CHROMIUM 6 & MORATORIUM UPDATE

By KIRK CLOYD, GM, HVL Community Services District

Many have asked for an update on the District's battle with the State of California over the Chromium 6 (Cr6) and Building Moratorium issues.

CHROMIUM 6 (CR6)

At one time, the U.S. EPA and the State of California both recognized a Cr6 limit of 50 ppb (parts per billion) as the safe standard for drinking water. Due to a threatened lawsuit by several environmental activists groups, California reduced the Cr6 level to 10 ppb effective July 1, 2014, with a five-year compliance date of December 30, 2019.

About the same time, the U.S. EPA reaffirmed the Cr6 limits in drinking water for the remaining 49 states at 100ppb citing that the data did not indicate Cr6 caused health issues at that level.

HVLCSD currently has three domestic wells that are used for drinking water and one agricultural well, all located south of Putah Creek. When blended, the three domestic wells have an annual average Cr6 level of 11.1ppb as indicated in HVLCSD's annual Consumer Confidence Report (CCR) found on our website. (www.HiddenValleyLakeCSD.com)

The District is looking at a number of ways to address this issue. One option is to treat two existing wells that are over the Cr6 limit at an estimated capital cost of \$2.5 to \$5 million with annual operational and disposal costs of approximately \$500K. A second, preferred option is to locate and drill a new well (at an estimated cost of \$1 million) with Cr6 levels below the state limit that can be added into our distribution system. More on that in a moment.

BUILDING MORATORIUM

With the drought, California declared a building freeze (moratorium) for Hidden Valley Lake (with the exceptions of Units 4 and 5 which are exempt under riparian rights) and the surrounding area served by HVLCSD, as well as hundreds of other communities throughout the state. This is based on the State's belief that there is not enough water (during drought years) to provide additional homes with the needed drinking water and they demand we find an alternative water source.

Again, HVLCSD is using a multi-faceted approach to resolve this issue. Working with our contracted engineers, water rights attorneys, hydraulic specialists, geologist and local government representatives, we have vehemently argued against the state's mandate on the grounds that during the recent drought years, the water table did not drop significantly and recharged during the annual rains.

Separately, we're also making the argument to the State that the District draws water from the aquifer, delivers it, and then returns the same water (minus evaporation) to the aquifer. This is accomplished when residents and HVLA irrigate their properties and the remaining water from the homes is treated at the HVLCSD RWRF (Regional Water Reclamation Facility, aka, our sewer treatment plant.) All of the treated water is used on the golf course, filtered again through the ground over many years and returned to the aquifer. We are in a unique situation which provides a closed loop in our water source. Rainwater and runoff from higher elevations

provide enough extra water into our area that there is a constant flow down Putah Creek to Lake Berryessa.

TWO BIRDS, ONE STONE

The District is continuing to look at several locations to drill a new well and meet the criteria set forth by the State of California with low Cr6 levels and in a different watershed. Likewise, funding options are being explored to pay for the permits, exploratory well, drilling of the main well and the infrastructure, piping and building required to meet all current standards. The hope is that we will be able to provide a new well within 18 to 24 months.

However, the State has the final approval of all aspects of these endeavors and there is the potential that they could deny HVLCSD's pursuit to address the Cr6 and moratorium issues at any point in the process.

Well Sites: HVLCSD and our consultants are exploring potential well sites that could fill two needs with one deed. Two are situated north of Putah Creek. The preferred site is located near the base of the Hidden Valley Lake dam. Since water has been flowing down Coyote Creek for thousands of years flushing out the naturally occurring Cr6, a well in this location may provide a water source with Cr6 levels well below the state mandated 10ppb. Most importantly, precedence has been set and approved by the state for creating a well near a dam. It is believed that this location would be classified as a new water source in a different watershed, addressing the moratorium, as would drilling on the opposite side of Putah Creek from the existing wells. Thus, one well could solve both Cr6 and lift the moratorium.

Distribution: A new well at the base of the dam would be put directly into the system. This would reduce the demand on the other three wells allowing us to pump enough water from well 3 to blend with wells 2 & 4 to bring the water delivered to the system below the 10ppb as required (we're already at an annual average of 11.1 so this should be very doable.) This way HVLCSD can avoid the cost of transporting the water and blending all 4 wells while meeting the demands of the state.

By addressing both issues in unison, HVLCSD would be able to reduce overall costs in an effort to keep District expenses to a minimum while meeting the rigorous demands of the State Water Quality Control Board.

