STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD SAN
FRANCISCO BAY REGION

MEETING DATE: September 9, 2020

ITEM: **4**

SUBJECT: **Executive Officer's Report**

Executive Officer's Report September 9, 2020

Items in this Report (Author[s])

Former Potrero Power Plant (Mark Johnson)

The purpose of this update is to inform you of: 1) the draft Remedial Plan (Remedy) for the Tank Farm Area of the former Potrero Power Plant site (Site); and, 2) the draft Site-Wide Risk Management Plan for the area of the Site to be redeveloped.

Background: The Regional Water Board has overseen Pacific Gas and Electric's (PG&E) voluntary investigation and cleanup of the Site for several years. The Site is located along San Francisco's Central Waterfront, in the Potrero/Dogpatch neighborhood (Figure 1). PG&E operated a manufactured gas plant at the facility, which used coal and oil to produce a form of natural gas, from the 1870s to 1930. The first electric generating Potrero Power Plant was built in the 1910s and later upgraded and expanded in the 1960s. The power plant was permanently retired in March 2011.

Environmental investigations conducted by PG&E identified subsurface impacts to soil, soil vapor, and groundwater as the result of filling operations, past electric power generation, and manufactured gas generating activities. These impacts include metals; petroleum hydrocarbons; volatile organic compounds (VOCs), including benzene, toluene, ethylbenzene, and xylenes (BTEX); polycyclic aromatic hydrocarbons (PAHs); polychlorinated biphenyls (PCBs); and naturally occurring asbestos. Bay sediments adjacent to the Site were also impacted with PAH-containing manufactured gas plant wastes.

For investigation and remediation planning, the 34-acre onshore area and 22-acre offshore sediment area (collectively "Site") were divided into seven operational areas (Figure 2). Remedies have been approved and implemented for six of the operational areas. Following active cleanup operations, such as soil stabilization in the Northeast Area or dredging of the Offshore Sediment Area, each of the remedies for the six Areas have also included the application of land use controls (LUCs) and risk management plans (RMPs) for long-term management of residual pollutants that remain. The Tank Farm is the final operational area to be addressed.

Tank Farm Draft Remedy: PG&E has developed a draft Remedy for the Tank Farm Area that outlines a similar approach as some of the other onshore operational areas of the Site: a Durable Cover (cap over existing soil), LUCs, and an associated RMP.

Site-Wide Risk Management Plan: The environmental investigation and remediation phase is nearing completion and the Site will be redeveloped. PG&E and California Barrel Company, the current owner/developer of a portion of the Site, are proposing to merge the existing RMPs for the 29-acre redevelopment area of the Site (Figure 3). This merged RMP is referred to as the "Site-Wide RMP". This will dissolve the operational areas of the Site that were developed for investigation and remediation purposes and replace them with development blocks. Each owner/developer of a development block will be responsible for compliance with the Site-Wide RMP for their specific property. The south portion of the Switchyards (approximately 6 acres) will be retained by PG&E as part of its power distribution network and will not be part of the Site-Wide RMP

Next Steps: Regional Board staff have reviewed the draft Remedy for the Tank Farm Area and the draft Site-Wide RMP and find they are acceptable. Prior to approval, a 30-

day public comment period will be held. A fact sheet will be distributed, and a virtual meeting will be held to present the documents, answer questions, and take comments. All comments received will be considered and responded to by our staff prior to finalization and approval. Following approval, the LUCs will be executed and recorded. Upon recordation of the LUCs, the Site will have completed all necessary investigative and remedial activities. The Site will then move into risk management, under the LUCs and RMPs, thereby allowing redevelopment to move forward. When complete, we will issue a Certificate of Completion for all seven operational areas.

Redevelopment: California Barrel Company has completed all entitlements for developing the Site into a mixed-use project consisting of 13 development blocks. The project will include 2,650 residential units, of which 30% will be affordable housing; commercial space; a hotel; several parks, plazas, and open spaces; and a roof-top soccer field. Construction will be in phases over a 16-year time period beginning in 2020 and ending in 2035.

