Hillview Water Company cuts ribbon on \$20 million treatment plant project

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Participating in the June 2 Hillview Water Company ribbon cutting ceremony were, from left, Hillview Manager Jim Foster, California Public Utilities Commission Water Division Director Rami Kahlon, Hillview President/CEO Roger Forrester, State Waterboards Section Chief Carl Carlucci, State Water Resources Control Board Senior Sanitary Engineer Kassy Chauhan, and Madera County District 5 Supervisor Tom Wheeler. (Brian Wilkinson Sierra Star)

It was more than 20 years ago when Hillview Water Company of Oakhurst first realized the water they were delivering its residential and businesses customers exceeded state allowable levels of iron, arsenic, uranium, and manganese. That started a long, uphill struggle for the company to not only improve the water's quality, but also its quantity.

The utility company has persisted through years of delays, changing water quality and other environmental standards, funding issues, lengthy grant processes, mandatory summer conservation

measures, governmental and public scrutiny, harsh criticism, and an investigation by the Water Division of the California Public Utilities Commission (CPUC).

But now, it seems the company is at a turning point with major improvements underway that will deliver clean, safe water to all its customers in the Oakhurst area within a year.

"Uranium will be removed from the water by installing Water a Remediation Technology system, offers which Forrester said simplest, safest, most cost effective, and environmentally sound process available for removing uranium from water, and is the only process the U.S. Nuclear Regulatory and California Energy commissions have authorized."

Hillview President/CEO Roger Forrester, and company Manager James Foster, along with state and county dignitaries, held a ribbon cutting June 2 to herald the start of a long-awaited \$20 million water treatment project.

Forrester said that within a year, more than 3,300 Hillview customers can expect clear water that will meet all federal and state health standards.

Like all foothill areas in the Sierra

Nevada, Hillview and its customers (along with many private well owners) have been dealing with excess amounts of naturally occurring uranium, arsenic, iron and manganese from hard-rock wells that have exceeded state and federal standards on drinking water for many years.

Hillview has been dealing with these minerals for at least 30 years in an attempt to be compliant.

"All these issues will be solved once the new treatment plants are complete," Forrester said. "When all these improvements are complete, it will result in water that is wholesome, potable, in no way harmful or dangerous to health and free from objectionable odors, taste, or color. Today is a great day for our company and our customers."

Forrester called the project a "vision realized" - fulfilling the dream the company has had for the people of the Mountain Area since before 1998.

"This is a great day for the Oakhurst community," added CPUC Water Division Director Rami Kahlon. "All the hard work by the Hillview Water Company will result in a first class water system when this project is completed."

"Customer water rates will not be raised due to the improvements," Forrester said.

"I have worked alongside Hillview Water Company as they applied to the state for bond grants, a process which they began over 10 years ago," said Joel Greathouse of Coarsegold, a civil engineer for the State Water Resources Control Board, serving as the project's manager.

"There were far more applicants than there were grants available," Greathouse said. "The fact that Hillview was able to obtain so much grant funds for our mountain communities, for multiple projects, when everyone across the state was fighting for these limited funds, just goes to show how much they truly care for their customers. Hillview was ordered by the state to complete these projects, and if the grants were not obtained, the millions of dollars it took to build these facilities would have been paid for by Hillview customers with PUC approval."

There was a lot of hand shaking and smiling faces at the ribbon cutting between Hillview and state officials - a much different atmosphere from 20 years ago when the CPUC and Forrester were at odds.

Troubled history

In 1997 the State Water Board started an investigation into allegations of wrongdoings including unlawful charges, submitting altered documents, and unlawful use of surcharges collected. That litigation lasted more than five years, during which time Hillview could not get approval for much needed grant funds for improvements.

At the time, Forrester countered that the allegations were a distortion of facts, mischaracterized, and filled with falsehoods.

"They are doing this without providing me the benefit of defending myself in a hearing," Forrester said 20 years ago.

At the time the CPUC considered several fines, which could have amounted to hundreds of thousands of dollars and could have placed the company in receivership.



