

**STATE OF CALIFORNIA
CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

STAFF REPORT FOR REGULAR MEETING OF DECEMBER 3, 2004

Prepared on November 4, 2004

ITEM : 24

SUBJECT: Guadalupe Settlement Fund: Initiation of the Agricultural Cooperative Monitoring Program and Student Staff Support

SUMMARY

At the September 10, 2004, meeting of the Central Coast Regional Water Quality Control Board, the Board approved the use of \$504,000 of Guadalupe settlement funds to assist in setting up the Cooperative Monitoring Program established by the newly adopted Conditional Waiver for Irrigated Lands. Funds allocated to a designated agricultural nonprofit foundation would assist the agricultural industry in performing tasks necessary to establish the Cooperative Monitoring Program. Funds will be used to support establishment of an infrastructure to conduct monitoring, and to perform the first year of monitoring at ten sites in the Santa Maria watershed. Additional funds are being requested from the PG& E settlement Monitoring Fund to conduct monitoring at fifteen sites in the lower Salinas area.

Because of time constraints, the final workplan and budget for the funds were not yet developed at the time of the September Board meeting. Since that time, the Agricultural Committee has developed a Quality Assurance Project Plan (QAPP) and released a Request for Proposals to conduct monitoring. Some of the information needed to finalize the budget will not be available until responses to the Request for Proposal are received. Once responses are received, staff will prepare the final scope of work and budget, which will be included in a Supplemental Sheet prior to the Board meeting.

Staff also requests that the Board approve funding to hire two students to assist staff with implementation of the Agricultural Waiver for the first year in the amount of \$20,000.

DISCUSSION

Cooperative Water Quality Monitoring

Water quality monitoring to determine the adequacy and effectiveness of the waiver conditions is required by CWC Section 13269. Dischargers will be required to elect a monitoring option during enrollment. They may choose individual monitoring or join the Cooperative Monitoring Program. The Cooperative Monitoring Program will focus on currently applied agricultural constituents and is designed to provide information on in-stream water quality and to detect trends over time.

Cooperative monitoring represents a watershed-based approach to meeting monitoring requirements, but recognizes that most watersheds have mixed land uses and other discharges besides irrigated agriculture. For that reason, the focus of monitoring will be on currently used agricultural constituents and toxicity, with provision for follow-up monitoring when problems are identified. Where necessary, the Regional Board will use its regulatory authority to require water quality information from other potential sources. Fifty sites will be selected throughout the agricultural areas of the region, on main stems of rivers and on tributaries entering the rivers. These sites will be monitored on a regular basis, to see whether implementation of management practices as the result of adoption of the waiver is improving water quality. Sites will be selected in areas where the Regional Board's Central Coast Ambient Monitoring Program and other data have identified water

quality problems from nutrients and other constituents that are likely attributable to irrigated agriculture. The Cooperative Monitoring Program allows dischargers to pool resources in order to accomplish required monitoring at a lower cost than individual monitoring. Monitoring data from other on-going monitoring programs may also be used to satisfy monitoring requirements and further delineate problems, as long as the data meets Regional Board data quality requirements. The cooperative monitoring option is proposed as an efficient way to determine the effectiveness of the waiver program at a reasonable cost, as well as to manage large amounts of monitoring data and ensure data quality.

Progress Toward Implementing the Cooperative Monitoring Program

Under the tasks and timetable established by Order R3-2004-0117 (Conditional Waiver of Waste Discharge Requirements for Discharges from Irrigated Lands), the agricultural industry established an Agricultural Committee by September 1, 2004, as required. The industry groups have established a nonprofit organization, Central Coast Water Quality Preservation, Inc. The existence of a non-profit organization will allow the agricultural industry to apply for and receive grant funds to further leverage settlement funds and management practice implementation by farmers. The Agricultural Committee has developed a Quality Assurance Project Plan (QAPP) as required by the Order to initiate monitoring at twenty-five selected sites by January 1, 2005. The Regional Board Quality Assurance officer has reviewed and approved the QAPP. The Agricultural Committee distributed a Request for Proposals to qualified consultants and received responses back on November 2. They are reviewing these proposals, and will select a consultant within a few weeks. Firm budget figures and task descriptions will be provided to the Regional Board in a Supplemental Sheet to this staff report.