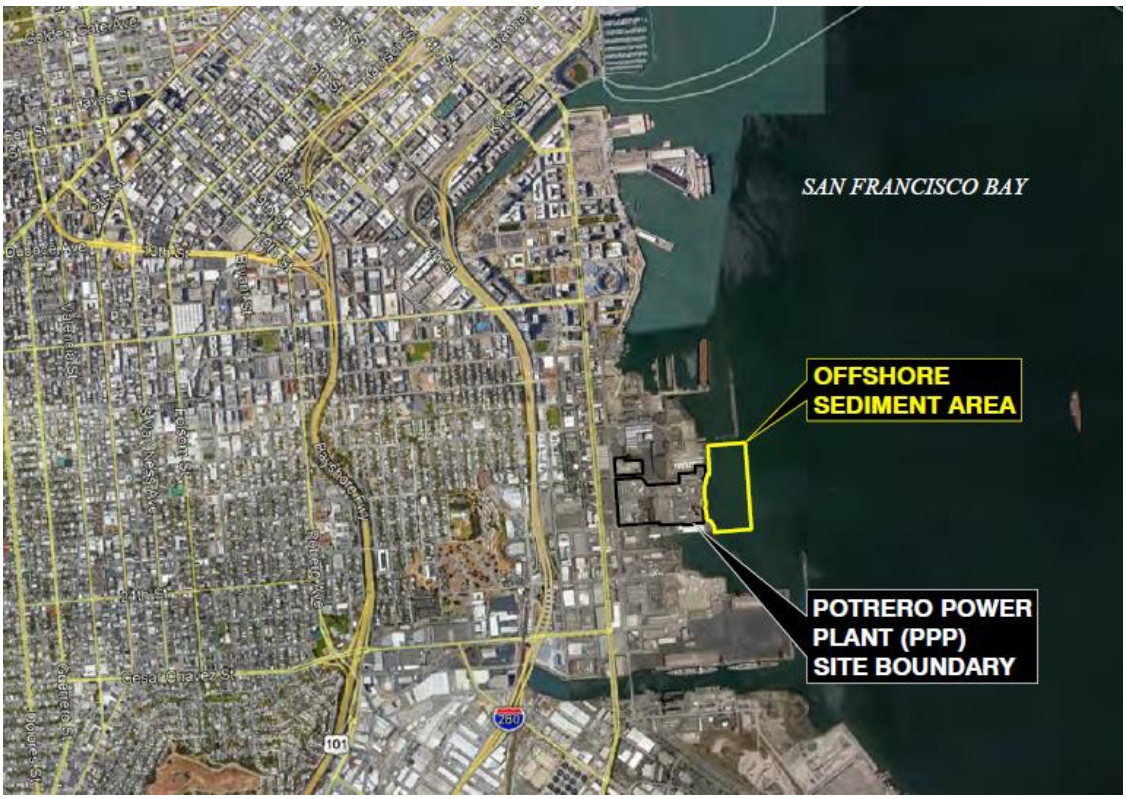
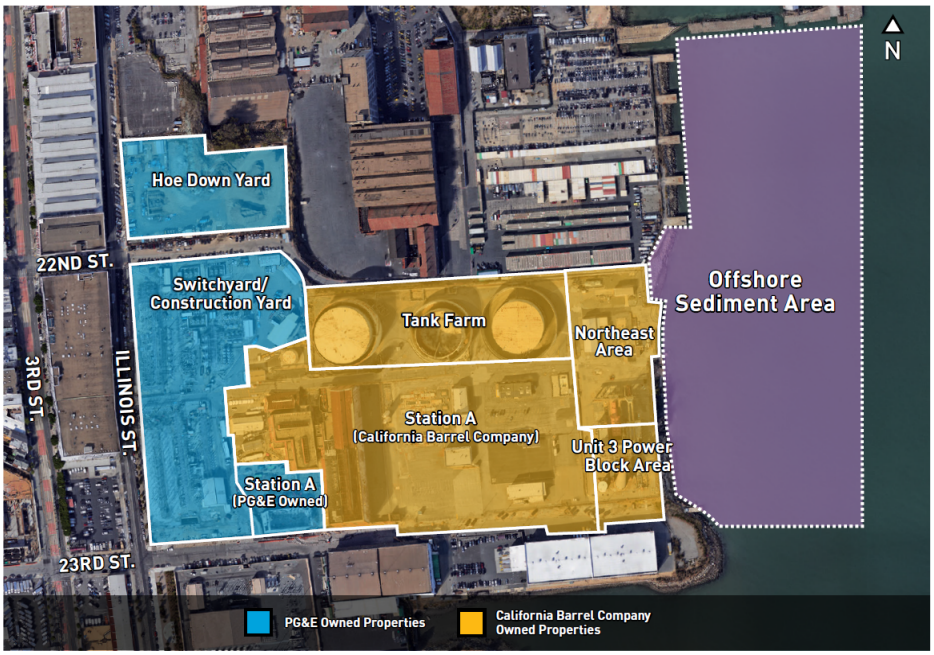


Figure 1 – Site Location Map



Approximate boundaries shown. Map not to scale.

