighted program for meeting urgent water needs by converting salt water to fresh water. Once deemed impractical and costly, desalination has evolved into one of America's most effective and reliable solutions to water shortages.

The project provided for in H.R. 142 would expand groundwater desalination to the Chino Basin from the current 9,000 acre feet per year to 40,000 acre feet per year, which would provide a vital new drinking water supply for the rapidly increasing population in San Bernardino County and Orange County.

Finally, H.R. 142 provides a means to safely and effectively discard excess brine from the desalination plants. Specifically, this legislation calls for construction of a regional line to transport excess brine to the Pacific Ocean, where it can be safely filtered

through an ocean outfall pump station. This will prevent many of the environmental hazards that can occur from the inadequate disposal of excess brine, thus benefiting the quality of life of over the six million residents of Orange, Riverside, and San Bernardino County.

In conclusion, I believe Mr. Atwater and Mr. Grindstaff will illuminate the critical need for these projects in Southern California and I welcome them to the Committee today. Thank you, Mr. Chairman, for your leadership on this issue and I know you have fought hard for years to deal with this problem and I trust in your leadership in the future. I am looking forward to working with you. Thank you

[The prepared statement of Mr. Miller follows:]

**Statement of The Honorable Gary G. Miller, a Representative in Congress
from the State of California, on H.R. 142**

Thank you, Mr. Chairman for holding a hearing on this important issue. As this is a matter that is critical for the southern California region, I am pleased to be here with my colleagues from the California Delegation, Congressman Dreier and Congresswoman Sanchez.

Many states today are faced with the formidable task of providing reliable and safe water resources for a rapidly increasing population. Southern California's arid climate makes it difficult for this region to find viable and dependable sources of water. The Interior Department's ruling to reduce the availability of Colorado River water to Southern California exacerbated the area's water supply problems by diverting approximately 700,000 acre feet of water this year alone. Not having a reliable source of water discourages economic growth, imperils the environment and compromises the health and safety of southern California residents. It is for this reason that Congress must work to find innovative and effective solutions to the challenges posed by such debilitating water shortages. H.R. 142 offers such viable solutions.

H.R. 142 will help significantly enhance the region's water quality and safety by constructing a water recycling project, regional brine lines, and a desalination demonstration and reclamation project.

First, through the construction of a water recycling project, southern California will be provided with a critical 70,000 additional acre feet of new water annually. In a region that is prone to droughts, the expansion of this water supply will deliver safe and much-needed water to the area's outdoor recreational facilities, parks, freeway landscaping and irrigators.

Second, the construction of a desalination demonstration and reclamation project in the lower Chino Dairy area offers a viable solution to the region's water woes. As former President Dwight D. Eisenhower once said, "We need a farsighted program for meeting urgent water needs by converting saltwater to fresh water." Once deemed impractical and costly, desalination has evolved into one of America's most effective and reliable solutions to water shortage. The project provided for in H.R. 142 would expand groundwater desalination in the Chino Basin from the current 9,000 acre feet per year to 40,000 acre feet per year, which would provide a vital new drinking water supply for a rapidly increasing population in San Bernardino County.

Finally, H.R. 142 provides a means to safely and efficiently discard excess brine from desalination plants. Specifically, this legislation calls for the construction of a regional line to transport excess brine to the Pacific Ocean, where it can be safely filtered through an ocean-outfall pump station. This will prevent many of the environmental hazards that can occur from inadequate disposal of excess brine, thus benefitting the quality of life of the over six million residents of Orange, Riverside and San Bernardino counties.

I believe Mr. Atwater and Mr. Grindstaff will illuminate the critical need for these projects in southern California and I welcome them to the Committee today. I thank the Chairman for his continued leadership and dedication to addressing southern California's critical water shortage needs. I urge the Committee to move expeditiously on this important legislation.

Mr. CALVERT. I thank the gentleman for your testimony. We will work on this legislation together and hopefully be able to get it passed.

Next, Congresswoman Loretta Sanchez, also my neighbor to the Southwest.

**STATEMENT OF HON. LORETTA SANCHEZ, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF CALIFORNIA**

Ms. SANCHEZ. Thank you, Mr. Chairman, and first, I would like to thank you and also Ranking Member Napolitano for convening today's hearing and allowing us to bring forward these bills and get a hearing on them. I only hope that we are as lucky with your push to get a markup on these so that we can get them signed into law.

This hearing is an important step toward addressing Southern California's water supply and water quality needs. The legislation, H.R. 1156, would authorize the Federal Government to provide increased assistance for the ongoing construction of Orange County Water District's water reuse project, what we call the Groundwater Replenishment System.

Today, you will hear from Mr. Denis Bilodeau, the President of the Board of Directors of the Orange County Water District. He will speak to the importance of this project and he will emphasize the need for increased Federal assistance. The Orange County Water District is not only responsible for providing Orange County constituents with their drinking water, it is also responsible for managing one of the largest water basins in California.

He was elected to the Orange County Water District Board of Directors in November of 2000 and he currently sits as the President of that board. As a licensed civil engineer, he is ideally suited to comment on how this legislation would lead to improved capability to manage the scarce potable water supplies in Orange County.

In addition to his role as the Board President, he is also a member of the Orange County Water Management—Waste Management Commission and also the Orange County Water Task Force. He clearly has the background and the knowledge to highlight the importance of the regional needs and how this Groundwater Replenishment System will support that goal.

I would like to take just a brief minute to explain why I think H.R. 1156 is so important. As any Southern Californian knows, we have for decades had a lack of local water resources in our area. This is a straightforward measure to ensure that the district's groundwater replenishment project already in development can deliver improved water supply reliability, enhanced economic activity to the region, and improved protection of our natural resources.

The increased authorization, which is what we are asking—that is what the bill is about—would represent an important commitment to providing the largest such facility in North America with an appropriate level of Federal support. Furthermore, securing an equitable Federal share would guarantee that this project, which is proceeding in construction, is funded in a manner consistent with other Title XIV type project authorizations.

The members of this Subcommittee, particularly you, Mr. Chairman and Mrs. Napolitano, have been tireless in advocating for maintaining a strong Federal role in the development of alternative

water development projects. You have supported a Groundwater Replenishment System in the past. That has been vital to its progress to date and I hope that we can continue to support it in the future. This project will provide reliable water supply to meet the ever-growing demand in Orange County in Southern California.

Again, I look forward to hearing the testimony and to the Subcommittee's swift consideration of bringing this legislation forward, Mr. Chairman, and thank you again for allowing us to have this hearing.

[The prepared statement of Ms. Sanchez follows:]

Statement of The Honorable Loretta Sanchez, a Representative in Congress from the State of California, on H.R. 1156

Thank you Mr. Chairman.

First, I would like to thank you and Ranking Member Napolitano for convening today's hearing to consider vital water reclamation legislation. This hearing is an important step toward addressing Southern California's water supply and water quality needs.

My legislation, H.R. 1156, would authorize the federal government to provide increased assistance to the ongoing construction of Orange County Water District's water reuse project known as the Groundwater Replenishment System. I am hopeful that after today's hearing, this Subcommittee will move expeditiously to markup the bill and permit floor passage without delay.

Today you will hear from Mr. Denis Bilodeau, President of the Board of Directors of Orange County Water District. Mr. Bilodeau will speak to the importance of this project and emphasize the need for increased federal assistance. The Orange County Water District is not only responsible for providing Orange County constituents with their drinking water, it is responsible for managing one of the largest water basins in California.

Mr. Bilodeau was elected to the Orange County Water District Board of Directors in November 2000 and last year was selected by his colleagues to serve as President. As a licensed civil engineer, he is ideally suited to comment on how this legislation would lead to an improved capability to manage the District's scarce potable water supplies. In addition to his role as Board President, Mr. Bilodeau is also a member of the Orange County Waste Management Commission and the Orange County Water Task Force. He clearly has the background and knowledge to highlight the importance of meeting regional needs and how the Groundwater Replenishment System will support that goal. I look forward to his testimony.

Mr. Chairman, I would like to take a brief moment to explain why I think H.R. 1156 is so important. As any Southern Californian knows, for decades a lack of local water resources has been one of the primary problems facing the region's economic future. H.R. 1156 is a straightforward measure to ensure that the District's Groundwater Replenishment project, already in development, can deliver improved water supply reliability, enhanced economic activity in the region, and improved protection of our natural resources. This increased authorization would represent an important commitment to providing the largest such facility in North America with an appropriate level of federal support.

Furthermore, securing an equitable federal share would guarantee that this project, which is proceeding to construction, is funded in a manner consistent with other Title XVI type project authorizations. The Members of this Subcommittee, particularly you, Mr. Chairman and Ms. Napolitano, have been tireless advocates of maintaining a strong federal role in the development of alternative water development projects. Your past support of the Groundwater Replenishment System has been vital to its progress to date, and I look forward to your continued support.

In summary, Mr. Chairman, this project will provide a reliable water supply to meet an ever-growing demand. As our region grapples with the realities of diminishing available potable water supplies and increasing demands from our citizens, industries and environment; the Groundwater Replenishment System provides an effective and efficient response. Again, I look forward to Mr. Bilodeau's statement and the Subcommittee's swift consideration of this legislation.

Thank you.

Mr. CALVERT. I thank the gentlelady and I appreciate her testimony and for her bringing this good legislation forward.

Next, we will listen to our colleague here on the dais, Mr. Solomon Ortiz, on H.R. 2960, concerning Brownsville, Texas, our favorite Texas town.

**STATEMENT OF HON. SOLOMON P. ORTIZ, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF TEXAS**

Mr. ORTIZ. Thank you, Mr. Chairman.

Mr. CALVERT. Mrs. Napolitano's hometown.

Mr. ORTIZ. That is right. That is right. Brownsville is very fortunate in that they get two Congressmen for the price of one.

[Laughter.]

Mr. ORTIZ. We were very honored today to have these four members of Congress testify before this Committee today, but let me begin by thanking you, Mr. Chairman, and the Ranking Member Napolitano. Both have a unique perspective on this particular problem because both came to the Committee to a hearing that we had in the Rio Grande Valley to see the problem up close and personal. All South Texans are grateful to Chairman Calvert's leadership on this issue. We are grateful for your commitment to solving long-term water shortages in South Texas. We will continue to work together to find solutions to the unique situation associated with Mexico water debt.

Ranking Democrat Napolitano is a native of Brownsville, also is known as the other Congressman from Brownsville. I just hope she doesn't run back in Brownsville.

The genesis for this begins in the mid-1990s when Mexico failed, then repeated again and again in each successive treaty cycle, to fulfill the obligations under a 1944 treaty dividing the waters of the Rio Grande Valley, or the Rio Grande. South Texas is the last stop of the water of the Rio Grande as it flows, and without Mexico releasing their annual obligations of water to flow down the river, our farmers and our municipal water users have been devastated during the past ten, 15 years.

We tried repeatedly and successfully to engage the United States State Department given this is a treaty issue, but that was profoundly unsatisfactory when their solution was for the United States to buy that water from Mexico. So we are continuing our legislative journey to find creative solutions for this continuing problem. Brownsville and Cameron County are left to find legislative relief from this situation anyway and anyplace that we can.

One of the innovative things Brownsville is doing is exploring creating a river dam to catch the unused water in the Rio Grande Valley called the Weir Dam. We are also working with local irrigation districts to improve the canals and ditches themselves, lining them, repairing cracks to keep water that we have flowing normally without losing it. This Committee has been generous in that regard.

H.R. 2960 makes the Brownsville Public Utilities Board eligible for a Federal share of Title XVI funding for design, planning, and construction of facilities to reclaim, reuse, and treat impaired waters in the Brownsville, Texas, area. The Public Utility Board's water supply planning includes water reclamation and desalination

projects. I will let a very energetic public servant from PUB offer more detailed analysis of the bill, but it includes reclaiming brackish water, not obligated under the treaty, through desalination and building a pipeline to transport treated sewage for irrigation. Today, we will hear from a very committed South Texan to the Committee. He is Mr. Ed Campirano, who is with us today.

Thank you, Mr. Chairman, for the time.

[The prepared statement of Mr. Ortiz follows:]

**Statement of The Honorable Solomon P. Ortiz, a Representative in
Congress from the State of Texas**

Let me begin by thanking Chairman Calvert and Ranking Member Napolitano—both have a unique perspective on this particular problem.

Both came with the Committee to a hearing in the Rio Grande Valley to see a problem up close and personal; all South Texans are grateful to Chairman Calvert's leadership on this issue.

We are grateful for your commitment to solving long-term water shortages in South Texas.

We will continue to work together, to find solutions to the unique situation associated with Mexico water debt.

Ranking Dem Napolitano is a native of Brownsville—also known as Brownville's Representative in Congress—her familiarity with the area is quite an asset for the Committee in this regard.

The genesis for this begins in mid-1990s when Mexico failed—then repeatedly failed in each succeeding treaty cycle—to fulfill obligations under a 1944 treaty dividing the waters of the Rio Grande.

South Texas is the last stop of the waters of the Rio Grande—and without Mexico releasing their annual obligation of water to flow down the river—our farmers and municipal water users have been devastated.

We tried repeatedly and unsuccessfully to engage the United States State Department, given this is a treaty issue—but that was profoundly unsatisfactory given their solution was for the United States TO BUY THAT WATER FROM MEXICO.

So we are continuing our legislative journey to find creative solutions to this continuing problem.

Brownsville and Cameron County are left to find legislative relief from this situation anyway—and any place—we can.

One of the innovative things Brownsville is doing is exploring creating a river dam to catch unused water in the Rio Grande, called the Weir Dam.

We are also working with local irrigation districts to improve the canals and ditches themselves, lining them, repairing cracks—to keep water we do have.

This Committee has been generous in that regard.

H.R. 2960 makes the Brownsville Public Utilities Board (PUB) eligible for a federal share of Title 16 funding for design, planning and construction of facilities to reclaim, reuse and treat impaired waters in the Brownsville, Texas, area.

PUB's water supply plan includes water reclamation and desalination projects.

I will let Eddie Campirano, a very energetic public servant from PUB, offer more detailed analysis of the bill, but it includes: reclaiming brackish groundwater (not obligated under the treaty) through desalination—AND building a pipeline to transport treated sewage for irrigation.

Today, we will hear from a very committed South Texan to the Committee.

Eddie Campirano is the Assistant General Manager for the Brownsville PUB and will expand on the bill.

Mr. CALVERT. I thank the gentleman.

Mr. CALVERT. Now, I would like to recognize our next witness, Mr. William Rinne. This is our panel of one here. Oh, we will have everybody come on up, I guess. Excuse me.

Mr. William Rinne is the Deputy Commissioner of Operations, Bureau of Reclamation. Also with us today is Mr. Richard Atwater, CEO and General Manager of the Inland Empire Utilities Agency. Testifying on behalf of H.R. 1156 is Mr. Denis Bilodeau, President of the Board of Directors of the Orange County Water District. Tes-

tifying on behalf of H.R. 2960, as Mr. Ortiz recognized, is Mr. Eduardo A. Campirano, Brownsville Public Utilities Board. And testifying on behalf of H.R. 2991 is Mr. Robert DeLoach, CEO and General Manager of the Cucamonga County Water District.

Everybody has their chairs. I would be pleased to now recognize Mr. Rinne for his opening statement. Please try to stay, by the way, on these opening statements, within the 5-minute rule. Certainly, your full comments will be entered into the record. With that, Mr. Rinne, you are recognized for 5 minutes.

