Testimony of Robert E. Martin General Manager – East Valley Water District Sustainable Water Supplies for the West: Part I – Protecting Groundwater Resources April 10, 2007

Madam Chairwoman, Congressman Baca, Congresswoman Solis, and Members of the Water and Power Subcommittee, I am Robert Martin, General Manager of the East Valley Water District in San Bernardino. Thank you for holding this field hearing today. I know that I am joined by all of my water colleagues at the witness table and all of those in the Inland Empire in expressing our deep appreciation for the interest and the leadership that this Subcommittee has shown with regard to the challenges we all face in securing the water resources needed for the future of our region and throughout the West. The timing of this hearing is significant because all of us began hearing about perchlorate in our drinking water supply almost ten years ago, around Memorial Day of 1997. During these ensuing years, we have all struggled with this issue, first because there was no proven way to remove perchlorate from drinking water, and then with the enormous costs associated with constructing and operating perchlorate removal facilities. The East Valley Water District has sponsored four national conferences over the past seven years bringing stakeholders from the local, state, and federal sectors together to better understand the nature of this challenge. As the State of California prepares to issue a final MCL for perchlorate, I hope that the Congress, under the leadership of your Subcommittee, can move forward with new local/federal partnerships that will help us to address the issue of how to treat and remove perchlorate from our drinking water without overly burdening our customers with water bills which they cannot afford to pay.

All of us at the witness table face the challenge of removing perchlorate from our drinking water supplies. But the nature of this challenge can differ with each location. The problems that my agency faces with perchlorate may be traced back to the changing pattern of land use in our service area over the past hundred years. When the East Valley Water District was founded in 1954, much of our nearly 33 square mile service area in the eastern part of the San Bernardino Valley were orange groves. Over the years, with the creation of the City of Highland and the rapid urbanization of our region, we have grown to where we serve the water and wastewater needs of approximately 70,000 customers. This number continues to grow as housing tracts replace most of the remaining orange groves in the easternmost portion of our service area. Our needs are met by groundwater from the Bunker Hill Basin from which we draw about 80% of our water supply with the remaining 20% coming from surface water that originates in the San Bernardino Mountains.

Both our groundwater and our surface water supply have always been considered to be of high quality. We have watched as our colleague agencies in the region have wrestled with perchlorate contamination that has been traced to a number of sources, frequently associated with defense, or defense contractor facilities or even private sector facilities such as fireworks manufacturers. Then, in 2001, a series of well tests confirmed that East Valley Water District had perchlorate in 8 of our 21 wells at levels ranging from 4 parts per billion (ppb) to 16 parts per billion (ppb). Based upon our investigations, we can find no indication that our service area has been the location for a defense related facility

or of a private sector facility. Based upon research conducted by our regional water quality control board (Santa Ana Region), we have concluded that our perchlorate problem can be traced back to fertilizer brought in from South America in the early 20th century and used on orange groves that are now part of our service area. Since these deliveries were made generations ago and land ownership has changed, often many times, there is little hope of our securing funding help from principal responsible parties. This means that the customers of the East Valley Water District will have to bear the cost of building and operating complex perchlorate treatment systems.

When we found perchlorate in our drinking water supply, the next question to answer was whether the USEPA and the State of California might respond by setting an MCL for perchlorate and what that MCL might be. East Valley has closely participated in the federal and the state dialogue with regard to this issue over the past several years since many millions of dollars of capital costs at our utility depended upon the standards set by our Federal and State regulators. When it became apparent that the State of California would proceed with an MCL, and when we received guidance with regard to what this might be, my Board began committing itself to financing, design, and construction of the treatment facilities that would allow us to meet the California perchlorate MCL. Our East Valley mission statement calls on us "to provide our customers with a safe and reliable water supply that is delivered at a fair and cost effective price" and we are fully committed to meeting that high standard.

But I must tell you that removing perchlorate from our drinking water supply represents the most costly single action that my agency has ever undertaken. We estimate that design and construction of the necessary treatment facilities will require us to spend an initial \$50-60 million with many years of additional Operations and Maintenance (O&M) costs to follow. Many of our customers are on fixed or limited incomes. Considering the improbability of our identifying a PRP, the result will be that these customers will have to bear the full cost of treatment. This initial capital outlay alone could add \$15 - \$20 per month to a typical customer's water bill. This will be a very heavy burden for many of the people that we serve and this burden may be expected to increase over the years because of the high O&M costs associated with Perchlorate treatment.

We have followed with interest and deep appreciation the efforts of Congressman Baca and Senator Feinstein to secure passage of the California Perchlorate Contamination Remediation Act in the 109th Congress. We also deeply appreciate the leadership of you, Chairwoman Napolitano and the Water and Power Subcommittee with regard to this issue. You have all helped to give voice to the fact that our region, our State, and our nation cannot prosper without the assurance of an adequate, safe, and affordable water supply. In the past, these sorts of major challenges have been met through the creation of local/federal partnerships. It is our hope at East Valley that we can work with this Committee, our local water agency colleagues, and our Congressional delegation to expand on the work that you have already done and create a perchlorate cleanup partnership which will allow us to cooperate together and assure the safety of our drinking water supply. We at East Valley cannot trace our perchlorate contamination to the activities of the federal government, federal contractors, or entities completely in the

private sector. But we have the same responsibility to serve safe drinking water to our customers and to do so under arrangements that they can afford. We believe that when a drinking water supply is secured that the entire nation benefits. A local/federal cleanup partnership would be of great benefit to the people we serve and we urge you to continue to pursue authorizations and appropriations that would make such a partnership a reality.

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