



City of Newport Beach Coastal/Bay Water Quality Citizens Advisory Committee Minutes

Date: April 8, 2010

Time: 3:00 p.m.

Location: Utilities Yard, 949 W. 16th Street, Newport Beach, CA

1. Welcome/Self Introductions

Committee Members present:

Chairwoman/Council Member Nancy Gardner

Council Member Mike Henn

Dennis Baker

George Drayton

Tom Houston

Jim Miller

Randy Seton

Guests present:

Monica Mazur, Newport Beach resident

Jack and Nancy Skinner, SPON

Staff present:

George Murdoch, Utilities Director

Craig Justice, Deputy Utilities Director

John Kappeler, Code and Water Quality Division Manager

Shane Burckle, Water Conservation Coordinator

Shirley Oborny, Administrative Assistant

2. Approval of Previous Meeting's

No minutes were provided for approval.

3. Old Business

(a) Bay and Ocean Bacteriological Test Results

Ms. Mazur reviewed the latest bacti reports.

4. New Business

(a) Poseidon Environment Impact Report (EIR)

Mr. Murdoch said Scott Maloni previously spoke to this committee about the Poseidon Project. The City Council had authorized the City Manager to send a letter of interest to Poseidon. The City also signed a confidentiality agreement to talk about water delivery and pricing. The City sees the potential in the project; however, some of the delays have been with the EIR. He said they hope to bring the entire package to City Council in the near future asking if they would like to commit to participating in the program.

Mr. Justice gave a PowerPoint presentation (attached). Mr. Seton asked what agencies were interested in the project. Mr. Justice said it's mainly the Metropolitan Water District of Orange County (MWDOC) and their member agencies, IRWD, the South County Water District and the Rancho Santa Margarita Water District. Mr. Murdoch said any agency can buy the water but how to distribute it to them is the question. Because Huntington Beach and Newport Beach are adjacent cities, they have an interest in the project as the water would need to travel through their jurisdictions.

Discussion of the Dana Point desalination plant ensued.

Mr. Justice said the subsequent EIR (SEIR) was needed to address the issues of what would happen if the Edison Plant goes out of service, and to address the ocean water quality and marine biological resources.

Mr. Houston asked if the SEIR is predicated on the closure of the electric plant. Mr. Justice said it is.

In response to Chairwoman Gardner, Mr. Murdoch said the City of Newport Beach would be charged less for water than Rancho Santa Margarita, for example, because the distribution distance is less. Mr. Murdoch talked about two different fee proposals being discussed and ideas about how to get the water to South Orange County.

In response to Mr. Seton's question about whether Poseidon would be selling to Newport Beach or to the water districts, Mr. Justice explained that the City would buy from Poseidon and have a water supply agreement. The City would use Huntington Beach's certified CEQA for its findings. He said the City would continue to work with MWDOC and the Orange County Water District to manage water resources; however, the City would then have another resource to plug into the water allocations.

Mr. Murdoch said he was concerned about a potential plume of bacteria from the nearby sewer treatment plant. He was told the sources would not cross.

Mr. Baker said he likes the idea that the water from Poseidon would not be the City's sole source of water. Mr. Murdoch talked more about the pricing structures that are being discussed.

Mr. Skinner asked whether the water division of the Department of Health and Safety and the Regional Board would play an ongoing role in oversight. Mr. Justice said the Department of Health and Safety certifies the system and its sources. The Regional Water Quality Control Board does not play a role in water supply; however, they are involved in the discharge from the City's wells, for example.

Mr. Justice, in response to Ms. Skinner's question about how he feels about Poseidon Inc., stated they seem committed to the project, and they've done their homework which includes working with respectable agencies.

(b) Recycled Water Program

Mr. Murdoch said the Orange County Water District (OCWD) owns and operates the water mains in the City of Newport Beach that transport recycled water to its

customers. The City owns most of the meters, charges the customers for the water and then the City is charged by OCWD. The system was designed in 1995 to have nine users. The City has seven. Bonita Creek Park and East Bluff Park were never put on line. This year and last year, the Utilities Division asked the City Council for permission to move forward to completely reconstruct the irrigation system at East Bluff Park and a retrofit of the system at Bonita Creek Park.

