

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

STAFF REPORT FOR BOARD MEETING OF SEPTEMBER 4-5, 2008
Prepared on August 6, 2008

ITEM NUMBER: 20

**SUBJECT: Continued Funding for Watershed Coordinator Activities for
Southern San Luis Obispo and Santa Barbara Counties**

SUMMARY

During its February 2008 meeting, the Central Coast Water Board (Water Board) stated its intent to provide continued funding for the Santa Barbara and Southern San Luis Obispo Watershed Coordinator pending an acceptable proposal from the Southern San Luis Obispo/Santa Barbara Watershed Coalition (Coalition).

The Coalition submitted a proposal for a three-year (2009-2011) contract funded by the Guadalupe Settlement Fund. The purpose of the project is to provide funding for watershed coordination activities that will include communicating with agriculturists, stakeholders, and governmental and private organizations regarding water quality issues with the overall project goal to improve water quality. This grant requests financial assistance for one full-time Watershed Coordinator (provide match for the Department of Conservation grant), a part-time Project Assistant, and partial funding for an Executive Director for the newly aligned, region-wide Coalition (described below).

DISCUSSION

Background

In 2003, the Water Board granted \$658,102.93 to fund a Watershed Coordinator position for the Southern San Luis Obispo and Santa Barbara Counties Agricultural Watershed Coalition for five years. The Coalition was composed of five grower trade organizations: Central Coast Wine Growers Association, Santa Barbara County Farm Bureau, Grower Shipper Vegetable Association of Santa Barbara and San Luis Obispo Counties, Santa Barbara County Cattlemen's Association, and the Flower and Nursery Growers Association of Santa Barbara County.

The Water Board's initial investment in the Coalition was to hire a Watershed Coordinator to assist landowners in the Project Area (Southern San Luis Obispo County and all of Santa Barbara County). The Coalition Coordinator was hired in 2004; contracted tasks included were: 1) grant writing and fund leveraging; 2) contract development, progress reporting, and invoicing; 3) fulfilling the Guadalupe Settlement Fund Blueprint; 4) meeting facilitation between diverse groups; 5) organizing current working groups; 6) creating new working groups; 7) facilitating Farm Water Quality Planning Short Courses; 8) tracking grower progress and doing follow up; and 9) identifying gaps and removing road blocks to management practice implementation.

Past - 2003-2008 Grant: Key Highlights of Watershed Coordinator's Accomplishments (2004 - to present)

The Watershed Coordinator's activities since 2004 are more fully discussed in the Four-Year Grant Summary the Coalition submitted (Attachment 1). Specific accomplishments include:

- Assisted over 400 growers with Ag Waiver compliance.
- Participated in 23 Farm Water Quality Plan Short Courses for 616 growers.
- Participated in one Rangeland Water Quality Plan Short Course for 16 ranchers.
- Assisted over 28 growers with writing Farm Water Quality Plans.
- Hosted 41 meetings for more than 450 growers.
- Attended over 27 Watershed Working Group Meetings in six watersheds.
- Sent 35 mailers to over 1300 growers highlighting water quality and management practices, education, and regulatory compliance information.
- Presented at over 40 meetings hosted by technical partners or agricultural affiliations.
- Participated in 79 advisory committee meetings related to water quality education, outreach, and research.
- Facilitated over 75 meetings related to the initial organization of Central Coast Water Quality Preservation, Inc. and the cooperative monitoring program.
- Assisted ranchers in writing a Grazing Lands NPS Approach.
- Co-sponsored and organized the 2007 Co-management of Water Quality and Food Safety Conference.
- Organized the 2007 Carpinteria Valley Land to Sea Tour where one project is identified for implementation.
- Acted as a liaison for agriculture by attending Santa Barbara Community Action Network, Southern California Wetlands Recovery Project, Rincon and Carpinteria Watershed Working Groups, and Dunes Collaborative meetings.

