TESTIMONY OF ANTHONY W. ARAIZA, GENERAL MANAGER OF THE WEST VALLEY WATER DISTRICT IN CONNECTION WITH

THE UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON NATURAL RESOURCES, SUBCOMMITTEE ON WATER AND POWER

HEARING ON "SUSTAINABLE WATER SUPPLIES FOR THE WEST: PART I – PROTECTING GROUNDWATER RESOURCES"

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KELLOGG WEST CONFERENCE CENTER CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA, CALIFORNIA

Introduction

My name is Anthony Araiza and I am the General Manager and Secretary of the West Valley Water District. I am here today to discuss a groundwater pollution crisis that is threatening the public health, environment, water supplies and general economic growth of a significant segment of the Inland Empire.

West Valley is located in the County of San Bernardino approximately 54 miles east of Los Angeles. West Valley is a public agency formed on January 8, 1952 and established under Division 12 of the California Water Code. Since its inception, West Valley has been engaged in financing, constructing, operating, maintaining and furnishing water service to its customers. For fiscal year 2005-2006, West Valley's service area had a population of 62,400. West Valley is governed by a five-member Board of Directors that is elected at large from the registered voters living within the water district's boundaries.

West Valley is one of four water purveyors in the affected region. The other three water purveyors include the Fontana Water Company and the Cities of Rialto and Colton. Fontana Water is regulated by the California Public Utilities Commission and Rialto and Colton are governed by their city charters.

By way of background, I have worked for West Valley for 44 years and have 25 years of experience in agency administration. I am directly responsible for overseeing the operation and maintenance of West Valley's drinking water supply wells. I am also responsible for directing all investigations and responses to incidents of chemical releases or pollution that impact West Valley's drinking water supplies, including the current perchlorate pollution problem.

The perchlorate pollution, which is polluting the groundwater aquifers on which West Valley and other area water providers rely, presents an imminent and substantial endangerment to health and the environment.

Due to this crisis, the citizens of the affected area are paying for the enormous costs associated with the investigation and cleanup of the pollution. Most of these citizens are hardworking blue-collar families that should not have to, and do not have the ability to pay for such expensive investigations and cleanup. Unfortunately, as I describe later in my testimony, neither the Federal nor the State regulatory agencies responsible for investigating and directing cleanup of this pollution crisis have taken any action which will resolve this decade old problem.

I have been personally involved in responding to the contamination since we first learned of the contamination. Regrettably, as is evident from the lack of progress in the last decade, the regulatory agencies charged with responsibility for overseeing this crisis, including the USEPA, have been absent or have simply failed to bring about a solution to the problem.

Part of the reason for this ineffective agency response may be the lack of creative new strategies to deal with the complex issues involved in my area, which includes over 60 years of operations by dozens of responsible parties covering a fairly wide geographic area.

Modern times require new ways of approaching serious problems. However, instead of smart and creative problem solving, I have witnessed firsthand bureaucratic and legal roadblocks to finding a solution. West Valley's assessment is that this matter needs the immediate and close attention of the federal government, and specifically the USEPA, to bring about changes to the investigation process so that a rational, reasonable solution is identified, pursued and achieved, very soon. I base this assessment on my personal experience with the California regulatory agencies currently involved and my knowledge of what the USEPA has been able to accomplish in other areas where groundwater supplies have been severely polluted.

Extent of Pollution, Cost for Cleanup and Treatment Activities

The perchlorate pollution has forced West Valley and the other impacted water agencies to shut down or restrict the use of twenty-two (22) groundwater production wells in the area, representing approximately 52% of the region's water supply. It is also West Valley's assessment that more groundwater production wells may need to be shut down in the near future as the pollution continues to spread unchecked.

West Valley has purchased and is currently operating several perchlorate treatment systems. These systems include ion-exchange treatment systems and bioremediation systems. The perchlorate treatment technologies act to strip perchlorate from drinking water before it is served to customers.

The costs associated with the perchlorate pollution and related treatment technologies are staggering. West Valley's estimated cost to purchase, operate and maintain perchlorate treatment technologies over a ten year period is approximately 35 million dollars. This number does not include investigation and administration costs. The combined costs to the four impacted water purveyors to investigate and conduct a cleanup of the pollution will be in the hundreds of millions of dollars, which only increases by orders of magnitude if the pollution continues unchecked.

Due to these significant costs, it is imperative that the oversight of the investigation of the pollution be strong and efficient. Unfortunately, as I will explain further, that has not been the case in our area.

Regulatory Oversight

There is no doubt that this is a complex problem. However, in my opinion, the crisis is being exacerbated by a cumbersome bureaucratic process. Currently, the agency directly responsible for overseeing the investigation of the pollution is the Santa Ana Regional Water Quality Control Board. At one time, the USEPA was assisting as a back up to the Regional Board, but in the last few years, USEPA (and the many enforcement tools granted to it by Congress) has been completely absent from the picture.