Continuing, Mr. Murdoch said it took a long time to get the Department of Health and Safety's permission to put in a Swivel L design due to concerns about what would happen if the water became unavailable, the grass died and subsequently who would pay for it. The Swivel L design will be constructed for the two parks this year.

Mr. Murdoch talked about a system the City uses at the Big Canyon Country Club and the Newport Beach Country Club to convert to potable if needed.

Recently, he said the City was contacted about doing irrigation along Bristol using recycled water. The City approached OCWD and discovered this area wasn't included in the agreement, and furthermore, most agreements expired in 2005. In addition, he said the Big Canyon Country Club wants to renegotiate how it purchases recycled water. Because of this, Mr. Murdoch said later this year they would like to have a recycled water rate analysis done.

Further, Mr. Murdoch said IRWD has a connection to the Green Acres Project (GAP) on University and La Veta that supplies water for 30 to 60 days of the year while OCWD does maintenance to their recycled plant. IRWD would like to supply water to the GAP full time. They would like to buy the system or have OCWD keep the system. The agreement IRWD had with OCWD has also expired. IRWD said Newport Beach is also a party to the agreement because in 1995, the City said no recycled water could be discharged into San Diego Creek. IRWD would like to streamline the process by excluding Newport Beach from the agreement; however, this would open up the doors for them to discharge recycled water into the creek. Because of this, Mr. Murdoch asked this committee to confirm that the City should remain a party to the agreement. The committee agreed.

Mr. Murdoch also asked for the committee's input about IRWD's request to supply recycled water and what to do with the GAP line owned by OCWD. Discussion ensued.

(c) Utilities Yard Tour

Mr. Murdoch escorted the committee on a tour of the Utilities Yard that included a demonstration of their CCTV (camera) truck, the water production facility and a look at the underground reservoir.

5. Public Comments on Non-Agenda Items

Chairwoman Gardner said the issues of harbor fees will be looked at in the near future and invited input if anybody had any.

Mr. Skinner said the County and the Regional Board will be releasing the plans for the requirements for the City regarding cleaning Newport Bay and prioritizing inputs to Newport Bay. He said it's moving along without input from the City. He thinks the

committee should set aside plenty of time to talk to Amanda Carr when she makes a presentation at the next meeting. He thinks the committee needs to ask her how much these requirements will cost the City.

Mr. Kappeler said SCCWRP has been working on a rapid methods indicator for testing bacteria. A beta test method will be tested in June to see how it goes. If it goes well they will begin a pilot program at the Newport Pier and 43rd Street in July.

Mr. Kappeler announced that Dave Kiff wrote a letter in response to the proposed Marina Permit. The letter is available upon request.

6. Topics for Future Agendas

(a) Update on the Integrated Watershed Planning Efforts

(b) Bacteriological Dry-Weather Runoff Gutter Study (Phase III)

(c) NBTV – Waterwise

(d) Newport Bay Copper Reduction Program Resolution

(e) Adopt A Beach Program

(f) OCTA Measure M

(g) Upper Newport Bay “Road Show”

(h) Fecal Coliform TMDL Program

(i) Sea Lions in Newport Harbor

(j) Coastal Dolphin Research Program

7. Set Next Meeting Date

The next meeting was set for May 13, 2010.

8. Adjournment

The meeting was adjourned at 5:00 p.m.