**STATEMENT OF WILLIAM RINNE, DEPUTY COMMISSIONER,
OPERATIONS, BUREAU OF RECLAMATION**

Mr. RINNE. Thank you, Mr. Chairman. My name is William Rinne, the Deputy Commissioner for Operations for the Bureau of Reclamation. I am pleased to present the views of the Department of Interior on H.R. 142, H.R. 1156, H.R. 2960, and H.R. 2991, all amending the Reclamation Wastewater and Groundwater Study and Facilities Act, commonly known as Title XVI. I prepared four written statements, and in the interest of time ask that they all be entered into the record.

Mr. CALVERT. Without objection, so ordered.

Mr. RINNE. Mr. Chairman, inasmuch as these four bills amend the same law and our comments are similar on all four proposals, I will be providing a general statement and then mention some additional comments relative to a few of the bills.

H.R. 142 would amend Title XVI to authorize the Secretary of Interior to participate in the Inland Empirical regional water recycling project. The bill would also authorize the Secretary to carry out a program to assist agencies in projects to construct regional brine lines in California and to authorize the Secretary to participate in the Lower Chino Dairy desalination demonstration and reclamation project.

H.R. 1156 would specifically amend Section 1631(d) of Title XVI to authorize the Secretary of Interior to increase the Federal share of the cost of Phase I of the Orange County regional water reclamation project from its current cap of \$20 million to \$80 million. As you are aware, current Federal law limits the Federal share of the individual project cost to 25 percent of total project costs, for a maximum Federal contribution of \$20 million.

H.R. 2960 would amend Title XVI to authorize the Secretary, in cooperation with Brownsville Public Utility Board, to participate in design, planning, and construction of facilities to reclaim, reuse, and treat impaired waters in the Brownsville, Texas, area.

And finally, H.R. 2991 would amend Title XVI to authorize the Secretary to participate in the Inland Empire regional recycling project, virtually the same as to H.R. 142. The bill would also authorize the Cucamonga County Water District to pilot a recycling plant.

Mr. Chairman and members of the Subcommittee, the Department has consistently testified before this Subcommittee that we have a great deal of concern about authorizing new Title XVI projects due to the large number of existing authorized projects with a potential Federal contribution of at least \$580 million. With

Reclamation's already tight budget, the addition of more projects makes it even more difficult to meet our current obligations.

Additionally, while I commend those project sponsors that have worked with Reclamation on preliminary work prior to authorization, the Department has concerns that none of the new projects before you today have undergone complete feasibility analysis, which includes things like environmental review. The Department believes it is essential to complete the feasibility studies to fully inform Congress, the project sponsors, and the Department itself about vital project information such as cost, project features, environmental impacts, et cetera prior to any consideration of authorization.

Primarily for these reasons, the Department cannot support H.R. 142, H.R. 1156, H.R. 2960, and H.R. 2991. In addition to the general concerns I just mentioned, there are a few specific comments I would like to make about some of the bills.

Section 2 and 3 of H.R. 142 deviate from the Title XVI statute capping the Federal cost share at \$20 million. These sections propose to increase the Federal cost share at 25 percent, or \$50 million. The Department does not believe that there is justification to support altering the statutory cap on these projects, particularly since they have not been previously authorized or currently under consideration.

With respect to H.R. 1156, through Fiscal Year 2003, Reclamation will have spent approximately \$8 million in Phase I. This leaves around \$12 million in Federal funds still available for this project. The project is currently on schedule to be completed sometime in 2007. Given the fact that Phase I of the project is not scheduled to be completed until 2007 and there remains approximately \$12 million still available, the Department believes a Federal cost share increase is unwarranted and inconsistent with the Title XVI Act limiting the Federal cost share to \$20 million.

In summary, the Department strongly encourages local water recycling and desalination efforts and is engaged in numerous water reuse and recycling projects around the West. However, for the reasons previously mentioned, we cannot support the bills before you today.

Thank you for the opportunity to comment on these bills today, Mr. Chairman, and this concludes my statement. I would be happy to answer any questions.

[The prepared statement of Mr. Rinne on H.R. 142 follows:]

**Statement of William Rinne, Deputy Commissioner,
Bureau of Reclamation, U.S. Department of the Interior**

My name is William Rinne and I am Deputy Commissioner for the Bureau of Reclamation. I am pleased to present the views of the Department of the Interior on H.R. 142, authorizing Reclamation to participate in various reuse and desalination projects in the State of California.

H.R. 142 would amend the Reclamation Wastewater and Groundwater Study and Facilities Act (Public Law 102-575 and commonly known as Title XVI), authorizing the Secretary of the Interior to participate in the Inland Empire Regional Water Recycling Project. The bill would also authorize the Secretary to carry out a program to assist agencies in projects to construct regional brine lines in California, and to authorize the Secretary to participate in the Lower Chino Dairy desalination demonstration and reclamation project.

Section 1 of the bill amends Title XVI to authorize the Secretary of the Interior to participate in design, planning and construction of the Inland Empire Regional Water Recycling Project.

Section 2 of H.R. 142 amends Title XVI to authorize regional brine lines in Southern California.

Section 3 of the bill authorizes the Secretary, in cooperation with the Chino Basin Watermaster, the Inland Empire Utilities Agency, the Western Municipal Water District, and the Santa Ana Watershed Project Authority, acting under federal reclamation laws, to participate in the design, planning and construction of the Lower Chino Dairy Area desalination demonstration and reclamation project.

As the Department has consistently stated in previous testimony, it does not believe it is prudent to authorize new projects Title XVI projects while there is a major backlog of projects that already exist. The Department also believes enactment of this legislation authorizing new construction projects is likely to place an additional burden on Reclamation's already tight budget. For these reasons, the Department cannot support H.R. 142.

In addition to the ongoing concerns I just mentioned, Section 2 and Section 3 of the bill deviate from the Title XVI statute capping the federal cost share at \$20 million. These sections have increased the federal cost share cap to \$50 million. The Department does not believe there is justification to support raising the cap on these projects, particularly since they have not yet been previously authorized or are not currently under construction.

The economic and efficient use of water is a priority for the Department of Interior. The Department strongly encourages local water recycling and desalination efforts. Partnering with state and local governments is in accord with the Secretary's Water 2025 framework for anticipating water supply crises and preventing them through communication, consultation and cooperation, in service of conservation.

Thank you for the opportunity to comment on H.R. 142. This concludes my statement and I would be happy to answer any questions.

[The prepared statement of Mr. Rinne on H.R. 1156 follows:]

**Statement of William Rinne, Deputy Commissioner, Operations,
Bureau of Reclamation, U.S. Department of the Interior**

My name is William Rinne and I am Deputy Commissioner, Operations for the Bureau of Reclamation. I am pleased to present the views of the Department of the Interior on H.R. 1156, a proposal to increase the federal share of the costs of Phase I of the Orange County, California, Regional Water Reclamation project.

H.R. 1156 would amend Section 1631(d) of Title XVI, the Reclamation Wastewater and Groundwater Study and Facilities Act, of Public Law 102-575, the Reclamation Projects and Authorization Adjustment Act of 1992, to authorize the Secretary of the Interior to increase the federal share of the costs of Phase I to no more than \$80 million. As you are aware, current federal law limits the federal share of individual project costs to 25 percent of the total, or a maximum federal contribution of \$20 million.

This project is being constructed in three phases. When completed, the first phase will produce about 60,000 acre-feet per year of water to recharge the region's groundwater basin. Currently, the project is about 10 percent complete. To date, Reclamation is only authorized to participate in the first phase of the project. Through Fiscal Year 2003, Reclamation will have spent approximately \$8 million on Phase I—leaving about \$12 million in federal funds still available for this project through 2007.

In this context, the Department believes that this legislation, which would authorize another \$60 million, is unwarranted at this time and therefore, we cannot support its approval. Furthermore, of the currently authorized Title XVI projects, only four have received full funding of the maximum federal share—and more than \$580 million in federal funding would be needed to fully fund the Federal portion the remaining projects. As Reclamation has testified before in this Subcommittee, the Department believes it is prudent to complete currently authorized projects before authorizing additional projects or increasing the Federal cost share of existing projects.

The economic and efficient use of water is a priority for the Department of Interior. The Department strongly encourages local water recycling and desalination efforts. Partnering with state and local governments is in accord with the Secretary's Water 2025 framework for anticipating water supply crises and preventing them through communication, consultation and cooperation, in service of conservation.

Thank you for the opportunity to comment on H.R. 1156. This concludes my statement and I would be happy to answer any questions.

[The prepared statement of Mr. Rinne on H.R. 2960 follows:]

**Statement of William Rinne, Deputy Commissioner, Operations,
Bureau of Reclamation, U.S. Department of the Interior**

My name is William Rinne and I am the Deputy Commissioner, Operations, of the Bureau of Reclamation. I am pleased to present the views of the Department of the Interior on H.R. 2960, concerning the Brownsville Public Utility Board water recycling and desalinization project in the State of Texas.

H.R. 2960 would amend the Reclamation Wastewater and Groundwater Study and Facilities Act (Public Law 102-575) to authorize the Secretary of the Interior, in cooperation with the Brownsville Public Utility Board (BPUB), to participate in the design, planning and construction of facilities to reclaim, reuse and treat impaired waters in the Brownsville, Texas, area. As you know, the Federal share of project costs is limited to a maximum of 25 percent of the total, and the Secretary is prohibited from funding the operation and maintenance of the project.

All projects implemented pursuant to Title XVI require that a feasibility study be conducted by Reclamation or the non-Federal project sponsor. Reclamation has completed an appraisal study with the Brownsville Public Utilities Board and is currently beginning a feasibility study to more completely assess which of the proposed actions would be the best to implement. Reclamation commends the project sponsors for their work with us prior to authorization in completing the appraisal study and beginning the feasibility study. However, it is essential to complete the feasibility study to fully inform Congress, the project sponsors and the Administration regarding vital project information such as costs, project features, benefits, and other factors, before the project can be authorized. Completion of the feasibility study prior to authorization of construction is a necessary component of informed decision making.

Moreover, enactment of this legislation authorizing new construction projects will place an additional burden on Reclamation's already oversubscribed budget. In light of the tremendous backlog of currently authorized Title XVI projects, we cannot support H.R. 2960 at this time.

The economic and efficient use of water is a priority for the Department of Interior. The Department strongly encourages local water recycling and desalination efforts. Partnering with state and local governments is in accord with the Secretary's Water 2025 framework for anticipating water supply crises and preventing them through communication, consultation and cooperation, in service of conservation.

Thank you for the opportunity to comment on H.R. 2960. This concludes my statement and I would be happy to answer any questions.

[The prepared statement of Mr. Rinne on H.R. 2991 follows:]

**Statement of William Rinne, Deputy Commissioner, Operations,
Bureau of Reclamation, U.S. Department of the Interior**

My name is William Rinne and I am Deputy Commissioner, Operations, for the Bureau of Reclamation. I am pleased to present the views of the Department of the Interior on H.R. 2991, a bill to authorize the Inland Empire and Cucamonga County recycling projects. H.R. 2991 would amend Title XVI, the Reclamation Wastewater and Groundwater Study and Facilities Act (P.L. 102-575) to include design, planning and construction authority for these two projects.

The bill would authorize the Inland Empire recycling project with a Federal cost share not to exceed 25 percent, and a funding authorization of \$20 million. The bill would also authorize the Cucamonga County Water District Pilot Satellite Recycling Plant with a Federal cost share not to exceed 25 percent, and a funding authorization of \$10 million. The local water district had a feasibility report prepared that reviewed the proposed regional plans for the area and recommended, among other things, a more localized recycling system consisting of several smaller plants located closer to their demand centers.

The Department cannot support enactment of this legislation for two primary reasons. First, any new project authorized at this time will place an additional burden on Reclamation's already tight budget, and could potentially delay the completion of other currently authorized projects. With the tremendous backlog of existing Title XVI projects, we cannot support the addition of new projects at this time. Second,

in the case of the Cucamonga County Water District Pilot Satellite Recycling Plant, the feasibility study prepared by the local water district was not done in consultation with Reclamation and thus would need to be reviewed to assure it meets our criteria.

The economic and efficient use of water is a priority for the Department of Interior. The Department strongly encourages local water recycling and desalination efforts. Partnering with state and local governments is in accord with the Secretary's Water 2025 framework for anticipating water supply crises and preventing them through communication, consultation and cooperation, in service of conservation.

Thank you for the opportunity to comment on H.R. 2991. That concludes my statement and I would be happy to answer any questions.

Mr. CALVERT. Testifying on behalf of H.R. 142 and H.R. 2991 is Mr. Richard Atwater. Mr. Atwater, you are recognized for 5 minutes.

**STATEMENT OF RICHARD W. ATWATER, GENERAL MANAGER,
INLAND EMPIRE UTILITIES AGENCY**

Mr. ATWATER. Thank you very much, Chairman Calvert and members of the Committee. It is my pleasure to be here today. In the past, I have testified in front of the Committee, going back the last few years when Congressman Calvert held field hearings in Southern California about the water problems. I think the record is clear about the opportunities to develop new local supplies in Southern California.

And let me just say on behalf of my Board of Directors and Joe Grindstaff and the Santa Ana Watershed Project Authority, which we are a member of, Joe couldn't make it today, but we strongly want to endorse the three Southern California bills, but certainly the ones that directly affect my service area, both H.R. 142 and H.R. 2991.

Let me just stop for a moment and talk about the big picture. These projects represent within the Santa Ana watershed, as the Chairman and the Ranking Member well know through their field hearings and previous hearings on water recycling and desalination, a strategy that throughout Southern California and Statewide is the most significant new supply available to California.

Let me just highlight, first, since this isn't just Commissioner Bill Rinne's statement, I would like to just enter for the record, and since Bill and I used to work at the Bureau of Reclamation in the 1980s, we talked about it. Let me just say that in 1992, I was working very closely with this Committee when we passed Title XVI and was General Manager of Western Central Basin, which I think many people would recognize as probably the most successful Title XVI projects that were authorized, the largest, and initiated the Southern California regional study. As a member of the Board of Directors of the Water Reuse Association and the California Water Commission, very familiar with the Bay Area study, I would like to ask to enter in the record, since in Southern California a local sponsor spent over \$3.5 million to prepare this study over the last 10 years, and in the Bay Area, about \$1.5 million. We would certainly like to submit the Southern California Comprehensive Water Reclamation Reuse Study that you requested for the record. It is a feasibility study.

Our projects that we are submitting under H.R. 142 and H.R. 2991 are consistent with the feasibility study. They track

with it nicely. And, by the way, we have fully complied with the California Environmental Quality Act. We have completed all the environmental reports for these projects and they are broadly supported by the public, editorial boards, mayors, local districts, the environmental community. We have businessmen who are demanding the use of recycled water.

So I just for the record would like to ask if the Chairman would—

Mr. CALVERT. Without objection, the report is made part of the record.

[NOTE: The report, "Southern California Comprehensive Water Reclamation and Reuse Study, Phase II," has been retained in the Committee's official files.]

Mr. ATWATER. The second thing I would like to highlight is that we identified in Southern California, not just my service area but throughout Southern California, that we could develop by 2010 over 450,000 acre feet of new water. In the last week, we have heard some good news about the Colorado River QSA, but let me just remind everybody with the QSA and what is occurring on the Colorado River. It means that the Metropolitan Water District will have an aqueduct that is not full, 1.2 million acre feet, but an average flow of 700,000 acre feet.

What we are doing with that report that you have in front of you, we could implement, we could offset that loss from the Colorado River. To put things in perspective—the Federal investment is much less than 20 percent. Let me illustrate by example.