Hillview Water Company President/CEO Roger Forrester, left, with California Public Utilities Commission Water Division Director Rami Kahlon at the utilities June 2 ribbon cutting, announcing \$20 million in improvements to water quantity and quality. "This project is a vision realized - fulfilling the dream the company has had for the people of the Mountain Area since before 1998," Forrester said.

(Brian Wilkinson Sierra Star)

Forrester was eventually shown to be correct, as the five-year investigation resulted in complete vindication of Hillview and its operations as it found no improprieties and only one technical reporting violation.

Another two years were lost when, after all grant fund bonds were approved, the state ran out of funds in 2007 and all the state grants were temporarily put on hold until the state's financial situation improved. An additional six-year delay occurred (2002 - 2007), when a building moratorium was placed on Oakhurst by the state due to an insufficient water supply.

The waiting list for requested hookups by area residents reached 60 when five new wells had been drilled and 1,700 feet of waterline added, which allowed the moratorium to be lifted.

At about the same time the CPUC adopted the new federal arsenic standard which lowered the allowable amount from 50 to 10 milligrams per liter, throwing many Hillview wells out of compliance.

Hillview has been sending out quarterly uranium notices to customers since 2007. The notices advise that the situation is not an emergency, but that some people who drink water containing uranium in excess of the maximum containment level over many years may have kidney problems or an increased risk of getting cancer.

In 2014, the company received a \$5 million Proposition 84 Safe Drinking Water Act grant (approved by voters in 2006) - and a \$2 million grant from the Proposition 50 Water Security Act (passed by voters in 2002). Those funds were used to drill five new wells and add additional storage.

In 2015, customer rates were raised to cover the company's operational costs, according to Forrester and Foster. Though Hillview requested a 46% revenue increase for an additional \$635,296, the CPUC instead granted a 23% increase.

Many Hillview customers expressed anger over the increased rates, especially when they were first proposed by the company.

Mineral removal plants expected to be operational within a year



Two Hillview Water Company employees check out the inside of one of the new water storage tanks that will hold 220,000 gallons when filled. (Michael Costa Special to Sierra Star)

Improvements will primarily affect residents in the Oakhurst/Sierra Lakes (in and around Road 426) and Forest Ridge (off Victorian Lane) areas, and the town of Oakhurst, Forrester said.

Raymond water will be improved with the installation of a new treatment facility and Coarsegold and Goldside will receive iron and manganese treatment systems, giving all four water systems significant improvements.

The arsenic, iron, and manganese removal plant should be operational by December, and the uranium removal plant should go online by April 1 next year. When operating, the plants will remove the unwanted minerals at the rate of 1,200 gallons a minute, making Hillview compliant with all federal and state health standards.

Uranium will be removed from the water by installing a Water Remediation Technology system, which Forrester said offers the simplest, safest, most

cost effective, and environmentally sound process available for removing uranium from water, and is the only process the U.S. Nuclear Regulatory and California Energy commissions have authorized.

In addition to the treatment plants, the utility will have five new water storage tanks with a combined storage of more than a million gallons of water, adding 800 gallons per minute to the system, through 16,000 feet (4 1/2-plus miles) of new piping. The tanks are being furnished by Superior Tank Company of Bakersfield.

Also speaking at the ribbon cutting was State Water Boards Section Chief Carl Carlucci, and Madera County District 5 Supervisor Tom Wheeler. Other officials present included State Water Resources Control Board Senior Sanitary Engineer Kassy Chauhan, and Greathouse.

Carlucci talked about his department's partnership with Hillview, directing the water cleanup efforts, and assisting Hillview in obtaining grants (DFA) to help fund the project.

"The county has been partnering with Hillview over the years to get people the water quality and quantity they deserve," Wheeler said.

Hillview, to cut costs, is the general contractor and is also doing all the site prep work, in coordination with Hobbs Construction of Fresno.



These three new water tanks are part of the \$20 million upgrade taking place with Hillview Water Company. The tank on the left is a 21,000 gallon backwash tank and the other two are 220,000 gallon storage tanks that are about six stories tall. The tanks are located at the soon-to-be-built water treatment plant off Victoria Lane. (Brian Wilkinson Sierra Star)