**Coastal / Bay Water Quality
Committee
April 8, 2010**

Huntington Beach Desalination Project
Environmental Impact Report Update



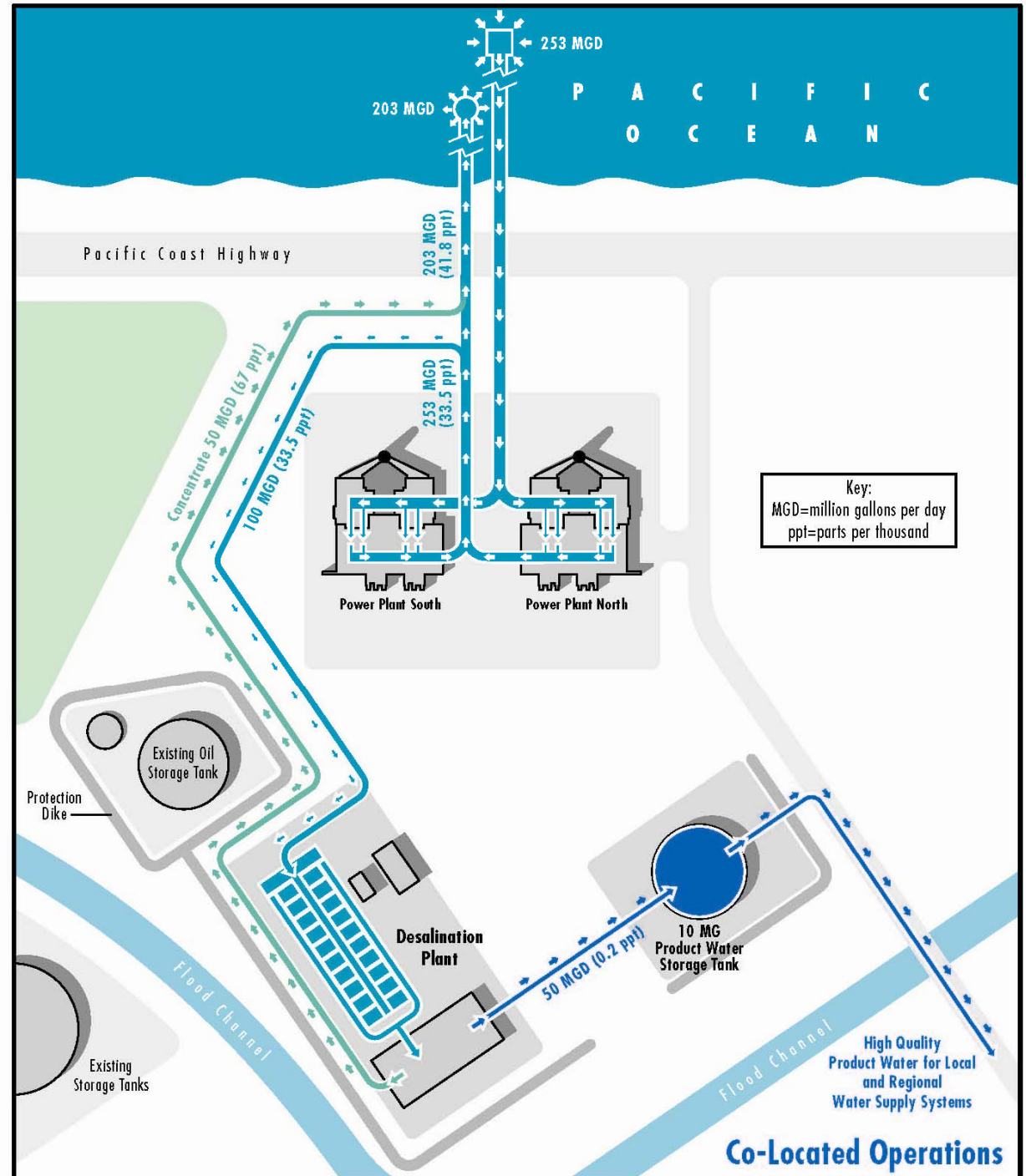
Huntington Beach Generating Station



Flow Schematic

Re-using seawater that has already been used for industrial purposes

2 gallons of seawater = 1 gallon of drinking water



CEQA History

- EIR Scoping in 2001
- EIR Completed in 2003
 - HB Planning Commission certified/HB City Council denied
- Preparation of REIR 2004
- REIR Certified by HB City Council –Sept 2005

Need for Subsequent EIR

- Changes to the project and circumstances surrounding the project have occurred and new information has become available
- SEIR replaces Certified REIR
- City of Huntington Beach is lead CEQA agency – completing the SEIR document.