In H.R. 142 and in H.R. 2991, we are talking about 70,000 acre feet in the Inland Empire area. We are going to invest \$125 million and the Federal cap is \$20 million. That is a 15 percent cost share to develop 70,000 acre feet of new water.

The channel desalters the Assistant Commissioner referred to and the rationale for the 50 percent models exactly the language in 1996 when you reauthorized Title XVI for the Long Beach desalination project, so that language does mirror that. I would certainly be happy to work with the Committee to make sure that it is consistent with cost sharing policies.

But let me just highlight that through desalination and water recycling in Southern California, we could develop over three-quarters of a million acre feet of water. And in fact, in May, the California Water Recycling Task Force published a report, and we would be happy to submit it for the record. The report identified over 1.5 million acre feet Statewide and it is being included in the California water plan, which the Bureau of Reclamation is participating in and was part of that group. The report also identified 1.5 million acre feet of potential throughout the State through these efforts under Title XVI.

And I must say, Chairman Calvert's new legislation really would provide an opportunity to implement this not just in California, but as a member of the Water Reuse Association, I think in Arizona, Nevada, New Mexico, Texas and Florida. If you look nationally, there really is a huge opportunity to develop new supplies in a very cost effective way.

With that, I see that my time is over. Let me just ask that my written testimony be entered in the record and I would be more than happy to answer any questions that you may have.

Mr. CALVERT. Just for your attention is that the record will be held open for 10 days for any additional information, and certainly your full written comments will be made part of the record.

Mrs. NAPOLITANO. Mr. Chair, can we also ask for a copy of that report he is talking about that just was completed that he will submit?

Mr. CALVERT. We will make sure that you are given a copy of that report.

Mr. ATWATER. Absolutely.

Mr. CALVERT. It will be made part of the record within 10 days, and I will make sure it is distributed.

[NOTE: The California Water Recycling Task Force report has been retained in the Committee's official files.]

[The prepared statement of Mr. Atwater follows:]

**Statement of Richard W. Atwater, General Manager,
Inland Empire Utilities Agency**

I. Introduction

Thank you Mr. Chairman Ken Calvert and members of the Subcommittee for Water and Power for the opportunity to testify today regarding the water problems facing Southern California. I am the General Manager of the Inland Empire Utilities Agency. On behalf of the Board of Directors of the Inland Empire Utilities Agency, I am testifying today in support of H.R. 142 and H.R. 2991.

A. Inland Empire Utilities Agency/Chino Basin

The Inland Empire Utilities Agency, a municipal water district under California law, was formed in 1950 by a popular vote of its residents. The service area of the Agency is entirely in San Bernardino County and has a current population of approximately 700,000. The IEUA service area is rapidly growing and will probably double in population within the next 20 years. The Chino Basin also has 350,000 dairy cows, the most densely concentrated population of dairy cows in North America. Overall water use is about 350,000 acre-feet annually, 70 percent of the supplies are from local sources within the Santa Ana Watershed. With the rapid growth, demand from MWD could increase from 70,000 acre-feet per year currently to 200,000 acre-feet in 2020! However IEUA, Chino Basin Watermaster and in cooperation with many other agencies have developed a "Drought Proof Plan" that will develop over 100,000 acre-feet of new local supplies to minimize the need for additional imported water from MWD.

B. Background and Interagency Relationships

The Inland Empire Utilities Agency has been a member agency of the Metropolitan Water District since 1950 and distributes about 70,000 acre-feet of imported water to the cities of Chino, Chino Hills, Fontana (through the Fontana Water Company), Ontario, Upland, Montclair, Rancho Cucamonga (through the Cucamonga County Water District), and the Monte Vista Water District. The Agency also provides wastewater treatment service (four regional water recycling plants that produce about 60 million gallons per day or 63,000 acre-feet per year). Excess recycled water flows downstream into the Santa Ana River and the Orange County Water District recharges that water into the Orange County groundwater basin for drinking water.

The Agency is also a member of the Santa Ana Watershed Project Authority (SAWPA) and is an active member of the Santa Ana River Watershed Group and the Chino Basin Watermaster. As a member agency of SAWPA, the Agency's water projects are closely coordinated with the SAWPA watershed wide planning and the funding of priority projects through the Water Bond Prop.13 grants.

Public and Private Partnerships to Improve the Santa Ana Watershed

- SAWPA and the Santa Ana River Watershed Group have maintained an inclusive dialogue with all interested parties;
- All local governments within the three counties (San Bernardino, Riverside and Orange) are working cooperatively together to manage growth and plan for the

water/wastewater infrastructure needed to meet the needs of this rapidly urbanizing watershed;

- Partnerships with industry including dairies, manufacturing, and developers have resulted in creative solutions to local water quality problems (e.g. the Santa Ana brine sewer to the ocean);
- Industrial customers throughout the area are planning on using recycled water to reduce costs, ensure reliability, and to be excellent environmental stewards.

The Chino groundwater basin is one of the largest in Southern California. The Chino Basin Watermaster adopted an Optimum Basin Management Plan to protect the water quality of the basin and to manage the local supplies effectively to the maximum benefit of the local ratepayers. A key element is the expansion of the conjunctive use operation of the Chino Basin to expand the storage and recovery by approximately 500,000 to 1,000,000 acre feet, roughly equivalent to the \$2 billion Diamond Valley reservoir built by MWD.

Other key components are the Inland Empire Utilities Agency regional water recycling project to develop new local supply 70,000 acre-feet per year and the Chino Basin desalters that would develop an additional new local supply of 40,000 acre-feet per year.

The key benefits of the Chino Basin regional “OBMP” water plan are as follows:
Benefits

- Provide a more dependable local water supply and reduce the likelihood of water rationing during future droughts;
- Lower cost of water to industry and provide incentives to attract new industry and jobs in the Inland Empire region;
- Environmental protection—reduce wastewater discharges into Santa Ana River by 50 percent through local water recycling and protect Orange County drinking water supplies through implementation of comprehensive lower Chino Dairy area manure management strategy;
- Reduce imported water use in the rapidly growing Inland Empire region (upper Santa Ana River Watershed) and thereby contribute in a significant manner to the statewide CALFED Bay-Delta and Colorado River solutions through more efficient use of existing local supplies;
- Assist in solving multiple Endangered Species Act problems within the Santa Ana Watershed, the CALFED Bay-Delta program, and the Colorado River/Salton Sea; and
- Implement a sustainable long-term water resources management program that maintains the salt balance of the Santa Ana River watershed.

II. Chino Basin OBMP “Drought Proofing Strategy”

The IEUA Urban Water Management Plan, adopted in December 2000 and the Chino Basin Watermaster Optimum Basin Management Plan adopted in July 2000, document the overall strategy for improving the water supply reliability in the Chino Basin area.

- Water Conservation
- Water Recycling
- Local Groundwater Storage and Conjunctive Use
- Groundwater Cleanup
- Storm water
- Renewable Energy and Organics Recycling
- Water Quality Management

A. Water Conservation- (35,000 acre-feet per year, 10 percent of overall use)

IEUA and its retail utilities are committed to implementing the Memorandum of Understanding (MOU) regarding Urban Water Conservation in California. IEUA is an active member of the California Urban Water Conservation Council (CUWCC). Currently, the Agency is expanding its conservation efforts to promote both water and energy conservation programs to our customers. IEUA’s goal is to reduce water demands by 10 percent (35,000 acre-feet per year) through aggressive implementation of customer conservation programs. IEUA has initiated a number of new innovative programs, including water brooms, outdoor native landscape policy and rebates for x-ray machines besides promoting many residential and school conservation programs.

B. Water Recycling (70,000 acre-feet by 2010)

IEUA owns and operates four water recycling plants that produce high quality water that meets all state and federal requirements for non-potable landscape irrigation, industrial uses, and groundwater replenishment. The Agency recycles about 6,000 acre-feet annually and has a plan to increase to approximately 70,000 acre-feet annually over the next decade by constructing “purple” recycled water

pipeline system to hookup existing large customers (Inland Paper, golf courses, city parks, Reliant power plant).

Blend recycled water with storm water and imported water in a coordinated fashion with flood control district to ensure that all water is conserved and replenishes the Chino Basin in an optimal manner (targeted goal is an additional recharge of 80,000 acre-feet per year).

Build in the future new smaller water recycling plants in the northern part of our service area to provide recycled water to communities (Upland, Fontana, and Rancho Cucamonga) without the need to pump the water to them. The Cucamonga County Water District (CCWD) proposed satellite plant authorized by H.R. 2991 would be the prototype water recycling plant to reduce energy use of pumping recycled water to the higher elevations along the San Gabriel Mountains.

Coordinate with cities and developers on new urban development projects so that dual "purple" piping is installed up-front to maximize non-potable uses with recycled water.

C. Local Groundwater Storage and Conjunctive Use (500,000 acre-feet of new storage by 2010)

Without the Chino Basin area, the Watermaster is implementing an Optimum Basin Management Plan to enhance the conjunctive use storage of the Chino Basin. The Optimum Basin Management Program developed over the past two years by the Chino Basin Watermaster would implement a comprehensive water resources management strategy to drought proof the area and enhance the yield of the groundwater basin. The Chino Basin Watermaster has developed a conjunctive use program to store 500,000—1,000,000 acre-feet of imported water in wet years for drought year withdrawal for both local, regional and statewide availability. In June, 2003 IEUA, Chino Basin Watermaster, Three Valleys MWD and the Metropolitan Water District executed an agreement for the initial 100,000 acre-feet of storage and recovery projects (\$27.5 million funding from MWD and Calif. DWR).

D. Groundwater Cleanup (40,000 to 50,000 acre-feet annually by 2020)

Historically, Colorado River water (relatively high salinity) and agricultural practices have caused areas of the Chino Basin to have high salts that make the water unfit for domestic uses. To correct this problem and to recover this poor quality water, the Chino Basin Optimum Management Plan recommends implementation of groundwater cleanup projects to pump and treat poor quality groundwater to meet drinking water standards.

Additionally, the desalination projects of the lower Chino Basin area will protect and enhance the water quality of the Santa Ana River and the downstream use by Orange County. H.R. 142 would provide authorization under the Bureau of Reclamation's Title XVI program to provide funding for the third Chino desalter and brine line improvements with the SAWPA SARI brine system recommended in the Southern California Comprehensive Water Reclamation and Reuse Study (USBR, 2003) and the joint MWD/USBR Salinity Management Study (1999).

Groundwater cleanup projects:

- i. Lower Chino area—groundwater desalination 40 mgd (or approximately 45,000 AF per year), \$250 million capital improvement program over 20 years.
- ii. Jurupa Community Services District-emergency need to build an ion exchange desalination project (about 4 million gallons per day facility) because Riverside County residents have well water approaching drinking water standards for nitrates.
- iii. City of Chino Hills-local Chino Basin well water has elevated arsenic (average concentrations over five times the proposed EPA drinking water standard of 10 ppb).
- iv. Additional treatment for nitrates in groundwater in the communities of Chino, Ontario, Fontana, Upland, Montclair, Pomona, and Rancho Cucamonga is needed. Approximately six treatment plants are proposed that will pump and treat about 25,000 acre-feet annually of nitrate contaminated groundwater for municipal drinking water supplies through funding from the Metropolitan Water District and the California Dept of Water Resources).

E. Storm water (25,000 acre-feet annual average of new percolation)

A critical issue facing the coastal plain of Southern California as the region continues to urbanize and hardscape our landscapes will be how to implement both small scale and larger scale projects for storm water capture to allow percolation into our groundwater basins. IEUA in coordination with the Chino Basin Watermaster, the San Bernardino County Flood Control District and the Chino Basin Water Conservation District is developing an integrated recharge master plan to optimize the capture of storm water with replenishment of imported water from

MWD and our local recycled water to enhance the storage and recovery of water from the Chino Basin.

IEUA is also sponsoring work, in part funded by the CALFED Bay-Delta Program, with the Rocky Mountain Institute on small scale, on-site (neighborhood development) storm water management strategies to enhance percolation of rainfall to minimize runoff, contamination of rainfall before it percolates, and cost effectively reduce flood control requirements.

F. Renewable Energy and Organics Management (50 megawatts of renewable energy)

The energy crisis reminds all of us working on the water problems facing California how incredibly dependent the imported water infrastructure of southern California is on cheap, low cost electricity to pump imported water into our region.

IEUA in response to the energy crisis and our need to be a steward of our environment has developed a Chino Basin Organics Management Strategy that will:

- Produce through anaerobic digestion enough methane gas for 50 megawatts of clean, renewable electric energy by 2006;
- Cost effectively recycle organic wastes into fertilizer products in an environmentally safe manner that will reduce many thousands a year of long haul diesel truck trips per year;
- Reduce significantly air and water pollution from dairy cow manure; and
- Eliminate the need for electric power from the grid for operating the Chino Basin desalination and water recycling plants.

IEUA and Chino Basin Watermaster are very proud of our efforts with the Milk Producers Council to develop these innovative dairy manure to energy/clean air/clean water projects.

G. Water Quality Management (natural treatment of Santa Ana River base flow)

IEUA and Orange County Water District executed a Memorandum of Understanding in October 2002 to cooperate in water quality management issues in the Prado wetlands area. Current projects include Chino Creek watershed planning, hydrologic control of the lower Chino Basin, expanded natural wetlands to treat urban runoff and dairy washwater. OCWD's goal is to have the total flow of the Santa Ana River be treated with natural wetlands within the Prado Dam "flood pool".

Within H.R. 142, IEUA would recommend that a new provision be included to add authorization for the Prado "natural wetlands treatment" project.

III. IEUA Proposed Regional Water Recycling Projects—H.R. 2991/H.R. 142

In August, 2002 the Board of Directors of the Inland Empire Utilities Agency, after receiving approval and endorsement by the Chino Basin Watermaster, SAWPA and all the local cities and retail water agencies within its service area adopted its Regional Water Recycling Feasibility Study and certified the Environmental Impact Report. The feasibility study fully complied with the U.S. Bureau of Reclamation's guidelines for Title XVI Projects (December 1998) and is consistent with the regional water plans for southern California.

- USBR's Southern California Comprehensive Water Reclamation and Reuse Study
- MWD's Integrated Water Resources Plan
- SAWPA's Comprehensive Watershed Plan
- SARWQCB Santa Ana River Basin Plan
- California Water Recycling Task Force Report
- MWD/USBR Salinity Management Study
- California Water Plan, Bulletin 160

Need for Proposed Recycled Program

- Provide a more dependable local supply and reduce the likelihood of water rationing during future droughts, lower cost of water and sewer rates to customers, and economic development incentives to attract new jobs and industry in the Inland Empire Region of southern California.
- Consistent with Legislative Policy (Water Code 13550), State Water Plan and California Water Resources Control Board (SWRCB) policies.
- Consistent with CALFED Bay-Delta Water Use Efficiency Program and Colorado River 4.4 Plan.
- Consistent with Metropolitan Water District's (MWD) Integrated Water Resources Plan (1996) and U.S. Bureau of Reclamation's Southern California Comprehensive Water Reclamation and Reuse study (authorized by Congress in 1992).

Proposed Regional Recycled Water System

The expansion of the Regional Recycled Water Program has been designed to occur in a series of five phases in order to maintain a balance between capital expenditures, sources of funding, and the development of a customer base for the de-

livered water. In 2001, IEUA conducted a market survey to identify potential customers and their relative demand in relation to existing treatment and distribution facilities. A primary recommendation from the study was that the expanded distribution facilities should be developed in the central portion of the Chino Basin where the greatest industrial demand is located and where the greatest number of groundwater recharge basins can be serviced. The construction of the pipelines will be phased so that the most cost-effective projects will be brought on-line first.