Figure 2 – Site Operational Areas

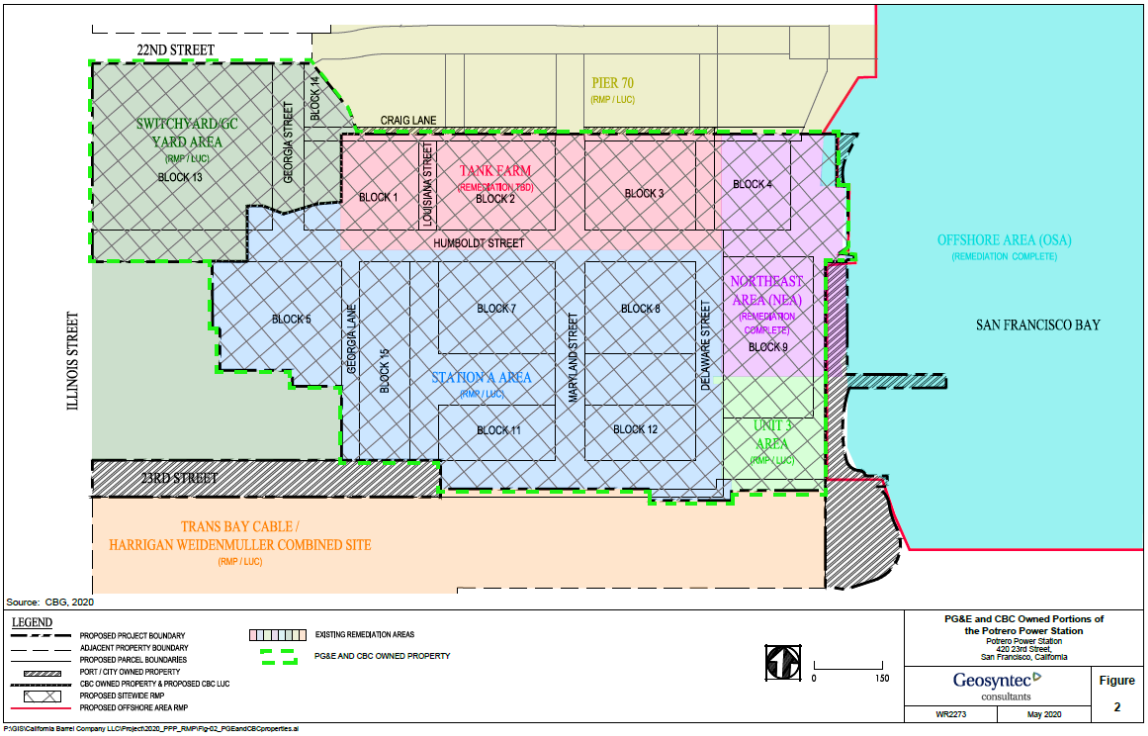


Figure 3 – Site-Wide RMP/Development Area

Grant Funding for Alameda County Water District Seawater Intrusion Prevention (Yemia Hashimoto & Alec Naugle)

In 2019, the State Department of Water Resources (DWR) awarded up to $613,048 in Proposition 1 grant funds to the Alameda County Water District (ACWD) for its Niles Cone Groundwater Basin Extraction Well Site Evaluation Project (project) to protect drinking water supply wells from saltwater intrusion. Water Board staff provided technical support to State Board in the review of ACWD's grant proposal. This is the third ACWD groundwater protection grant that Water Board staff have helped support since 2003.

Seawater intrusion in the Niles Cone Groundwater Basin (Niles Cone) was detected as early as the 1920s and gradually worsened over four decades of declining water levels in the *Below Hayward Fault* aquifers. The Niles Cone underlies portions of the Cities of Fremont, Hayward, and Union City and the entire City of Newark. ACWD's groundwater management programs, including its Aquifer Reclamation Program (ARP) started in 1974, have substantially improved the Niles Cone. Nonetheless, a bulge of brackish groundwater remains in the Centerville-Fremont Aquifer located in the central portion of the basin. ACWD will use the grant funds to evaluate the feasibility for groundwater extraction in three potential locations in this area.