During the course of its investigation, the Regional Board's effectiveness has been limited due to its small staff and limited resources. Most important, through no fault of its own, the Regional Board structure is not suited for such a serious and complex enforcement case, which is managed in public hearings, by nine civilian board members, who naturally are often influenced by the local politics of their area.

The Regional Board's process is subject to challenge at multiple levels, whether the Regional Board acts or fails to act. Imagine the US Attorney's Office or a local District Attorney with such an unwieldy, awkward and restrained ability to act.

To be accurate, the Regional Board has issued some investigation orders and other directives for information. However, an objective review will show that for the entire time it has been investigating this pollution problem – at least seven years – the Regional Board has not pursued a comprehensive regional strategy that takes into account the 60 years of contamination from multiple sources where these sources are impacting drinking water wells miles apart.

Instead, the Regional Board is looking at individual sources of contamination on a case-by-case basis. This approach leads to multiple distractions described below and, in my view, is not adequate and is a lot of motion with little tangible action. This should be self evident since after over so many years, the regional perchlorate contaminant plumes have not been assessed, nor is the extent of the contamination known.

Also, I have witnessed the Regional Board's efforts being constantly undermined by responsible parties that are taking advantage of the process by challenging every step the board takes. These legal proceedings are causing significant delays in assessing the scope of the problem, all the while the pollution continues to spread. It is estimated that the combined legal costs to date for all parties is over 50 million dollars.

On top of this, just last month, the Regional Board yielded control of a portion of the investigation to the State Water Resources Control Board. In fact, the Assistant Executive Officer for the Regional Board told our technical consultant that Board Staff is so overwhelmed with the many legal proceedings involving one portion of the problem that until the State Water

Board hearing is complete, he will take no action on any of the other perchlorate-related investigation activities currently before the Regional Board.

My blunt assessment is that this case has reached the point where serious help and intervention is needed to review the situation and consider options to help get this under control and restore the public's confidence in the State's oversight and regulatory role over water supplies. Pressure on USEPA to re-engage and exercise their jurisdiction would be a good first step.

No state agency has the enforcement capabilities or know-how to get the job done the way USEPA handles complex cleanup jobs. Equally important is the fact that USEPA is the only agency that can coordinate impacts on multiple regions, which this case ultimately will have. USEPA also should have an interest in protecting the federal funds that are being provided to this region. Without such help, nothing will change and hundreds of thousands of local citizens will continue to suffer the consequences of a stalled, time consuming and expensive effort currently underway.

Potential Regulatory Solutions

West Valley believes there is a regulatory solution. Due to the complex nature of the problem, it appears timely and prudent for the USEPA to reengage substantially in the investigation. The USEPA has experience handling large, complex pollution cases such as this that involve and affect many entities and persons.

More precisely, the USPEA handles many large complex cases throughout Southern California, including serious groundwater contamination problems in San Bernardino, Baldwin Park, Burbank, South El Monte and the San Gabriel Valley operable units. To date, these large complex USEPA-led groundwater investigations have been very successful. It is frustrating and somewhat disturbing that this pollution crisis has not received the same level of involvement from USEPA even though the people impacted by the pollution in the Inland Empire are of limited economic means and less political means to help protect their interests.

In this case, if USEPA had a greater role in the investigation, if not a lead agency status, it could engage all responsible parties in a manner apparently not available to the Regional Board. The Regional Board, which, as you know, is a political body, can only act when it meets and it must act at regularly scheduled meetings which requires compliance with the California Brown Act and usually involves other cumbersome procedures. This process naturally makes the investigation very slow moving and it is hard for the Regional Board to take decisive action and react to changes in circumstances.

As I have explained in my testimony today, the parties involved in this case have witnessed several responsible parties using administrative procedures to delay resolution while continuing to push off indefinitely their own liability. If the USEPA were more heavily involved or simply put in charge, it would not need to wait for regularly scheduled hearings or follow time consuming administrative procedures which doe not get to the substance of the problem, let alone a solution.

To be very clear, I believe the USEPA, with the assistance of state regulatory agencies, could begin immediate talks with all parties about how to identify the scope of and deal with the problem. Such flexibility will dramatically decrease the time and costs associated with investigating the pollution and lead to solutions in a greatly reduced time frame.

In sum, the current lead agency regulators must continue the investigation with the resources available and consider additional enforcement tools which are available. Most importantly, the USEPA must step forward and take over the matter, or, at least, become involved in supervising the characterization of the contamination and its ultimate cleanup before it is too late and the contamination spreads to dozens more wells and impacts thousands more lives.

Conclusion

In conclusion, the perchlorate pollution in the Inland Empire is a water pollution crisis. There is urgent need for the USEPA to step in and develop and manage a regulatory approach that is not subject to constant legal challenge and also looks at the regional problem as a whole.

Thank you for the opportunity to appear before you today and I am available to answer any questions.