IEUA evaluated the capital funding needs for the Recycled Water Expansion Program and determined that, with the provision of State and Federal funding assistance, it could be financed through the Regional Wastewater Treatment Program without an additional increase in the connection fee. This financing structure provides a significant opportunity for local retail agencies to implement recycled-related projects without the capital costs impacting the region's sewage rates and charges. With full implementation of the program, it is possible that the regional water and sewer rates could be lowered by 20-30 percent.

In closing, Chairman Calvert and members of the Committee I appreciate very much your consideration and support for H.R. 142 and H.R. 2991. Water recycling and groundwater desalination are critical new supplies for Southern California that have statewide benefits and also help solve the Colorado River issues for all seven basin states. The federal government through the U.S. Department of the Interior since the Colorado River Compact in 1922 and the authorization of the Boulder Canyon Project Act in 1928 supported the development of supplies on the Colorado River Basin to meet the economic needs of all the residents of the arid southwest. It was this Committee in 1968 that in the Central Arizona Project Act that made it federal policy to explore options to augment the supplies of the Colorado River to meet the future needs of the Lower Basin States (Arizona, Nevada and California). Clearly, water recycling and desalting in Las Vegas, Phoenix, Tucson and throughout Southern California have the potential to be a significant portion of the new supply developed to meet the statutory requirements of the 1968 Act authorizing the CAP. It is imperative for the Bureau of Reclamation to provide the technical leadership and to increase funding through Title XVI to assist in meeting these critical water supply issues facing the arid southwest portion of the United States.

The Chino Basin



- Over 220 Square Miles
- Provides Water for Over 700,000 Residents
- 5-7 Million Acre-feet of Storage
- Safe Yield of 140,000+ AF/Y
- Over 800 Active Wells

Charting a Course for the Future

**INLAND EMPIRE UTILITIES AGENCY
REGIONAL RECYCLED WATER EXPANSION PROGRAM**

Inland Empire Utilities Agency (IEUA)

- IEUA provides wholesale and sewer service to the southwestern corner of San Bernardino County (serving Chino, Ontario, Fontana, Chino Hills, Montclair, Rancho Cucamonga and Upland).
- Service area covers 242 square miles with current population estimated at 700,000.
- Total water demands currently average 250,000 acre-feet per year (AFY).
- Approximately 25% of water supply is purchased imported water (SWP), 65% from groundwater, 7% from local stream flow and the remaining 3% is from recycled water.
- Current annual recycled water sales average 6,200 acre-feet (AF) to over 150 customers.

Regional Need For Recycled Water

- Statewide water shortages will continue in California as result of Delta issues, Colorado River cutbacks and increased population.
- Wastewater reuse (recycling) is a critical element to solving California's statewide water problems.
- The Governor's Water Recycling Task Force and the CALFED By-Delta program recommend that urban water agencies expand recycled water use to reduce their reliance on imported water from the Delta and the Colorado River.
- By 2020, growth in IEUA's service area will require an additional 100,000 AFY of expensive imported water supplies unless alternative local and regional water resources are developed.

Proposed IEUA Regional Recycled Water Expansion Program

- Program will increase recycled water deliveries from IEUA's four water recycling plants to 70,000 AFY.
- 40,000 AFY will replace potable demands for use in green belt irrigation and industrial use applications.
- 30,000 AFY will be used for groundwater replenishment consistent with the Regional Recharge Master Plan and Optimum Basin Management Program approved by the Chino Basin Watermaster and Superior Court.
- Regional system improvements include: transmission and distribution pipelines, system storage, pump stations, system telemetry, service connections, and supplemental ground water recharge facilities.
- Construction of proposed recycled water expansion facilities is phased.

Expansion Phase	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Total
Proposed Implementation Period (P.Y.)	03/04	04/05	05/06	06/07	07/08	7 years
Additional Customers	180	200	220	230	320	1,140
Anticipated Annual Recycled Water Sales (AF)	13,300	18,000	12,000	15,800	12,000	71,100
Estimated Capital Costs (Millions)	24.5	20.2	10.2	32.4	29.1	116.4

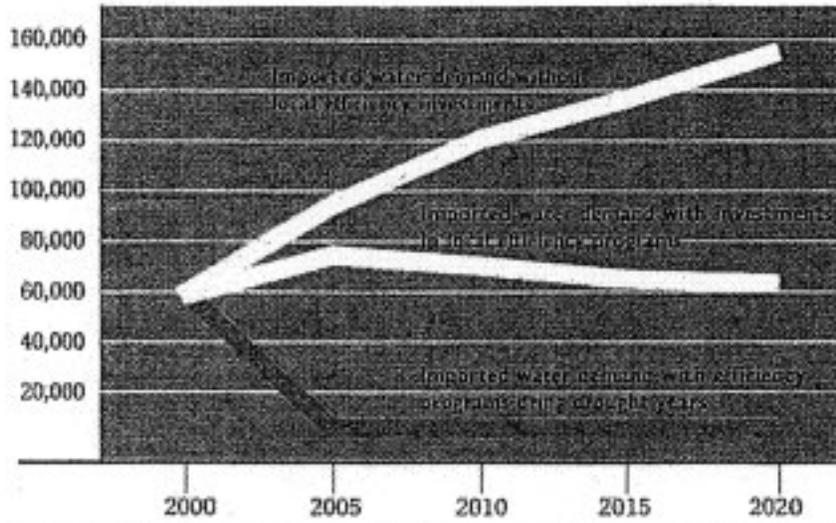
Proposed Regional Recycled Water Expansion Program Funding Sources

- USBR P.L. 102-575 (Title 16) Project Funding Assistance (proposed)
- Department of Water Resources Project Funding Assistance (Prop. 13) (committed)
- California State Water Resources Control Board Project Funding Assistance (Prop. 50) (committed)
- MWDSC Local Resources Program Funding Assistance (\$154 per AF, 13,500 AFY maximum) (committed)
- Regional Capital Fund (committed)

Regional Recycled Water Program Benefits

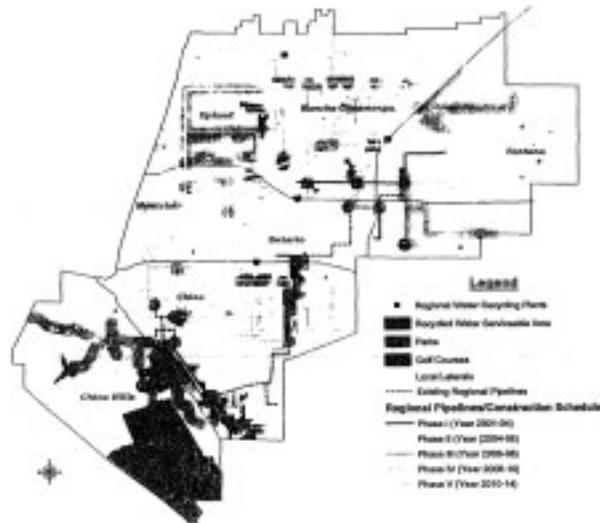
- Provides reliable "drought-proof" water supplies to meet future growth needs and reduce costly imported water use in Chino Basin
- Is an essential element of the regional Chino Basin Optimum Basin Management Program, improving water quality and yield from the Chino Groundwater Basin
- Enhances economic development opportunities in the Chino Basin and throughout Southern California.
- Benefits all of California by reducing demand for imported water supplies, especially in dry years when conflicts within the State are the most intense.

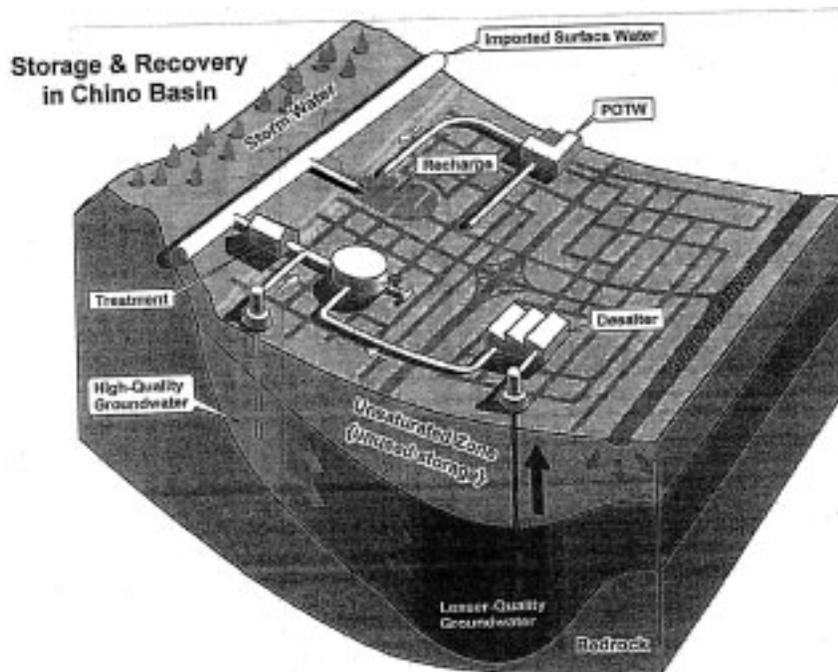
Projected Imported Water Demands for the IEUA Service Area



With the implementation of water management programs, IEUA expects to reduce the future need for imported water even as overall water demand increases due to population growth in the Chino Basin.

IEUA Regional Recycled Water Expansion Program





Mr. CALVERT. Next, Mr. Denis Bilodeau, President of the Board of Directors, Orange County Water District, testifying on behalf of H.R. 1156. Thank you for your attendance. You are recognized for 5 minutes.

STATEMENT OF DENIS R. BILODEAU, PRESIDENT, BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT

Mr. BILODEAU. Thank you, Mr. Chairman and Ranking Member Napolitano and other distinguished members of the Subcommittee for Water and Power, for this opportunity to testify today regarding California water issues.

My name is Denis Bilodeau. Currently, I have the privilege of serving as the President of the Board of Directors of the Orange County Water District. I appreciate the opportunity to testify before you today in support of H.R. 1156, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to increase the ceiling on the Federal share of the costs of Phase I of the Orange County, California, regional water reclamation project, also known as the Groundwater Replenishment System.

First of all, let me express my sincere gratitude to Congresswoman Sanchez for introducing this legislation and also thank you to Congressman Gary Miller for serving as the coauthor of this important piece of legislation.

As you are well aware, California is grappling with many water issues today. Colorado River supplies, drought, CALFED, and the restoration of the San Francisco-San Joaquin Bay Delta are some of the issues that make the headlines.

Orange County has developed a significant recycled water project that addresses the multiple local issues and provides regional water supply benefits. We have named it the Groundwater Replenishment System. This system will provide enough new water for 114,000 families each year. It could be expanded to double that capacity in the future. While others are talking about water, we are making it. We are making it at home and we are making it of extremely high quality, similar to bottled water. The citizens of Orange County are supportive of the project and they are supportive of meaningfully contributing to increasing and diversifying the region's water supply portfolio and sharing this benefit with the citizens of California.

Orange County is very dependent on imported water. Imported water totals approximately half of our water supply. The Groundwater Replenishment System is a visionary water supply project that will create 72,000 new acre feet of water supplies for residences and businesses in Orange County, therefore reducing our need for scarce imported water. The Groundwater Replenishment System has significant support in Orange County from the medical, health, community, elected, business, agricultural, media, and environmental organizations. The project is a partnership between the Orange County Water District, the Orange County Sanitation District, the State of California, the Bureau of Reclamation, and the cities of Orange County.

I am proud to say that the Groundwater Replenishment System is currently under construction and will be operational in the spring of 2007. The project's source of water is highly treated secondary sewage from the Orange County Sanitation District, which is currently being discharged into the Pacific Ocean, which we see as a wasted resource. This highly treated water will be further purified by the finest water purification technologies in existence today. It will undergo advanced water treatment that will include microfiltration, reverse osmosis, and ultraviolet light disinfection with hydrogen peroxide. This very pure water will meet or exceed all State and Federal drinking water standards.

Some of the purified water will be pumped to recharge basins and naturally filtered again as it is introduced into the groundwater basin, where it will eventually blend into the groundwater and be extracted and made available for consumptive uses. Some purified water by our project will protect the groundwater from seawater intrusion through our injection into our Talbert Gap Seawater Intrusion Barrier along the coast.

In the past, some recycled water projects have been criticized for not achieving their full yield potential. For example, a planned 10,000 acre feet per year project might initially only achieve a project yield of 8,000 acre feet a year. We know this will not be the case with our project. The full production of the treatment plant will be utilized by the Orange County Water District to enhance the management of the groundwater basin. We are the producers and we are the consumers. All of the purified water will be placed in the groundwater basin either through direct replenishment and percolation or direct injection at our seawater intrusion barrier. We will use 100 percent of the water to maximize use of our local groundwater basin and reduce our imported water use.

The cost of the system is \$450 million to produce 72,000 acre feet a year. We anticipate the unit cost will be about \$500 per acre foot, or roughly equivalent to imported water cost. We are very pleased that the project has several financial partners, including the Bureau of Reclamation under Title XVI, the State of California, as well as the Orange County Water District and the Sanitation District ratepayers.

H.R. 1156 will increase our Title XVI authorization from \$20 million to \$80 million, thus providing equity, as many other Title XVI projects enjoy a 25 percent Federal cost share.

I see my time is up, so I will wrap this up just by saying that our project currently is receiving a 4-percent cost share from Title XVI. The cap, of course, is 25 percent, and what we are asking for is an \$80 million authorization, which would bring our share to 18 percent. Given the magnitude of our project and the regional benefits, we feel that this is a fair request.

With that, we look forward to working with you on this legislation and address any questions you may have now or in the coming weeks. In the course of preparing for markup of H.R. 1156, we would encourage the incorporation of our ideas to supplement this project with a regional wetlands treatment program. Thank you very much for your time.

Mr. CALVERT. I thank the gentleman.

[The prepared statement of Mr. Bilodeau follows:]

**Statement of Denis R. Bilodeau, President of the Board of Directors,
Orange County (California) Water District**

Introduction

Thank you, Mr. Chairman, Ken Calvert, and the other distinguished Members of the Subcommittee for Water and Power for the opportunity to testify today regarding California water issues. My name is Denis Bilodeau. I appear before you today as President of the Board of Directors of the Orange County Water District. I appreciate the opportunity to testify before you today in support of H.R. 1156, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act, to increase the ceiling on the Federal share of the costs of phase I of the Orange County, California, Regional Water Reclamation Project also known as the Groundwater Replenishment System. First, let me express my sincere gratitude to Congresswoman Sanchez for introducing this legislation, and also thank you to Congressman Gary Miller for serving as the co-author of this important piece of legislation

Orange County Water District

Orange County Water District was formed in 1933 by a special act of the California Legislature. Created to protect Orange County's rights to Santa Ana River water, Orange County Water District's primary responsibility is managing the vast groundwater basin under north and central Orange County. Since 1933, Orange County Water District has replenished and maintained the groundwater basin at safe levels while more than doubling the basin's annual yield. This important source provides local groundwater producers with a reliable supply of high-quality water.

Orange County's groundwater basin supplies water to more than 2 million Orange County residents. OCWD primarily recharges the basin with water from the Santa Ana River and imported water purchased from the Metropolitan Water District of Southern California. Water enters the groundwater basin via settling or percolation ponds in the cities of Anaheim and Orange. Behind Prado Dam (constructed and owned by the U.S. Army Corps of Engineers for flood prevention), OCWD owns 2,400 acres in Riverside County, which OCWD uses for water conservation, water quality improvement and environmental enhancement.