Changes to project and circumstances ...

➤ Project changes

- Potential changes in location and size of project components
- Potential changes in the route and the pipeline design for the delivery system

➤ Changed circumstances

- Analyze potential changes to seawater intake (**stand alone analysis**)
- New CEQA Guidelines on GHG emissions

Key SEIR Issues – Stand Alone Operation

- Ocean Water Quality and Marine Biological Resources
 - Impingement and Entrainment
 - Plant's saline discharge
- Climate change
- Delivery system
- Project alternatives (seawater intake)

Ocean Water Quality and Marine Biological Resources

- Intake Line Impingement and Entrainment
 - Threatened, endangered or commercially valuable species (queen fish, N. anchovy, white croakers, blennies)
 - 0.9 pounds per day of fish/shellfish
 - ETM – 0.02-0.33% of source water
- Saline Discharge
 - California Ocean Plan standards
 - Allows for Zone of Initial Dilution
 - Acute and chronic toxicity

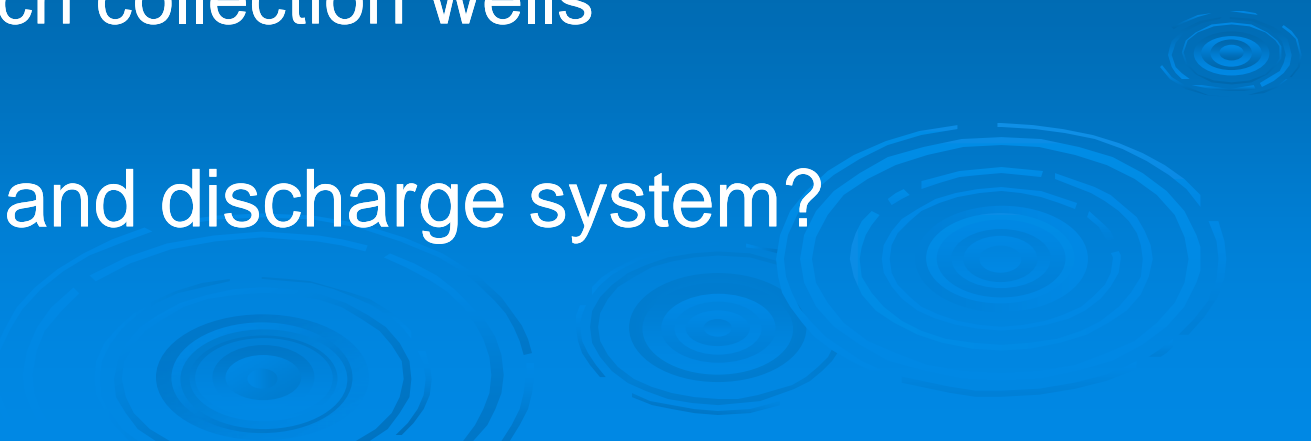
Climate Change

- Voluntary Energy Minimization and Greenhouse Gas Reduction Plan (“GHG Plan”)
 - Emissions from construction and operations
- Indirect emitter - Not regulated by CARB under AB32

Delivery System

- Pipelines outside the plant for distribution of customers
 - New pipeline/HB OC44 Pipeline replacement
 - Connection to MWD West Orange County Feeder and/or Orange County Feeder
 - Connections to HB and NB systems

Alternatives - Seawater Intakes

- Beach wells (horizontal, vertical, slant).
 - Impact to GW and coastal wetlands
 - Infiltration galleries
 - Excavation of seafloor
 - Need beach collection wells
 - New intake and discharge system?
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SEIR Schedule

- Draft SEIR released April 2010
- Public Comment (45-days) May-June 2010
- Response to comments July 2010
- HB City Council hearing August 2010
- Water Agencies that approve Water Supply Agreements may rely on SEIR for their CEQA findings

Questions ...