Present - Explanation of Coalition Merger

After five years, the SB/SLO Watershed Coalition (Southern) concluded that it needed to formalize its organizational structure as a 501(c)(3) corporation to streamline and improve efficiencies. Simultaneously, the Central Coast Agricultural Water Quality Coalition (Northern) had recently formed a 501(c)(3) corporation and was in the process of hiring a new Executive Director. The two Coalitions agreed to form one region-wide Coalition that will be geographically aligned with the Central Coast Water Board and provide stronger strategic direction for region-wide protection of water quality. Other benefits include region-wide coordination and collaboration on Water Board programs, a region-wide outreach and communication strategy for uniform distribution of information, region-wide water quality related research and implementation projects, improved leveraged funding by providing funds for the entire region, and eliminating competitive bidding between the two coalitions.

The newly aligned Coalition will operate under the name of the Central Coast Agricultural Water Quality Coalition. The current Southern SLO and Santa Barbara Counties Watershed Coordinator will become the Executive Director of the new region-wide Coalition. This grant will fund Executive Director expenditures incurred in the Project Area (from the Cuesta Grade south in San Luis Obispo County and all of Santa Barbara County) that relate to regionwide activities.

Future – Proposed Project

The project proposes specific tasks for a watershed coordinator and support staff that will educate stakeholders within the Project Area about water quality issues in their watershed and assist with management practice implementation. They will organize meetings and workshops to teach growers how to modify their management practices to prevent non-point source pollution to surface and

groundwater, help growers develop and implement farm and ranch management plans, improve irrigation efficiency and pesticides reduction practices, collaborate with non-agricultural watershed stakeholders regarding water quality issues, and address issues that present roadblocks to management practices implementation. Key activities include:

- o Work with the Water Board staff to improve water quality.
- o Work to increase implementation of management practices.
- o Coordinate and provide management practice monitoring and compliance information through grower seminars, field days, and demonstrations.
- o Assist growers with formulating and implementing strategies for reducing organophosphates pesticide toxicity.
- o Promote management practices to reduce nitrate movement from crop root zone.
- o Implement water quality projects identified during Land to Sea Tours.
- o Participate in TMDL public comment and meeting processes in priority watersheds and help Water Board staff solve water quality issues.
- o Work with the City of Santa Maria to improve stormwater run-off issues from agriculture lands.
- o Procure additional grants to demonstrate management practices, measure management practice effectiveness, and assess surface water flows.
- o Meet match requirements.
- o Work with Central Coast Water Quality Preservation Inc. (CCWQP) to do outreach and interpretation of Cooperative Monitoring Program data.
- o Assist with CCWQP source characterization and follow-up projects.
- o Promote the Water Board's Irrigation and Nutrient Management Program.
- o Utilize pre- and post-meeting evaluations to ascertain trends in Management Practice implementation.
- o Use public venues and printed materials to address a variety of topics: irrigation efficiency, mobile lab evaluation services, proper application of fertilizers and pesticides, sediment management, recycling of agriculture plastics, rangeland water quality management practices, The Irrigated Agriculture (Ag Waiver) Program, Stormwater Run-off protection, and TMDLs.

Align with Water Board Vision for Healthy Functioning Watersheds

The newly formed Coalition also aligns with the Water Board's Vision for "Healthy Functioning Watersheds" by establishing a flexible framework for obtaining measurable results. The Coalition will work with the Vision Teams to help achieve the Water Board's goals. The grant proposes to utilize The Guadalupe Settlement Fund blueprint to support the three Water Board Vision Goals.

1. By 2025, 80% of riparian systems on the Central Coast will be healthy and the other 20% will exhibit positive trends in key parameters. The Coalition will support this by working with growers and ranchers to continuously improve management practices and by proactively addressing "roadblocks" to water quality improvement.
2. By 2025, 80% of lands within a watershed will be managed to protect healthy functioning watersheds, and the remaining 20% will exhibit positive trends in key parameters. This is supported by coordination of the NPS Programs (including the Agriculture Program), leadership of watershed-based activities, and participation in TMDL programs.