Groundwater Replenishment System

As you are well aware, California is grappling with many water issues today. Colorado River supplies, drought, CALFED and restoration of the San Francisco-San Joaquin Bay Delta are some of the issues that make the headlines. No new water

supply projects have been built in the State since the 1960's, and any new projects must be more environmentally friendly than those of the past. Orange County has developed a significant recycled water project that addresses multiple local issues and provides regional water supply benefits—the Groundwater Replenishment System. The Groundwater Replenishment System will provide enough new water for 114,000 families each year. It can be expanded to double that capacity. While others are talking about water, we are making it. And we are making it of extremely high quality—similar to bottled water. The citizens of Orange County are supportive of the project and they are supportive of meaningfully contributing to increasing and diversifying the region's water supply portfolio and sharing this benefit with the citizens of California.

Orange County is very dependent on imported water—imported water totals approximately half of its water supply. A look into the future indicates continued population growth and political, environmental, and water quality issues threatening both local and imported water supplies, making water reliability a very significant issue.

The Groundwater Replenishment System is a visionary water supply project that will create 72,000 acre-feet of new water supplies for residents and businesses of Orange County and thereby reducing our need for scarce imported water. The Groundwater Replenishment System has significant support in Orange County from medical, health, community, elected, business, agriculture, media, and environmental organizations. The project is a partnership between the Orange County Water District, the Orange County Sanitation District, the State of California, the Bureau of Reclamation, and the cities of Orange County.

I am proud to say that the Groundwater Replenishment System is currently under construction and will be operational in Spring 2007. The project's source water is highly treated secondary sewage, from the Orange County Sanitation District, which is currently discharged into the ocean. This highly treated water will be further purified by the finest water purification technologies in existence today. It will undergo advanced water treatment that will include microfiltration, reverse osmosis, and ultraviolet disinfection with hydrogen peroxide. This very pure water will meet or exceed all State and Federal drinking water standards.

Some of the purified water will be pumped to recharge basins and naturally filtered again as it is introduced to the groundwater basin, where it will eventually blend into the groundwater to be extracted and made available for consumptive uses. Some purified water produced by the project would protect the groundwater from seawater intrusion through injection into the Talbert Gap Seawater Intrusion Barrier.

Benefits

The Groundwater Replenishment System solves five regional and local issues:

1. It produces a new supply of water in an arid region that will help mitigate future recurring droughts and their impact on the groundwater basin.
2. It will provide new water for a larger, expanded barrier against seawater intrusion into the groundwater basin along the coast.
3. The new water produced will be a quality similar to or better than bottled water that will eventually improve water quality in the local groundwater basin by lowering the mineral content.
4. Environmental Protection—It will delay, perhaps indefinitely, the need for an additional ocean wastewater outfall in northern Orange County and reduce our volume of daily wastewater discharge into the Pacific Ocean.
5. Finally, it will help mitigate future predicted water shortages and augment Southern California local water supplies, reducing our need for imported water.

H.R. 1156

In the fall of 2002, after receiving support and endorsement from virtually all of the local cities and retail water agencies in Orange County Water District's service area, the Santa Ana Watershed Project Authority and the State of California; Orange County Water District adopted a Joint Operation Agreement that enabled construction of the Groundwater Replenishment System to commence. The Groundwater Replenishment System feasibility study fully complied with the U.S. Bureau of Reclamation guidelines for Title XVI Projects and is a component of the Metropolitan Water District of Southern California's water supply reliability plan. The Groundwater Replenishment System is contained in and consistent with many regional water plans for Southern California.

- SCCRWS
- MWD's IRP
- SAWPA's IWP

- SARWQCB Santa Ana River Basin Plan
- California Water Recycling Task Force Report
- California Water Plan, Bulletin 160

H.R. 1156 would provide an increased Federal authorization for the Groundwater Replenishment System. The increased authorization would provide financial equity and ensure that 72,000 acre-feet of additional water supplies will be created and used.

In the past, some recycled water projects have been criticized for not achieving their full yield potential. For example, a planned 10,000 acre-feet per year project might initially only achieve a project yield of 8,000 acre-feet per year. We know this will NOT be the case with the Groundwater Replenishment System. The full production for the treatment plant will be utilized by Orange County Water District to enhance the management of the groundwater basin. We are the producers and we are the customers! All of the purified water will be placed into the groundwater basin, either through direct replenishment and percolation or direct injection at the Talbert Gap Seawater Intrusion Barrier. We will use 100% of this water to maximize use of our local groundwater basin and reduce our imported water use.

The cost of the Groundwater Replenishment System is \$450 million to produce 72,000 acre-feet per year. We anticipate the unit cost of Groundwater Replenishment System water will be about \$500 per/acre-foot, or roughly equivalent to the current imported water rate. We are very pleased that the project has several financial partners.

- United States Bureau of Reclamation existing Title XVI Authorization—\$20 M
- California State Grants—\$70 M
- Orange County Water District & Orange County Sanitation District Rate Payers—\$300 M

H.R. 1156 would increase the U.S. Bureau of Reclamation Title XVI authorization from \$20 million to \$80 million. This increase provides financial equity to the Groundwater Replenishment System Project and enables local dollars to be spent in developing other water supply projects. Many Title XVI projects enjoy a 25% Federal cost share. The current \$20 million authorization means the Groundwater Replenishment System Project receives a 4% Federal cost share. An \$80 million authorization increases the Federal cost share to 18%, still well below the 25% cap.

Given the magnitude and regional benefits of the project—in terms of new water supply created, ability to provide a measurable relief to California's imported water woes, and the project's certainty that 100% of the proposed yield will be utilized—we believe the Federal cost share is appropriately set at 18% or \$80 million. Thank you for your time.

[NOTE: Attachments to Mr. Bilodeau's statement have been retained in the Committee's official files.]

Mr. CALVERT. Next, to testify on behalf of H.R. 2960, is Mr. Eduardo A. Campirano, Brownsville Public Utilities Board. Sir, you are recognized for 5 minutes.

STATEMENT OF EDUARDO A. CAMPIRANO, ASSISTANT GENERAL MANAGER AND CHIEF OPERATING OFFICER, BROWNSVILLE PUBLIC UTILITIES BOARD

Mr. CAMPIRANO. Good afternoon, Chairman Calvert, Congresswoman Napolitano, and Congressman Ortiz and members of the Committee. Thank you for the opportunity to present testimony on H.R. 2960.

My name is Eduardo Campirano and I am the Assistant General Manager and Chief Operating Officer of the Brownsville Public Utilities Board. As it has been stated in many of the comments today, Brownsville is located in deep South Texas. Are you familiar with the area? Our dependency on water is totally surface water from the Rio Grande, and not only Brownsville, but all of South Texas. The situation for us is not getting any better for the reasons that were so eloquently described by Congressman Ortiz.

H.R. 2960 is a bill that would provide opportunity for Brownsville to participate in the Title XVI funding for design, planning,

construction of facilities for the treatment of recycled water as well as impaired waters in Brownsville. The use of water reclamation and desalination is in our long-term water strategy plan, and what I would like to do, if I may, is just kind of describe one specific project that is currently underway.

As I stated, we currently depend 100 percent on surface water for use. Brownsville is part of a regional effort called the Southmost Regional Water Authority. The Authority represents Brownsville as the largest community, but also smaller communities in the area. We currently have a project that takes the treatment of brackish groundwater and utilizes it for producing top-quality water, bottle-quality water, it was stated earlier. The project actually will be producing water under Phase I as early as next month, and full production by the end of this year.

That particular project is strictly a local effort. It is a \$30 million project. All of it is coming from the local entities. It will take ten million gallons of brackish groundwater and produce 7.5 million gallons of treated water. For Brownsville, that represents approximately 30 percent of the potable water use in our community. For the surrounding communities, it represents an equal amount, getting away from a water supply that is obviously not influenced heavily by the drought conditions and certainly by the increased pressures of a growing South Texas on the water from the Rio Grande.

This particular project has the potential to be expanded to double its capacity for half of the amount of money that the local entities have put in to initiate the project. It can easily be doubled under Phase II to produce 15 million gallons of water per day.

We believe that H.R. 2960 provides an opportunity for Federal participation. In July, I had the opportunity to come and testify before this Committee on Chairman Calvert's bill, H.R. 2828, and that particular bill provides again creating those opportunities for local participation along with Federal participation in expanding projects that use non-traditional sources of water.

For Brownsville and South Texas, these projects represent strategies that are not currently being implemented and would provide not only an opportunity for Brownsville, but all of South Texas to begin to wean itself from the dependency of surface water from the fragile Rio Grande.

I had submitted comments before and I ask that those comments be submitted for the record.

Mr. CALVERT. Without objection, so ordered.

Mr. CAMPIRANO. I want to end my testimony by simply saying that I commend Congressman Calvert and members of the Committee for what you are doing in efforts to provide these kinds of strategies and alternatives in local communities. The water situation is not getting any better, and until we begin to explore non-traditional uses to supplement the already fragile resources, we are not really going to address the problem.

I would be happy to answer any questions that you may have and again want to commend you for your efforts. Thank you.

Mr. CALVERT. I thank the gentleman.

[The prepared statement of Mr. Campirano follows:]

Statement of Eduardo A. Campirano, Assistant General Manager and Chief Operating Officer, Brownsville, Texas, Public Utilities Board

Good afternoon Chairman Calvert and Members of the Committee. Thank you for the opportunity to testify before you today regarding H.R. 2960. My name is Eduardo A. Campirano and I am the Assistant General Manager and Chief Operating Officer of the Brownsville Public Utilities Board in Brownsville, Texas.

The Brownsville Public Utilities Board is a municipally owned utility company providing electric, water and wastewater services to the citizens of Brownsville, Texas and the surrounding area. Brownsville is located on the southern tip of Texas along the US/Mexico border, and is currently one of the fastest growing metropolitan statistical areas (MSA) in the United States. The Brownsville MSA experienced a 30% population growth from 1990-2000 with a fairly young population, where the median age is 29. The area has experienced significant growth on both sides of the US/Mexico border and Brownsville in particular is experiencing unprecedented growth.

This growth poses significant challenges to the Brownsville Public Utilities Board. With the increased issuance of building permits and the increased demand placed on the utility systems, there is a tremendous demand for infrastructure improvements and additional water supply. Brownsville and other communities in the Lower Rio Grande Valley have been working together with the State of Texas and the Mexican State of Tamaulipas to solve our need to ensure our long-term water supply. This is the top environmental and quality of life issue for the entire region.

The Brownsville Public Utilities Board has developed a water supply plan that projects the demand and supply of water for the City of Brownsville for the period of 2000—2050. At the current rate, water demand will deplete supply by the year 2010. However, we have not been idle in planning for our future water needs. The water supply plan incorporates various elements including water conservation, increased surface water capacity, groundwater treatment and development, water reclamation and desalination. However, employing these strategies is dependent on implementation of legislative and funding recommendations.

Several years ago, the Brownsville Public Utilities Board began planning the construction of the Brownsville Weir and Reservoir Project between the U.S. and Mexico on the Rio Grande River. The concrete/gated weir structure will create riverine impoundment of water within the banks of the Rio Grande River located approximately four (4) miles southeast of the City of Brownsville. The project can store up to 6,000 acre feet of water consisting of flood spills and releases from Falcon Reservoir, excess and unused releases from Falcon Reservoir, flood flows below Falcon Reservoir and Mexican water flow with Mexico's permission. The Brownsville Public Utilities Board is in the final stages of securing federal approval under the Section 404 permit of the U.S. Army Corps of Engineers. The project cost is estimated to be \$40 million and significant funds have been spent to date to get the project through state and federal permit processes. As you very well know, gaining the support of interest groups and guiding the project through permitting can be a very challenging task. It has been very frustrating to move the project through the maze of federal and state reviews, but we are near our goal.

On July 24th of this year, I had the opportunity to present comments before this Committee in support of Chairman Calvert's bill, H.R. 2828. On that day, I testified about the importance of a federal and local partnership to plan, design and construct water reclamation and desalination facilities. The Brownsville Public Utilities Board believes that H.R. 2960 provides great opportunity to secure federal participation in the development of a viable project(s) that will help diversify and expand a water supply that is currently dependent on the Rio Grande River.

H.R. 2960 is a bill that would add the Brownsville Public Utilities Board (BPUB) as an entity eligible for a federal share of Title XVI funding for design, planning, and construction of facilities to reclaim, reuse and treat impaired waters in the Brownsville, Texas area. BPUB's water supply plan includes water reclamation and desalination projects.

BPUB is currently exploring the potential for using reclaimed wastewater for industrial prospects at the Port of Brownsville. The Port of Brownsville is a deep water sea port for the movement of raw and bulk materials via barge and ocean-going vessels. The Port also has domestic and international rail crossings. The potential for using reclaimed water for industrial use at the Port could result in reclaiming up to six (6) million gallons per day of effluent discharge from the North Sewage Treatment Plant. The proposed project would result in the construction of a ten inch (10") waterline to transport the reclaimed water to the Port of Brownsville. The estimated cost of constructing, designing, securing right-of-way and constructing the line is \$3 million.

In addition to the reclamation project at the Port of Brownsville, BPUB in conjunction with the University of Texas/Texas Southmost College has developed a project that would utilize effluent discharge from the South Sewage Treatment Plant for use by the University for its irrigation purposes. The University is situated on 380 acres that includes the university campus, athletic facilities and a golf course. The project will use up to four (4) million gallons per day of effluent discharge for use by the University. The cost of constructing a pipeline to transport the treated effluent to the University is approximately \$2 million.

In addition to wastewater reclamation, the BPUB is very interested in federal desalination efforts. The Brownsville area has substantial impaired groundwater and our location provides strategic access to seawater, both of which are essential to our future water supply strategies.

We are currently involved with the Southmost Regional Water Authority in the construction of a regional brackish groundwater desalination facility. This project provides for the deployment of a water supply that is a source of water independent of the Rio Grande River. Brackish groundwater is not subject to water rights purchases. This project does not have the prohibitive environmental, capital and operating costs of a seawater desalination facility while at the same time developing a water supply that is drought tolerant and provides for an improved potable water supply. Phase I of this project will produce 7.5 million gallons per day of drinking water per day. The cost of developing this project is \$30 million.

The expansion of the brackish groundwater desalination facility or Phase II provides for securing federal participation in this project. Phase I is being funded with local resources and Phase II would double the size of the facility. Phase II would expand the potential for expanding the regional impact of this facility to include other surrounding communities who might otherwise could not undertake such a project on their own. The desalination facility could be expanded to produce 15 million gallons of water per day at an estimated cost of \$15 million.

These projects represent a tremendous opportunity for Brownsville to enhance and expand its water supply. There is a great dependency on water from the Rio Grande River and these projects represent the first steps in deploying strategies that will lessen the dependency on this fragile water supply.

This concludes my testimony. Thank you again for the opportunity to appear at this hearing. Chairman Calvert and members of this Committee, I commend you for your efforts to assist our communities in finding ways to deal with the increased demand for water supply is a diminishing resource. I would be happy to answer any questions that you may have.

Mr. CALVERT. Next, Mr. Robert DeLoach, testifying on behalf of H.R. 2991. Sir, you are recognized for 5 minutes.

STATEMENT OF ROBERT A. DeLOACH, CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER, CUCAMONGA COUNTY WATER DISTRICT

Mr. DeLoach. Thank you very much, Chairman Calvert and Ranking Member Napolitano and members of the Subcommittee. I do appreciate the opportunity to be here today and request that my previously submitted written testimony be submitted as a part of the record here today.

Mr. CALVERT. Without objection, so ordered.