The project involves collecting hydrogeological data from test wells and modeling groundwater movement to determine the efficiency and long-term effectiveness of brackish groundwater extraction. A feasibility study will identify and evaluate alternatives to prevent migration of brackish water toward ACWD's drinking water supply wells. Monitoring wells in the vicinity indicate that the most significant remaining seawater intrusion impact is in the lower portion of the Centerville-Fremont Aquifer (around 300-350 feet deep). The Deep Aquifer (below the Centerville-Fremont Aquifer) does not appear to be impacted but ACWD also intends to evaluate the thickness of the aquitard between these two aquifers. The final depth of the test wells will be based on field conditions and evaluation of the geophysical and lithological logs from pilot borings.

State Board has invited Water Board staff (Yemia Hashimoto) to serve on a 5-person Technical Advisory Committee (TAC) for the project to review and advise DFA and ACWD on technical items related to the implementation of the project. The TAC will also act as a "sounding board" when unexpected issues arise and assist in formulating solutions and courses of action. Project completion is expected next spring, and ACWD intends to request funding for the next phases of project implementation. If the investigated locations are considered feasible as groundwater extraction sites, then ACWD would seek additional funds approved by the grant to design and construct full scale extraction systems.

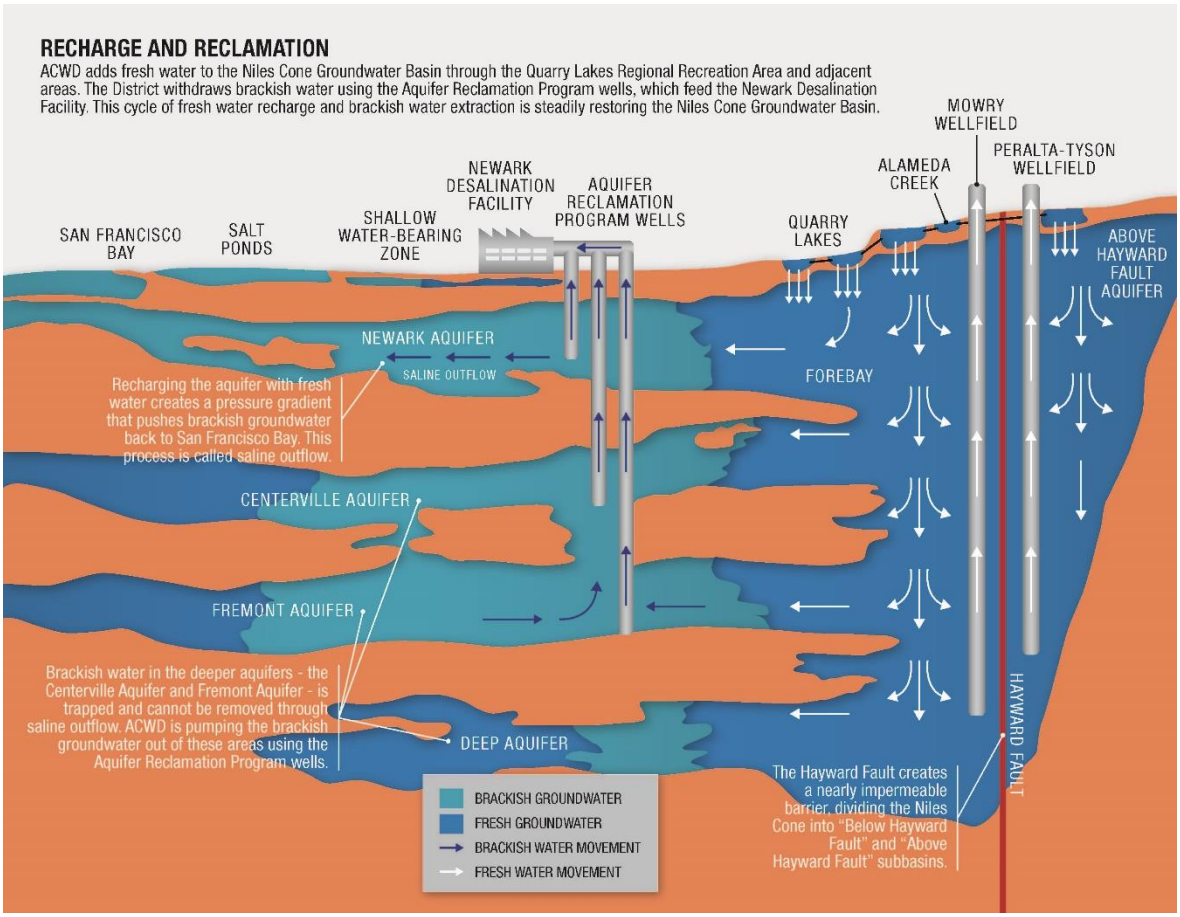


Figure 1 – Recharge and reclamation cycle

Fire Response and Recovery Planning (Brian Thompson)