Use of State Funds for Regulatory Assistance

In order to fully fund the cooperative monitoring program in the future, the agricultural community will need to develop a fair and equitable means of distributing the costs of the monitoring program among more than 2500 dischargers on the Central Coast. Without start-up funds for the first year, the Agricultural Committee has no means of

assessing fees in such a short time. In addition, the agricultural industry as a whole does not have experience in developing monitoring programs. Developing the institutional capability will require time. Settlement funds offer the Regional Board an opportunity to assist the industry in developing its long-term capability to run a monitoring program and meet its regulatory responsibilities. Without the cooperative monitoring option, dischargers must initiate individual monitoring throughout the region on October 1, 2005. The cost of individual monitoring could easily be several thousand dollars a year for many dischargers, considerably more than their eventual contribution to the Cooperative Monitoring Program. In addition, ensuring data quality and managing the data from 2500 individual dischargers presents a significant challenge to the Regional Board. Establishing a successful cooperative monitoring program will benefit both the industry and the Regional Board.

Historically, the State has often provided financial assistance to dischargers when new regulations are adopted. For example, billions of dollars in State Revolving Fund loans and state and federal grants programs have been used to assist regulated communities in building wastewater treatment plants and complying with stormwater management requirements. A portion of the gas tax we pay at the pump goes to the Underground Tank fund to pay for gas station tank investigations and cleanups. In the case of new regulations for irrigated agriculture, the State is making grant funds available from Proposition 40 and Proposition 50 specifically to provide assistance to thousands of farmers required to implement practices and monitor water quality under new conditional waivers. In addition, \$3.4 million in Cleanup and Abatement Account funds have been allocated for assessing water quality in agricultural areas of the Central Valley. Although the funds went to the Regional Board rather than the dischargers, the funds are being used to monitor water quality in agricultural areas. The Central Coast Region has not received funds to assist with agricultural monitoring.

Included below is an excerpt from the July 8, 2004, Staff Report. At that meeting the Board

unanimously adopted the Conditional Waiver for Irrigated Lands:

The Regional Board recognizes that this (cooperative monitoring) is a new, although not unprecedented, approach to satisfying the need for water quality information. In other parts of the state, dischargers have banded together and pooled resources to improve data quality, provide a broader perspective of water quality condition, and lower individual costs. Staff recommends that the program be set up by a nonprofit organization selected or formed by the agricultural community that has the ability to apply for newly available Agricultural Water Quality Grant Program funds. These funds allow nonprofit organizations and local public agencies to receive funds for monitoring and implementation of projects targeting irrigated agriculture and waiver compliance. These funds, along with other potential funding sources such as the PG&E and Guadalupe settlement funds, would greatly leverage growers' resources and allow establishment of the cooperative monitoring program for one or two years at a minimal cost to growers. This would allow additional time to formulate a cost allocation process and evaluate the cooperative monitoring program.

Student Staff Support

The adoption of the agricultural waiver significantly increased Regional Board Staff workload in the form of technical assistance, database management, report review, field inspections, monitoring, filing, enforcement cases, correspondence, and general outreach. Board Staff proposes an allocation from the Guadalupe Settlement Fund (\$20,000) for the hiring of two part-time students to shift some of the increased workload. The \$20,000 will pay for two students to work 15 hours a week for \$12.00 an hour for a full year. Delegating crucial administrative duties to students will free up Board Staff time to accomplish the more technical aspects of the program.

- **Database Upkeep and Management**

A database to track enrollment, compliance, and follow up is currently in development. This database will be linked to the online application; hard copy submittals will need to be entered into the database as well. This database

will track the status of 2,500+ growers throughout the region. The database will monitor all aspects of waiver compliance including tier level, contact information for the property owner and operator, type of irrigation, type of discharge, selected monitoring program, monitoring data, management practice implementation, map of property, hours of water quality-related education units and compliance deadlines.

- **Filing and Record Retention**

The agricultural waiver program will also need an up-to-date, accurate, and organized file system. The filing system will allow staff to keep track of their case load and store hard-copy data including: correspondence, documentation of compliance history, annual reports, and monitoring data.

- **Outreach Support - Meetings**

With a constituency of greater than 2500 growers in need of enrollment and compliance information, outreach in the form of both meetings and mailings, is necessary. Outreach meetings will be an instrumental portion of the ongoing agricultural waiver program. Student time will provide a tremendous amount of support to staff for organizing meeting logistics, creating mailers, developing and collating handouts, securing transportation, as well as reserving assisting in preparation of data presentations and other support functions. Once at meetings students assist with registration, meeting set up, and fill in gaps as any other unexpected needs arise.

RECOMMENDATION

- 1) Approve finalized monitoring budget and scope of work for the Cooperative Monitoring Program that will be provided in a Supplemental Sheet
- 2) Approve funding for two students to assist staff with implementation of the Agricultural Waiver (\$20,000).