Mr. DeLoach. Our agency is not unique amongst many agencies in Southern California. We are a retail water and sewer agency located within the Inland Empire Utilities Agency service area in San Bernardino County in the Greater Santa Ana River watershed.

Our agency currently provides water and wastewater services to more than 160,000 people in a 47-square-mile area and is expected to reach over 230,000 population by the year 2020. According to a Census Bureau report released earlier this year, the city of Rancho Cucamonga alone was identified as the third largest growing city in the Nation with a population over 100,000.

Our agency supplies retail and water services to a variety of communities, primarily the city of Rancho Cucamonga and portions of the cities of Fontana, Ontario, Upland, as well as the unincorporated area within San Bernardino County. Our agency receives approximately 50 percent, if not more at certain times of the year, of its water supply through the Metropolitan Water District of Southern California as delivered through IUA. Approximately 40 percent of our local developed water supply is actual groundwater supply in adjudicated groundwater basins. The remaining 10 percent of our supply is collected as surface water from the neighboring adjoining San Gabriel Mountains. By the year 2020, our agency will need an additional 20,000 acre feet of new water supply that we currently do not have to meet our existing and growing demand.

In addition to our potable water supply, our agency is a member of the Chino Basin Regional Wastewater Program which is administered by Inland Empire Utilities Agency. Regional projects currently underway, as Mr. Atwater previously testified to, would generate 75,000 acre feet of new water supply by the year 2010. Of that amount, over 20,000 acre feet will be directly attributable to Cucamonga's service area at full build-out.

The rapid growth within our region has triggered several significant resource management issues. Local groundwater basins have a legacy of agricultural contamination, and as you know well, adjudicated groundwater basins have several limitations placed on them through the courts. Additionally, the goals and objectives of CALFED and the Colorado 4.4 Plan place long-term limitations on our ability to take imported water.

We have adopted a goal at CCWD or a philosophy to make sure that every drop counts. Recycled water is a critical and extremely valuable component of our future. Our planning process established four major resource management goals. Maximize the beneficial use of recycling water. Decrease our reliance on the State water project system. Provide maximum flexibility for overall supply opportunities. And develop energy-efficient delivery systems.

The use of recycled water within our area is not without its challenges. Much of our jurisdiction is built on an alluvial fan which requires innovative and new technology not previously used to the extent that we are proposing. Much of the water would need to be delivered and pumped uphill to parks, to schools, to neighboring landscaped areas. The energy costs alone would become a major obstacle to the use of recycled water.

Our innovative strategy calls for the siting of small, localized satellite treatment plants adjacent to where the demand actually exists. This strategy will allow us to use the existing regional system for the peak demands of the gravity flow system.

Each of these facilities is capable of producing up to 1,100 acre feet of new water. The avoided cost of moving off the Metropolitan Water System imported deliveries could equate to as much as \$375,000 per site on an annual basis.

Working in cooperation with the many agencies that we supply water to, we are proposing to site these facilities at the various parks throughout the recreational system, through schools and including a junior college. Each of these sites, if not all, are located

between 600 and 750 feet in elevation above the nearest regional wastewater treatment facility. The energy cost to move this water to that location would be cost prohibitive.

Of all the benefits that we derive out of these projects, I believe the key benefit would be that these satellite plants provide complete water supply reliability and dry year availability as a part of our drought-proofing program. Many of the goals that were listed for both regional, State and Federal programs have previously been spoken to.

In the essence of time, I would just note that the Southern California Water Recycling Task Force identified the need for 1.5 million acre feet of new recycled water by 2030. Making maximum beneficial use of this supply would allow us to not only relieve the pressure on the State project system, but assist users in the valuable fertile San Joaquin Valley.

We view the existing 25 percent Federal cost share formula as an investment at the local level that will allow our agency to leverage local funds to develop these worthwhile and very beneficial projects.

In conclusion, Mr. Chairman, since I see my time is up, I wish to thank you, Ranking Member Napolitano, and all the Subcommittee members for your valuable leadership on this issue. Thank you for your time.

Mr. CALVERT. I thank the gentleman.

[The prepared statement of Mr. DeLoach follows:]

**Statement of Robert A. DeLoach, General Manager/CEO,
Cucamonga County Water District, Rancho Cucamonga, California**

Introduction

Chairman Calvert, Ranking Member Napolitano and Members of the Subcommittee, I am Robert DeLoach, the General Manager and Chief Executive Officer of the Cucamonga County Water District located in Rancho Cucamonga, California (San Bernardino County). Thank you for the opportunity to appear before you today.

The Cucamonga County Water District supports H.R. 2991, and urges its markup without amendment.

Cucamonga County Water District is a retail water and sewer agency located within the service area of the Inland Empire Utilities Agency in western San Bernardino County and in the greater Santa Ana River Watershed. Our agency currently provides water and wastewater services to more than 160,000 people in a 47 square mile area. According to a United States Census Bureau report released earlier this year the City of Rancho Cucamonga was identified as the third fastest growing city in the nation with a population of over 100,000. Over the past five years our agency has averaged over one thousand new connected water and sewer customers annually. By the year 2020 our population is expected to reach approximately 230,000 people.

Our agency supplies retail water and sewer services to the community of Rancho Cucamonga and portions of the communities of Fontana, Ontario and Upland as well as unincorporated areas within San Bernardino County. Our agency receives approximately 50% of its water supply from the Inland Empire Utilities Agency, a member agency of the Metropolitan Water District of Southern California. Approximately 40% of our locally developed water supply comes from groundwater produced from the Chino and Cucamonga Basins, both of which are adjudicated groundwater basins. The remaining 10% of our supply is surface water collected from our local San Gabriel Mountains. Our present average daily water demand is 45 million gallons per day (MGD), with wastewater flows averaging 10 MGD. By the year 2020 our agency will need an additional 20,000 acre feet of new water supply to meet our growing demand.

Urban Water Reuse Management Strategy—"Every Drop Counts!"

Our agency is a member of the Chino Basin Regional Wastewater Treatment Program managed and administered by the Inland Empire Utilities Agency. Recycling

projects currently underway or proposed within the Inland Empire region will generate 75,000 acre feet of new supply by 2010. Of that amount, over 20,000 acre feet will be directly attributable to Cucamonga's service area at full build-out.

The rapid growth within our region has triggered several significant resource management issues. The Chino and Cucamonga Basins have a legacy of agricultural contamination such as nitrates and other agricultural chemical residuals. As such, new groundwater production is limited without extensive treatment processes or due to limitations established in the court approved adjudications. Additionally, the goals and objectives of CALFED as well as the Colorado River "4.4 plan" place long-term limitations on imported water deliveries.

Our philosophy of making sure that "every drop counts" recognizes the value of efficient water use. Recycled water is a critical and extremely valuable component of our future and as a preface to our planning process we have established four water resource management objectives:

- Maximize the beneficial use of recycled water;
- Decrease our reliance and dependence on imported water from the State Water Project;
- Provide maximum flexibility of all supply opportunities; and,
- Develop energy efficient delivery systems.

Special Challenges to Deliver Recycled Water

The use of recycled water within our area is not without its own challenges. Much of our jurisdiction is built on the alluvial fan of the San Gabriel Mountains and requires extensive pumping and energy cost to move water up the foothills to where much of our existing and future need exists. Given the condition of the California's electricity situation, this becomes a major obstacle in utilizing recycled water. Additionally, the water conveyance facilities required to transport the treated water to the area of need are non-existent requiring extensive infrastructure investment and as a consequence increased costs to our ratepayers.

Innovative Delivery of Recycled Water

Our innovative strategy calls for the siting of small, localized satellite treatment plants adjacent to where the demand actually exists. This strategy will allow us to use the existing regional system to meet the peak demands of the gravity flow areas.

A unique feature of this technology is that the individual satellite plants can be sized according to the actual demand of the individual locations. Our analysis indicates that approximately 1,120 acre feet of new treated water supply will be available at each location. In terms of imported water cost avoidance this equates to a savings of \$375,000 per site on an annual basis. A variety of new customers have been identified and support for this initiative is very high.

Working in cooperation with the City of Rancho Cucamonga, we propose to site a number of satellite treatment plants throughout their recreational park system. One such location, which is typical for many of their larger parks, will be at the Red Hill Community Park which is approximately 600 feet above the elevation of the nearest regional wastewater treatment facility. This park site and an adjacent high school are ideal candidates for recycled water use. Prior to development of this innovative technology, the energy costs alone would have made this project cost prohibitive given the state of their respective budgets.

The key benefits of this innovative technology are obvious:

- Locating the satellite plants where the need exists allows us to eliminate energy costs associated with pumping.
- The need for imported water from the State Project system is now avoided.
- Construction of new or expansion of existing regional wastewater treatment facilities is deferred saving valuable financial resources.
- During times of drought the satellite plants will provide water supply reliability and dry-year availability which is a critical element of "drought-proofing" the region.

Reuse Goals Consistent with Regional, State and Federal Programs

The implementation of our unique wastewater management strategy expands our existing water supplies and is consistent with all regional, State and Federal programs. From the Federal perspective it meets the goals of the CALFED program through development of a new resource opportunity. The United States Bureau of Reclamation recently completed a Comprehensive Water Recycling and Reuse Study for Southern California and concluded that water recycling projects in Southern California could produce almost 450,000 acre feet of new recycled water by 2010. Our project coupled with those proposed by the Inland Empire Utilities Agency will produce approximately 75,000 acre feet of that new supply.

The State of California's Water Recycling Task Force identified the need for 1.5 million acre feet of new recycled water by the year 2030. Making maximum beneficial use of recycled water creates additional benefits by relieving pressure on the State Water Project system which in turn assists users in the fertile San Joaquin Valley.

Regionally, our project conforms to the Metropolitan Water District of Southern California's Integrated Resource Plan, the Santa Ana Watershed Project Authority's watershed program, the Chino Basin Watermaster and the Inland Empire Utilities Agency's water supply goals.

As previously indicated, our watershed is one of the fastest urbanizing watersheds in the nation. We do not expect to receive more water from the State Water Project, and may well get less than originally planned. Nevertheless, we can expand our existing water supplies through development of local supplies to "drought-proof" our water district.

H.R. 2991—The Dreier Bill

The Dreier Bill proposes to amend the Reclamation Wastewater and Groundwater Study and Facilities Act and to authorize the Secretary of the Interior to participate in the Inland Empire regional recycling project and in the Cucamonga County Water District recycling project. We support this initiative because it would commit the Federal government to provide assistance to agencies who are trying to bring new water supplies online using innovative technologies.

The existing 25% Federal cost share formula is an investment at the local level that will allow the Cucamonga County Water District to leverage local funds to develop these worthwhile and very beneficial projects.

In conclusion, Mr. Chairman, I wish to thank you, Ranking Member Napolitano and all the Subcommittee members for your leadership on this issue.

[Letters submitted for the record by Mr. DeLoach follow:]



Cucamonga County Water District

18440 Ariford Street
Rancho Cucamonga, CA 91729-0638
P.O. BOX 638 • (909) 987-2591 • Fax (909) 476-8032

Robert A. DeLoach
General Manager
Chief Executive Officer

September 23, 2003

OCT 09 2003

The Honorable Ken Calvert
Chair, Subcommittee on Water and Power
1324 Longworth House Office Building
Washington, D.C. 20215

Dear Chairman Calvert,

Thank you for the opportunity to appear before your Subcommittee and testify on behalf of Congressman Dreier's bill, H.R. 2991.

Enclosed are several letters endorsing CCWD's project and water recycling program. Please include these letters in the official Record of these proceedings. The letters on the top of the packet are addressed to you from the City of Rancho Cucamonga and the City of Fontana, two of our larger water users.

Thank you.

Robert DeLoach
General Manager/CEO

Enclosure: Letters of Support

cc: Representative Grace Napolitano, Ranking Minority Member, Subcommittee on Water and Power
Representative David Dreier

ROBERT NEUFELD
President

HENRY L. STOFF
Vice President

JAMES H. CURATALO, JR.
Director

JEROME H. WILSON
Director

RON SAKALA
Director



City of Fontana
CALIFORNIA

September 22, 2003

The Honorable Ken Calvert
United States House of Representatives
2201 Rayburn Building
Washington, DC 20515

Dear Congressman Calvert:

RE: Support of HR 2991

On behalf of the City of Fontana I urge you to support HR 2991, and in particular the funding in the bill that would assist Cucamonga County Water District (CCWD) in the development of satellite wastewater treatment facilities in their service area.

The Cucamonga County Water District has plans to develop these facilities throughout its service area and locate them near parks, greenbelts and other large landscaped areas. Each facility will have the capacity to treat up to 2.0 millions gallons of water per day and utilize new innovative technology to produce recycled water that meets all State of California standards for irrigation and industrial uses.

The City of Fontana is very excited and supportive of this project since it would significantly reduce the cost of water used for irrigation and landscape purposes. The City of Fontana is one CCWD's larger customers due to our greenbelt areas and medians located in the Heritage development area. The water currently used on landscaped areas is costly imported water that CCWD purchases from the State Water Project. By developing these facilities, the City, as a ratepayer would not only reduce its overall cost of water, but would also be doing its part to reduce southern California's reliance on imported water supplies.

September 22, 2003
The Honorable Congressman Ken Calvert
Page 2 of 2

California's budget crisis has created uncertainty in the revenue cities rely upon to provide the most basic services for their constituents. Cities are looking at every possible avenue to reduce their costs and implement cost-effective solutions to continue to provide the same level of service that is expected by their citizens. Projects, such as CCWD's satellite wastewater treatment facilities, are one solution that will accomplish this goal for cities.

As a representative of California you have been a champion of water issues that ensure California's future water supply now and for generations to come. I think you would agree that CCWD's satellite wastewater treatment plant project is a solution that provides for the water needs of the State of California. It also benefits the City by stabilizing the cost of water it pays for keeping our community beautiful.

I understand that a hearing on HR 2991 was held on September 10, 2003. I am requesting that the comments made in my letter be written into the record. If you have any questions regarding the City's support of this project please contact me at (909) 350-7600.

Respectfully,



2 Kenneth R. Hunt
City Manager
City of Fontana

cc: Cucamonga County Water District Board of Directors



OFFICE OF THE MAYOR

September 22, 2003

The Honorable Ken Calvert
 United States House of Representatives
 2201 Rayburn Building
 Washington, DC 20515

RE: Support of HR 2991

Dear Congressman Calvert:

On behalf of the City of Rancho Cucamonga I urge you to support HR 2991, and in particular the funding in the bill that would assist Cucamonga County Water District (CCWD) in the development of satellite wastewater treatment facilities in their service area.

The Cucamonga County Water District has plans to develop these facilities throughout its service area and locate them near parks, greenbelts and other large landscaped areas. Each facility will have the capacity to treat up to 2.0 millions gallons of water per day and utilize new innovative technology to produce recycled water that meets all State of California standards for irrigation and industrial uses.

The City of Rancho Cucamonga is very excited and supportive of this project since it would significantly reduce the cost of water used for irrigation and landscape purposes. The City of Rancho Cucamonga is one CCWD's largest customers and uses approximately 5% of the District's water supply. The water currently used on landscaped areas is costly imported water that CCWD purchases from the State Water Project. By developing these facilities, the City, as a ratepayer would not only reduce its overall cost of water, but would also be doing its part to reduce southern California's reliance on imported water supplies.