3. By 2025, 80% of groundwater will be clean, and the remaining 20% will exhibit positive trends in key parameters. The Watershed Coordinator will communicate results from the Groundwater Ambient Monitoring & Assessment Program (GAMA) program to stakeholders in the community. The Coordinator will also assist the Water Board and other stakeholders in ameliorating groundwater pollution such as the City of Morro Bay' well water nitrate issues.

Guadalupe Settlement Fund Criteria

In July 2003, the Water Board approved a "Blueprint for Expenditure of the Guadalupe Settlement Fund". The Blueprint established seven specific criteria for the Board to consider when funding projects. The Water Quality Focus is the only "required" criterion; though the others must be considered when evaluating projects. These criteria are as follows:

1. Water Quality Focus: The Coalition's proposal is focused exclusively on improving water quality. A direct benefit will be implementation of management plans that include agriculture best management practices. Indirect benefit will be the watershed coordinator's activities focusing on priority water quality problems for the area. Pollutants from agriculture runoff, include, but are not limited to nutrients, pesticides, sediments, pathogens, bacteria, and trash.
2. Geographical Nexus: The lower Santa Maria and Oso Flaco Watersheds are adjacent to the Guadalupe Oilfield and are a primary areas of focus for the watershed coordinator position as well as being priority water quality locations within the region.
3. Waste type or Violation: Generally a petroleum nexus does not exist with the projects assisted by this fund.
4. Beneficial Use Protection: Direct water quality improvement and protection of beneficial uses including drinking water, aquatic habitat, and aquatic endangered species, will be achieved through implementation of farm and ranch plans and watershed management plans.
5. Institutional stability and capacity of the applicant to complete the project: The Coalition demonstrated grant management skills in the previous round of funding. Based on the Four Year (2004-2007) Grower Survey of the Ag Watershed Coalition's Outreach Effectiveness (Attachment 2), the Coordinator received a high rating in terms of providing assistance to growers. The Watershed Coordinator for the previous grant will become the Executive Director of the newly aligned Central Coast Agricultural Water Quality Coalition. The Coalition has a proven track record for grant administration with the Water Board and other funders.
6. Leveraging Value of Funds: The following grants provide match: The Department of Conservation Watershed (DOC) Watershed Coordinator, SWRCB Food Safety and Water Quality Research, USDA 2006-08, USDA 2008-09 and the Community Foundation Monterey County, Elkhorn Slough total \$453,856.80. Anticipated cash contributions of \$10,500.00 will provide match. As yet not calculated, in-kind, volunteer match will be contributed by representatives of the newly-aligned Watershed Coalition, Cachuma RCD, Coastal San Luis RCD, NRCS, UCCE, and UCD. Additional grant funds will be sought through the Irrigation and Nutrient Management Program, the Western IPM Center and SARE grants, Specialty Crop Program Grants, EPA, and CSREES Grants. Finally, the newly-formed Coalition will improve leveraged funding by streamlining proposal process and eliminating competitive bidding between the two Coalitions.
7. Regionwide Use or Benefit: There is a regionwide use and use when activities focus on local water quality improvements while aligning with regional strategies and objectives. For example, harmonized regionwide communication of the Irrigated Agriculture (Ag Waiver) Program, the

Cooperative Monitoring Program, and the Irrigation and Nutrient Management Program will be streamlined with a regionwide approach. There will be improved coordination of water quality protection and collaborative projects at all levels.

This proposal meets the above seven criteria and is aligned with our current Vision for Healthy Watersheds and the role that agriculture will play in obtaining that vision.

RECOMMENDATION

Staff recommends funding of this work. The full proposal with match, scope of work, and budget will be provided as a supplemental item.

ATTACHMENTS

1. Coalition Four-Year Guadalupe Settlement Fund - Grant Summary
2. Four Year (2004-07) Grower Survey of Ag Watershed Coalition's Outreach Effectiveness

S:\NPS\Grants + Mitigation Funds\Contracts\GuadalupeWatershed Coordinator\2008 Proposal\2008 Proposal\september 2008 staff report.doc