

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 721
Denver, Colorado 80203
Phone: (303) 866-3441
Fax: (303) 866-4474
www.cwcb.state.co.us



TO: Colorado Water Conservation Board Members

Bill Ritter, Jr.
Governor

FROM: Greg Johnson,
Water Supply Planning Section

Mike King
DNR Executive Director

DATE: July 6, 2010

Jennifer L. Gimbel
CWCB Director

SUBJECT: **Agenda Item 12b, July 20-21, 2010 Board Meeting**
Water Supply Reserve Account Project Change –
Demonstration of Membrane Zero Liquid Discharge Process for Drinking Water
Systems

Staff Recommendation

Staff recommends granting the requested change of Water Supply Reserve Account contracting entity for the project titled: Demonstration of Membrane Zero Liquid Discharge Process for Drinking Water Systems.

Background

The Colorado Department of Public Health and Environment (CDPHE) received approval for a combined WSRA grant from the Statewide Account and multiple basin accounts totaling \$800,000 at the September 2008 CWCB Board Meeting. The grant included: \$700,000 from the Statewide Account, \$50,000 from the Metro Basin Account, \$25,000 from the Arkansas Basin Account, and \$25,000 from the South Platte Basin Account. The project involves local pilot tests of zero liquid discharge (ZLD) treatment technology to examine technical and financial uncertainties which currently hinder its implementation. This ZLD technology is a sustainable disposal option that represents a long-term solution to concentrate disposal for utilities that need membrane treatment to produce safe drinking water. This project was cooperatively developed by the Membrane Treatment Workgroup (MTW), a workgroup formed at the direction of the Colorado Water Quality Control Commission under the auspices of the Water Quality Forum.

Though the CDPHE was the original applicant, the application specified that the contracting entity and project management would be provided by the non-profit American Water Works Association Research Foundation (AwwaRF) in addition to \$100,000 of matching funds. Due to AwwaRF's funding problems, they could not participate in the project or provide matching funds. In its place, the CDPHE secured an identical commitment of participation and matching funds from the WaterReuse Foundation (WaterReuse). As a result, the project's fiscal agent was changed to WaterReuse at the September 2009 CWCB board meeting. However, due to legal issues with the state's contracting requirements WaterReuse withdrew from the project in March 2010 as documented in the attached letter.

The CDPHE has secured a commitment from the Water Environment Research Foundation (WERF) to replace WateReuse as the fiscal agent for this project as documented in the attached letter. The WERF is a nonprofit entity dedicated to advancing science and technology addressing water quality issues as they impact water resources, the atmosphere, the lands, and quality of life. The WERF Board of Directors has approved their management role in the ZLD project. In addition, WERF staff has reviewed the standard WSRA contract and are committed to its execution. The CDPHE and WERF request CWCB approval of changing the project's contracting entity from WateReuse to WERF. All other aspects of the project remain the same.