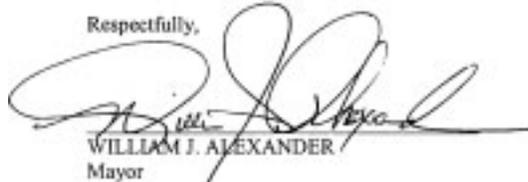
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September 22, 2003
 The Honorable Ken Calvert
 United States Congress
 Page 2 of 2

As a representative of California you have been a champion of water issues that ensure California's future water supply now, and for generations to come. I think you would agree that CCWD's satellite wastewater treatment plant project is a solution that provides for the water needs of the State of California. It also benefits the City by stabilizing the cost of water it pays for keeping our community beautiful.

I understand that a hearing on HR 2991 was held on September 10, 2003. I am requesting that the comments made in my letter be written into the record. If you have any questions regarding the City's support of this project please contact me at (909) 477-2700.

Respectfully,



WILLIAM J. ALEXANDER
 Mayor

cc: Cucamonga County Water District Board of Directors

Mr. CALVERT. We were up in Albuquerque, Mr. Pearce's district, over the weekend, and a beautiful district that it is, but as I said at that hearing, it is kind of deja vu all over again. I hear a lot about the stress of the lack of water throughout the West, and whether it is the Colorado River or the Klamath Valley or the Snake River, the Upper Rio Grande, the Lower Rio Grande and Brownsville, Texas, certainly the issue of the quantification settlement agreement and our ongoing negotiations to get that resolved, we have a lot of water problems ahead of us.

I am looking forward to working with the Bureau, Mr. Rinne, to resolve some of these issues, because if, in fact, and I understand—I met with the Secretary this morning. I think we are very close to an agreement on the quantification settlement agreement. I think we have all the parties both in the Upper Basin and Lower Basin together on this.

But as you know, even if we enter into that agreement and we are successful in putting that to bed, California, and rightfully so for our friends here in the Upper and Lower Basin States, we have to do our part and wean ourselves from the Colorado River for our friends in the other States can get their fair share and fair allocation of that water.

However, as you also know, California is about half the population of the Reclamation States and for us, in order to meet those requirements, we must develop additional water resources. So as we look forward to dealing with you, I would hope that to continually promote to you and to your colleagues that this is absolutely

not something that we should be on the sidelines on. It is something we need to do.

I want to ask to all of the witnesses here today, how do the cost benefits of desalination, brackish water treatment, wastewater recycling, all these things that have been brought up today, and other water supply enhancement options, what are the costs of these and what are our options if we don't do them? Mr. Atwater, why don't I start with you.

Mr. ATWATER. Thank you, Mr. Chairman. Well, at your field hearings and as we have talked about at the California Water Commission, there are no longer other options in California. Certainly in CALFED, we have talked about new surface storage and we hope that comes to pass. But from a groundwater storage and developing new supplies, realistically, water recycling, desalination, both groundwater and ultimately seawater at the Metropolitan Water District and working with some of the member agencies like L.A., West Basin, Long Beach, Orange County and San Diego, we do think there is a potential over the next ten, 15 years to develop about 100,000, maybe 150,000 acre feet of seawater desalting.

But the projects that we talk about on the Santa Ana River are really incredibly important when you look at the growth in Riverside, San Bernardino and Orange County. And clearly, we think they are very cost effective. I would be happy to provide to the Committee a cost comparison between some of the reservoir projects and the other alternative supplies in California so that you can—

Mr. CALVERT. That would be helpful, and the record, as I mentioned, will be held open for 10 days. We would be happy to get that.

Any other comments?

Mr. BILODEAU. Very quickly. The cost of our water to produce is about \$500 an acre foot. Desalination—ocean desalination is about double that. We are able to do it cost effectively because it takes so much less energy to clean secondarily treated sewage than desalt ocean water. And also, our project is the largest of its kind in North America. Not a week goes by that we don't have visitors from Asia or the Middle East or Europe that come to see what we are doing so they can emulate that in other parts of the world.

Mr. CALVERT. Great. Mr. Rinne?

Mr. RINNE. The only thing I would add to that, as I think about options, there may be more than this, but probably three or four, certainly the water recycling, desalination, water conservation, and then I would throw in—my term would be water transfers. All of it probably play into helping to solve the puzzle in the long term. In and of themselves, probably none of them, as we all would probably agree, would do it. But they all probably help.

And then finally, in that regard, and I appreciate your comments to us, Mr. Chairman, about wanting to work with us. We do want to work with you on solving these problems and I think the area—one of the areas we are trying to do is our part as we can in some of the—with an emphasis on research, say, in desalination, where it may help, this other gentleman before mentioned, to even bring the cost down further if we can and that would help, again, to make it more feasible to do some of these things.

Mr. CALVERT. Robert?

Mr. DELOACH. Mr. Chairman, I just offer two points. One I already spoke to earlier, and that was the cost avoidance for our customers, the actual ratepayer who pays the bill, and that is the avoided cost of not purchasing State project water, anywhere from \$300,000 to \$375,000 a year per one of these sites that we discussed.

The second part is as we purchase this water through the Inland Empire Utilities Agency and build the infrastructure to deliver it to our customers, that rate is significantly less than the potable rate that we normally supply to our customers, about a 20 percent cost decrease. That helps the ratepayer to a significant degree to meet just the standard of living that we have grown accustomed to.

Mr. CALVERT. I thank the gentleman.

Mrs. Napolitano?

Mrs. NAPOLITANO. Thank you, Mr. Chair. I sit here and wonder how we are going to get this done, but Mr. Rinne, one of the things you mentioned was that you would oppose all bills because of the reasons you stated—the cap was over, you didn't think—they didn't have any EIR review analysis. Yet, most of these programs have already—they are online. They have not been funded by the Bureau of Reclamation before, maybe in assistance with the planning.

But how do we continue to move forward to try to meet the plan, and I am not talking about Texas, but the rest of the ones that are here from California, to be able to continue producing potable water for the communities, for the industrial community, for the needs that the growth demands? It isn't a matter of we can stop the growth. We can't. So how do we address that without saying, if we are going to build more new desalination plants, alone the cost, and then what do you do with the brine? So there are other issues that go into—if you just say, well, desalination might be the major answer. That is why we are focusing on that. Water transfers.

I had asked when we were in Moab, Utah, when we were working on the Colorado River, the Utes were willing to sit at the table. But there is a Federal law that prohibits water transfers. They have plenty of water, they say. We would be willing to help transfer some of that. Federal law prohibits that. How do we do that? How can you come and say to us, here are things that we can do? Here are some of the solutions that some may need, legislative processing. Others may be working together, coalition building. I certainly hope my Texas Representative here would pick the brain of Richard Atwater, Mr. Bilodeau and Mr. DeLoach so that we can learn from each other, so we can help each other, so we can understand the priorities.

When you have a Texas area that is not only drought—we have been working on that. We had that hearing in Texas with the Rio Grande. But the fact that they are right at the ocean, so they have saltwater intrusion. They have all kinds of problems. How do we help them deal with the increase in population, with the increase in being able to deal with the industrial growth, and address those issues.

We are trying to help them so we have that assistance in our budgetary needs, and we can't do it without the help of the agencies. I mean, what do we do, sir?

Mr. RINNE. Maybe a couple of thoughts. First, I will restate again, while we cannot testify in support of the bills that are here today, we are not opposed to water recycling projects, and I think that is borne out by the program that we have ongoing over the last—

Mrs. NAPOLITANO. Right, except that the funding has been decimated. So, in essence, you may not totally not support them, but you don't fund them.

Mr. RINNE. The second thing is that maybe —when you think of the proposed initiative for 2004, the Water 2025 as the Chairman had mentioned in opening remarks about the trips around the West, which is a pretty good active statement. I think, of a lot of going ons. The hope is that, and two of the key objectives as I understood them was, number one, it was an attempt to get people, all of us, not just the Federal people but locals and from all walks of water together and actually talk and do the very thing you are—to look at the very questions you are asking. How do you best tackle these things?

And that is why a moment ago, when I was talking, not that those four areas are the only areas that solve water problems. I don't kid myself that I have all the answers there. But I think that is the way that we can do it, is get the people together in the same room as some of them have started. That is what some of the 2025 meetings were about. Get the dialog going. The second thing was to then try to see if we could come up with solutions collectively that might help avoid these conflicts, you know, identify where the problems are. Again, I think they were characterized pretty accurately. You just look at about any river system and urban areas on it and it speaks for itself.

I don't know if there is a silver bullet. I just think that it is going to take a lot of hard work. I do think that—I also don't think at this point that we are—you know, we are working hard on the projects that are authorized. We want to do the Title XVI ones, we want to do our part. But it is not an easy solution to solve that. We certainly look at it. We hear your concerns and we want to address them and work with them.

Mrs. NAPOLITANO. Thank you, sir. I know my time is up, but in California, we are expected to meet 4.4 by 2016. How are we going to do that if we don't have this additional tool of being able to increase the funding for recycled water projects? It is only seed money, but it is helpful because it then allows that project to move forward. It is just frustrating, sir. Thank you.

Mr. CALVERT. Mr. Pearce?

Mr. PEARCE. Thank you, Mr. Chairman, and thank you for coming to the Second District of New Mexico over the weekend. That was an excellent hearing and I am still getting favorable comments on that.

My questions, we in the Southern District of New Mexico make millions of barrels every day of produced water that is manufactured—it is brought to the surface when you bring oil to the surface. We separate it out and typically we dispose of that water.

Usually, it is coming from very deep production zones and it is a waste of water that could be cleaned up, the salt taken out, the hydrocarbons taken out.

My question is, Mr. Bilodeau, as you talk about your costs, \$500 per acre foot. Is that cost including the cost of the plan, or are those just operational costs that you are referring to?

Mr. BILODEAU. It is the cost of the production as well as the amortization of our debt.

Mr. PEARCE. OK. And when you talk about cleaning up your water to where it is well beyond the cleanliness required or the content required for drinking water, what part per million are you expecting that you would have as you discharge the water for, just approximately?

Mr. BILODEAU. About 300 parts per million on that, total dissolved solvents.

Mr. PEARCE. Three-hundred?

Mr. BILODEAU. Yes. I believe the drinking water standard is 500.

Mr. PEARCE. In my district, we are going to the sewage treatment plants and we are putting water into the Rio Grande River and the parts per million are down around two, two parts per million, and they were using a figure of 30 for drinking water, or for discharge into the rivers, and these are just your standard run-of-the-mill sewage treatment plants. I am wondering what is different about your process than a standard sewage treatment plant that would—I mean, we looked at the filters of just tap water and then the filter of this water coming through. It is highly purified just in the normal sequence. Can you give me some clarity on that?

Mr. BILODEAU. I think perhaps we will have to get back to you on that in terms of the—

Mr. PEARCE. I would appreciate that.

Mr. BILODEAU. We might be talking about a different measurement or a different—

Mr. CALVERT. I think, Mr. Pearce, I think probably on the total dissolved solids, I am sure that it is somewhat higher than two parts per million that is coming out to the Rio Grande after treatment, because the Colorado River is approximately 700 parts per million on TDS, and if you can clean any water at 300, it is very, very, very, very good water.

Mr. PEARCE. Well, I—

Mr. ATWATER. Excuse me. And when you normally talk about 30 parts, that normally equates under the Clean Water Act, for the wastewater sewage treatment plant, you are probably talking about 30 milligrams per liter biological demand, BOD, as we call it, or suspended solids, which is the normal measure of how much we cleaned up the wastewater. It is not salinity, but it is a different measure. So we may be talking about apples and oranges—

Mr. PEARCE. I would suspect so, but if you could get me information, I would like to compare it to what I am saying—

Mr. BILODEAU. Absolutely.

Mr. PEARCE. —because we have got different communities there that are saying they are in single digits. Again, this is wastewater that is going back into the river.

Mr. Campirano, as you talk about the input of the water that you want to desalinate, what parts per million are you looking at on some of the waters that you have in Brownsville there?

Mr. CAMPIRANO. The brackish groundwater that we currently are taking in is about 3,500 parts per million.

Mr. PEARCE. OK.

Mr. CAMPIRANO. So it is considerably less, obviously, than the access that we have to our seawater.

Mr. PEARCE. Seawater is about 25,000 parts.

Mr. CAMPIRANO. Actually, we have a very high salinity. I think we have one of the super-saline bodies of water in our area that can go as high as 45,000 parts per million, so in our particular case, it just—it is cost prohibitive to begin to look at the kind of operation where we can look to the Gulf for our source of water and we need to really explore all of the groundwater options before we begin to look at that.

Mr. PEARCE. Thank you, Mr. Chairman. I would just ask one last question. It will be kind of an open question to each of you who have projects, and that would be about the ownership of the water. Who would own the water that comes out as an output? And Mr. Rinne, at some point, I would like your comments on that.

I have had friction with the Bureau of Reclamation before over them claiming that because they ever participated in any financial way, that they own the water, and we have got a circumstance in our district. So that I would caution each one of you water systems that if you take water from the Bureau of Reclamation at some point in the future, they may say, it is our water, it is not your water. The Elephant Butte is the only, the only irrigation system that has ever been paid off in the Bureau of Reclamation system, or was at the time that the Bureau of Reclamation decided to say that that water was theirs.

So my simple caution, and maybe it is a question, that you really look at this with your eyes open if you think this is going to be your water without context 20 and 4 years into the future. It is a very problematic question. If you would like to respond, I would like to hear from you, and then, Mr. Rinne, if you would like to. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. The gentleman from Texas, Mr. Campirano, one question. Just following up with what Mr. Pearce said, just before we go to our next question, your 3,500 parts per million TDS, and what is your cost to clean up the water, approximately, per acre foot?

Mr. CAMPIRANO. In this—I don't have that unit in cost per acre foot. I can break it down to you as compared to what it costs us in terms of 1,000 gallons, which is what we use to measure how we are going to sell the water. In our particular case, not only the—all of the infrastructure that is going into place for the brackish groundwater project as well as the treatment and the big cost of powering the facility. It comes out to about 92 cents per thousand. That is very—in our community, that is affordable.

Mr. CALVERT. That is approximately the same price as the Orange County water price, I suspect. OK. Thank you.

Mr. Solomon Ortiz?

Mr. ORTIZ. Thank you, Mr. Chairman. I would like to ask Mr. Campirano, maybe you can expand on some of the features that we have in the Brownsville area that you plan to use as part of your water supply system. I believe that we call them resacas and maybe you can talk to the Committee and explain how do you plan to use these features that we have.

Mr. CAMPIRANO. Brownsville is unique that it has these features, bodies of water that essentially, I guess, could be described as ox bow legs that were part of the Rio Grande system many years ago that have been cutoff over time. In Brownsville, we currently have a project with the Corps of Engineers that is called the Resaca Restoration Project. Unfortunately, the resacas over time have been used as flood control for the city of Brownsville and consequently have been heavily damaged over the years as basically being the catch basins for all of the surface drainage.

In Brownsville, those resacas actually serve as surface water storage for our surface water treatment. What we hope to do with the resacas is to essentially restore them to their original depth and that will, in effect, add approximately 1,700 acre feet of storage capacity to our surface water storage system.

They also offer other benefits, but from a water supply standpoint, it is critical for us to be able to have as much storage capacity as possible simply because we are at the last leg of the Rio Grande. Nobody takes water out of the river any further south than Brownsville. So, consequently, taking advantage of those available releases when they are available in our water rights, we need to enhance our surface water storage capacity, and that is how we would do that, with the resaca system.

Mr. ORTIZ. And I just have one more question. Going back to the funding, Mr. Deputy Secretary, do you make your own request or do you go by what the Administration requests as far as funding?