We are assisting response and recovery on many fires that started in our Region during an August 16 through 18 lightning storm: the LNU Lightning Complex Fire (Napa County, Sonoma County, and Solano County); the Woodland Fire (Marin County); the SCU Lightning Complex Fire (Contra Costa County, Alameda County, and Santa Clara County); and the SCZ Lightning Complex Fire (San Mateo County and Santa Cruz County). The fires are active and remain in an emergency response phase, where efforts focus on saving life and property.

Staff have been identifying potentially impacted facilities and reaching out to determine their status to assist local agencies with health and safety and environmental protection prior to reoccupation of evacuated communities We are planning for a transition to the fire recovery phase where staff will be more directly engaged in protecting State waters through support for fire debris removal and watershed recovery. I am working with Lisa Horowitz-McCann, Brian Thompson, and Demir Worthington to get us ready for the recovery work.

Our recent preparation has included weekly meetings, identifying points of contact for communications, and centralizing document organization. On August 24, we participated in a "State and Local Coordination" meeting with California Office of Emergency Services, the State Water Board Emergency Management Program, and representatives from county operations centers. On September 2, we met with emergency response leaders in the North Coast, Central Coast, and Central Valley regions to bridge support, discuss best practices and lessons learned from past fire response, and avoid duplication of efforts. We will continue to collaborate cross-region in this way, and we are working in partnership with local agencies to identify recovery funding needs and prepare our resources to mobilize.

Since the fires of 2017 we have advanced our training and emergency response planning. The Board's enforcement section is trained in the Incident Command System, and all Board staff received emergency response training on May 21. Technical staff have experience with fire recovery from assisting the North Coast Region with past fires. With support from the new State Board emergency response staff, we are well positioned and ready to support recovery from the fires in our region.

September 2020 Enforcement Actions (Brian Thompson and Jessica Watkins)

The following tables show the proposed and settled enforcement actions since August's report. In addition, enforcement actions are available on our website at http://www.waterboards.ca.gov/sanfranciscobay/public_notices/pending_enforcement.shtml

Complaints

The following is noticed for a 30-day public comment period and scheduled for a Board hearing within 90 days unless the hearing is waived to pay the proposed penalty, engage in settlement, or request more time for the hearing.

Discharger	Violation(s)	Proposed Penalty	Comment Deadline
Param and Amandeep Dhillon	Failure to submit an acceptable technical report on fill and grading activities and a technical report to determine wetlands and waters of the United States.	$81,700	September 28, 2020

Settled Actions

On behalf of the Board, the Executive Officer approved the following:

Discharger	Violation(s)	Imposed Penalty[1]	Supplemental Environmental Project
Phillips 66 Company	Discharge limit violation.	$285,000	$142,500

[1] Includes $142,500 to supplement Regional Monitoring Program studies. The Regional Monitoring Program is managed by the San Francisco Estuary Institute to collect water quality information in support of management decisions to restore and protect beneficial uses of the Region's waters.

401 Water Quality Certification Applications Received (Abigail Smith)

The table below lists those applications received for Clean Water Act section 401 water quality certification from July 13 through August 4, 2020. A check mark in the right-hand column indicates a project with work that may be in BCDC jurisdiction.

Project Name	City/Location	County	May have BCDC Jurisdiction
Discharge of Soil at 595 La Gonda Way	Danville	Contra Costa	
Levin Terminal Berth A maintenance Dredging	Richmond	Contra Costa	✓
Norris Creek Sediment removal and Mitigation	San Ramon	Contra Costa	
Mill Valley Sausalito Multi Use Path Maintenance	Mill Valley	Marin	✓
Emergency 34 Lineal Foot Hand Work Temporary Gabion Basket Repair	Ross	Marin	
PG&E Piers 39 to 43.5 Geotechnical Investigation	San Francisco	San Francisco	✓
San Francisco Ferry Terminal Repairs	San Francisco	San Francisco	✓
Butano Farms San Francisco Garter Snake Habitat Enhancement	Pescadero	San Mateo	
LogistiCenter Industrial Building Construction	Fairfield	Solano	
PG&E R-1300 Line 21E MP 70.06-70.33 Gas Transmission Line Replacement	Geyserville	Sonoma	