Mr. RINNE. Congressman, each year, of course, as we develop our budget request, we look at our overall program, and just focusing in on, say, the Title XVI program, as part of that activity, we will try to work through and see what we—we would want it, obviously, to be in line with the Administration priority, but we will look at what projects—we are trying, first off, to complete all the projects, all the Title XVI projects.

So we are trying to complete the ones that we have on the books and there are quite a few there, and so then we will just try to—we work through a process of that along with our other programs and then we will make a submittal through the Department, which, of course, then gets worked by the Department and Office of Management and eventually becomes part of the Administration's proposal.

Mr. ORTIZ. But it just so happens that the ones that we are talking about today are not in the books, so that means that there is no money for them. Now, we want to work with you, and I know that if we don't fund it, there is no way you can work on it. But in many instances, and I have said this before, the next war we are going to have is not going to be about oil. It is going to be about water.

In my neck of the woods, you get down to the nitty-gritty. I mean, you go to the school children, you know, how they flush the

toilet, and it sounds pretty nasty, but I have said this before. They even had a contest in the schools to see if the children could come up with something that would rhyme. Do you know what they came up with, because we were having a serious water shortage? And it sounds nasty, but this is the only way how they would get children not to flush the toilet. And they came up with an award-winning slogan, Mr. Chairman. They came up and said, "If yellow, you let it mellow. If brown, you flush it down." Can you imagine when we have to get to that level and we don't find any relief? I mean, this is pretty serious.

I know we have a hard-working Chairman here who is very conscious of the problems, not only in my district, but throughout the United States. We want to help you, Mr. Chairman. I am willing to do everything in my part to help. But, you know, I am at the last, like Mr. Campirano just stated, at the end of the Rio Grande. Besides all the stuff they flush into the river, we get the last of it. So this is very, very serious and I just hope that maybe we can find a solution.

I am willing to—I mean, if—and I guess I was the only Hispanic member who supported the President on the war with Iraq, but I think that if we can go to Iraq and fund all these projects in Iraq, let us do something for our people here. I hope that we can find a solution, because our communities are in dire need of finding a water solution to our area.

Thank you, Mr. Chairman.

Mr. CALVERT. I thank the gentleman.

Mr. Baca?

Mr. BACA. Thank you very much, Mr. Chairman. First of all, I want to thank you for having this hearing and our Minority Ranking Member, Grace Napolitano. It is a serious problem and a top priority for a lot of us.

Water is very critical in each and every one of our districts and I know the district that I represent and the Inland Empire, which is the fastest-growing region in the State of California, and I appreciate your leadership in reference to H.R. 2991, which I am a co-sponsor of that legislation, which I think it is important for our area that serves both the city of Ontario and Fontana.

As we look at our growth in our region, we continue to have people moving into the Inland Empire, so with housing, water then becomes a very critical problem in the Inland Empire to make sure that we have an abundant supply of water, and quality of water is very important as we look at the Inland Empire.

That is why I am somewhat appalled to hear that the Administration does not support these initiatives that are before us because when you look at water, water is like gold, and without water, you can't live. It seems like sometimes we try to look for other alternatives. The bottom line is that we need to supply water and quality water and we need it now and sometimes we wait a little bit too long.

Based on that, I want to ask two of the members from my district, either Richard Atwater or Bob DeLoach, one of these questions, and either one of you can answer. More than one-third of the groundwater wells in the city of Rialto, California, are now closed because of perchlorate contamination. Drought conditions have

added to the situation to cause a water emergency. I understand that the legislation discussed today does not address the issue of perchlorate contamination, but I would like to know how these water recycling projects will be able to benefit the areas facing hardships because of perchlorate contamination. Will it have an indirect effect on these issues?

Mr. ATWATER. If I may, Congressman Baca, you raise a good point. If we develop recycled water, we can reduce the need for that local well water, or as Robert pointed out, imported water needs. By having the city parks in Rialto or in Fontana, the industrial users like Inland Paper in Ontario, using recycled water, it puts less stress on that valuable drinking water.

It is kind of common sense. Why would you want to use the valuable drinking water to irrigate a golf course, the city park, the high school football, all that outdoor turf, or industrial uses. And with the perchlorate problem, what available good, clean drinking water we have, clearly, you don't want to waste it. I don't mean that in a bad term. But why would you want to use that really pure water for things that you could use the recycled water for? And that would stretch Rialto's supplies if we could develop more recycled water in the area.

Mr. BACA. Robert, do you want to attempt to add anything else?

Mr. DELOACH. Thank you, Congressman Baca. I would agree with Mr. Atwater. I think the point of your question was, would recycled water alleviate this pressure? Obviously, it doesn't clean up the perchlorate issue, but as Rich indicated, it does relieve the pressure so that communities such as Rialto in your district does not perhaps have to shut off as many wells. They can continue to supply water to their customers at a cheaper rate rather than going to the imported water.

The whole issue of perchlorate, as you know, is another issue that is exploding in our area and is rapidly becoming the primary issue affecting water quality and water supply. But recycled water certainly will get to the point where you can offset that loss to some degree, but not completely.

Mr. BACA. Thank you. The next question I have, small satellite treatment plants are part of the plans to drought-proof the area. How long would you predict that it would take to build these treatment plants and put them into use, question one. Two, how cost effective are these treatment plants as opposed to other types of water projects?

Mr. DELOACH. Thank you. Two good questions. Our plan that we have in place currently would have the sites developed and ready to go by 2010 delivering water. The actual cost differential would be about 80 percent of the Metropolitan rate, which is currently at \$333 an acre foot. So they do represent substantial savings to our customers.

Mr. BACA. Thank you. Once these projects are put into place, do you expect them to become models for other regions and States, question number one, and I am wondering if this could be another incentive for Congress to move this legislation through. Do you agree?

Mr. DELOACH. Yes and yes.

Mr. BACA. Thanks. And, by the way, Mr. Chairman, I want to thank you for taking the leadership and also going to New Mexico to Belen, the hometown where I was at, to deal with the water problems and the droughts that they are having in the immediate area. I know a lot of the farmers are very concerned because they didn't have water in the immediate area and part of it was because of an endangered species that was identified there. But water is a problem and drought was a problem in that area, so thank you.

Mr. CALVERT. Just as Brownsville, Texas, has two members of Congress, now Belen, New Mexico, has two members also representing their interests, so they are a very fortunate community.

I would like to spend a little time here on my bill, H.R. 2828, promote that and ask Mr. Rinne about hopefully the Bureau's support of that bill. As you know, as we talk about the issue of contaminants, whether it is perchlorate or arsenic or nitrate or any other number of contaminants that we must deal with under the Federal law and the State law, and so there is a Federal role to play, I think. And certainly desalination, as we meet the Federal requirements that are outlined to get out of the Colorado River and to utilize the bay delta to meet the guidelines of the Endangered Species Act, which is also a Federal law, there is a Federal role to play.

In H.R. 2828, we try to outline legislation that meets the requirements that the Federal Government lays out, at the same time gives us additional water supply to meet the needs of the West and, in fact, the entire country as we get into these problems, not just in the West. We see some issues right now in Florida and Georgia. We certainly had a problem right here in Maryland until last year, I think. Happily, the drought ended.

But I would hope—I think we are getting the support virtually of every water agency in the State of California and certainly most everybody in the West, and I think this is a great way and I am certainly happy. I think everyone here is supporting this legislation. But I want to hear from the Department, the Bureau. Have you had a chance to look at this legislation, and I would like to have your input on it a little bit.

Mr. RINNE. Mr. Chairman, I honestly have not myself, and so I am feeling a little bit unprepared. But I guess if that would be helpful and with the record being open, I would be very glad to—we could get back to you on that.

Mr. CALVERT. Well, I know that when you went on your 2025 road trip, you heard a lot about recycling, desalination, and the rest of it from everyone in the West, and so I would hope that you will take a good look at that because we intend to mark this bill up pretty quickly and to move it forward, because as we are here today, as I mentioned in my opening statement, addressing these bills. They are fine bills. They want to do the right thing for the country.

We have a water crisis all over the country. It was like I mentioned in New Mexico. We have got problems in Nevada. Nevada, as you know, right now in this quantification agreement they are trying to figure out a way to buy some additional water, but you mentioned water transfers. They are not that simple, as you know. I don't have to lecture you on this. You know that as people get

water out of the river, if someone wants to sell it, it doesn't necessarily mean they can sell it because of the way the water law within the States. They are allocated.

So it is more, I think, an easier route for the Federal Government to take to leverage resources into developing water throughout the West, whether it is reclamation, desalination, and the rest. So I would certainly hope that we can continue to work with the Department and with the Bureau to make sure that we get that help.

Mr. Pearce, any additional questions?

We have a list of questions here that I am going to submit to all of our witnesses. If I could get some written answers back, I would appreciate that.

Mrs. Napolitano?

Mrs. NAPOLITANO. Thank you, Mr. Chairman. There are a couple of things that I have left hanging here.

One of the questions I have is for Mr. Campirano, whether or not you have been in contact with the Department of Interior, any previous contact with the Bureau regarding your projects and what kind of help have you gotten from them.

Mr. CAMPIRANO. We have actually worked with the Bureau in Texas and the Bureau is very, very helpful.

Mrs. NAPOLITANO. The Bureau in Texas, you mean the Texas Bureau.

Mr. CAMPIRANO. Yes.

Mrs. NAPOLITANO. But how about our Federal Bureau?

Mr. CAMPIRANO. Well, I am talking about the staff in the Texas Bureau, out of Austin. In fact, we have been working with them on implementing one project at the present time. The problem that we see with the Bureau, again, as has been stated here, is they simply don't have the resources to respond, and many of the issues that we face, as everyone else in this panel is, that they are critical. I mean, they are things that need to be done now and can't be waited on.

But the projects that we have and the discussions that we have had with the Bureau have been very, very helpful, and certainly we hope that the deliberations that you are having of being able to provide the resources to implement the projects will give them that much more opportunity to actually begin to, in a more expeditious manner, begin to address our concerns and get some of these projects implemented. But efforts to date have been very, very helpful with the Bureau.

Mrs. NAPOLITANO. Could you use some more?

Mr. CAMPIRANO. I beg your pardon?

Mrs. NAPOLITANO. Could you use some more help?

Mr. CAMPIRANO. Absolutely. We—actually, some of these things we feel we are ready to implement, so we could save that money and go directly into implementation if they had the resources available to push these projects.

Mrs. NAPOLITANO. You border Brownsville, Texas—I mean, Matamoros. What is the population of Brownsville versus Matamoros?

Mr. CAMPIRANO. Brownsville's population is 150,000. Matamoros's population is about 650,000.

Mrs. NAPOLITANO. OK. I thought it was closer to a million. But what is your daily traffic from south of the border?

Mr. CAMPIRANO. Bridge crossings, I believe, average into the 50,000 a day line on the three international bridges.

Mrs. NAPOLITANO. So that adds to your daily—because those people go to work, they go to eat, they go to shop, and that increases your use of your local resources, namely water, am I correct?

Mr. CAMPIRANO. That is correct.

Mrs. NAPOLITANO. OK. So I just wanted to see how that—because you haven't had much of a population growth in Brownsville.

Mr. CAMPIRANO. On the contrary. Brownsville is one of the fastest-growing regions of the country and the population growth from the last census was roughly 30 percent and there is no indication that is going to slow down any. The same thing really goes for all of the border regions of Mexico. There is a tremendous influx of population from the interior of Mexico to the Fontana and Matamoros is also experiencing—

Mrs. NAPOLITANO. What about your snowbirds?

Mr. CAMPIRANO. That typically is a population that would begin to arrive in November and stay through March. Spring breakers run them out.

Mrs. NAPOLITANO. Numbers?

Mr. CAMPIRANO. Roughly, in the Valley—I am going to talk about the Valley—according to studies done by University of Texas Pan-American, we roughly get 150,000 what we call winter Texans in our area.

Mrs. NAPOLITANO. So you have all these added uses, or users, that require additional services.

Mr. CAMPIRANO. That is correct.

Mrs. NAPOLITANO. OK. Thank you.

Mr. ATWATER, we have talked about the cap, the Federal cap, the 25 percent or \$20 million on Title XVI. Is that sufficient?

Mr. ATWATER. I think certainly since 1992, Congress has articulated that 25 percent cap and it has worked well for many of the projects. Most of them actually, as Denis Bilodeau from Orange County Water District testified, they are at 4 percent now, so certainly 4 percent is a lot less than 25 percent. And in general, very few of the projects get over 20 percent.

Mrs. NAPOLITANO. But would there be a reason to have a review of the size of the projects, the amount of people it serves and the effect that that percentage may not be adequate?

Mr. ATWATER. Certainly, that is a good question that ought to be revisited on a regular basis, is the cost sharing formula. In this case, very small Federal investment leveraging a large amount of non-Federal dollars to solve water problems throughout the West, and under the Chairman's bill, nationally, which I think is a great idea. It is certainly something that ought to be revisited on a regular basis by Congress and the Administration.

Mrs. NAPOLITANO. Thank you, sir.

Thank you, Mr. Chairman. That ends my questioning.

Mr. CALVERT. I would just be happy if they would make the 25 percent. That would be great, and we need to help you with that, I understand, Mr. Rinne.

One further comment. In the issue with Texas, and this has the attention of the President of the United States. He brought it up to me, so he is very much aware of the issue in Texas. Of course, the problem in Brownsville, much of that is brought about by the situation with Mexico and their inability or their refusal to deliver the water under the treaty obligations that they are required to do. So hopefully, there is some small relief that is going in that direction, but certainly, we have the State Department that needs to do a better job of working that issue and making sure that Brownsville gets the water that is owed to them.

Again, I thank all the witnesses for being here. I thank you for your support on H.R. 2828. Go out and tell everybody about it and pass the gospel. I appreciate it. We are adjourned.

[Whereupon, at 4:09 p.m., the Subcommittee was adjourned.]

[A letter submitted for the record by The Honorable Gary C. Ovitt, Mayor, City of Ontario, California, follows:]

<p>CITY OF</p> <p>300 EAST "B" STREET, CIVIC CENTER</p>	 <p>ONTARIO</p>	<p>ONTARIO</p> <p>CALIFORNIA 91754-4196</p>	<p>(909) 395-3080 FAX (909) 395-3079</p>
<p>GARY C. OVITT MAYOR</p> <p>PHIL S. LEON MAYOR PRO TEM</p> <p>ALAN D. SIMPNER GERALD A. CHASE DEBORAH S. ACKER COUNCIL MEMBERS</p>	<p>September 22, 2003</p>	<p>GREGORY C. DEBREAU CITY MANAGER</p> <p>MARY E. WITTEL, MAC CITY CLERK</p> <p>JAMES R. WILHEISER TREASURER</p>	

The Honorable Ken Calvert
Chairman, Subcommittee on Water and Power
1511 Longworth House Office Building
Washington, D.C. 20515

Support for H.R. 142 and H.R. 2991

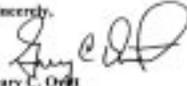
Dear Mr. Chairman:

On behalf of the City of Ontario, I want to express our strong support for H. R. 142 and H. R. 2991. This legislation would provide federal authorization for funding critical new water supply projects in the Chino Basin.

The Inland Empire Utilities Agency regional water recycling program would provide a new local supply of 70,000 acre-feet per year. H.R. 142 would also provide federal funding to expand the Chino desalter to 40,000 acre-feet per year.

We appreciate your leadership and support for these important bills to help maintain a reliable supply to the residents in the Chino Basin.

Sincerely,



Gary C. Ovitt
Mayor

c) Congressman David DeLoe
Congresswoman Grace Napolitano
Congressman Joe Baca
Congressman Gary Miller