



California Regional Water Quality Control Board Central Coast Region



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Arnold Schwarzenegger
Governor

MINUTES REGULAR MEETING (Teleconference) Monday, August 31, 2009 Central Coast Regional Water Board

Chairman Jeffrey Young called the teleconference meeting of the Central Coast Water Board to order at 8:36 a.m. on Monday, August 31, 2009, at the Santa Barbara County Supervisors Conference Room and the other designated and public noticed locations in San Luis Obispo, Moss Landing Harbor District, and Scotts Valley Water District, California.

Monday, August 31, 2009

1. Roll Call Executive Assistant Carol Hewitt

Board Members Present:

Chairman Jeffrey Young - Santa Barbara
Vice Chair, Russell Jeffries - Moss Landing
John Hayashi - Santa Barbara
Monica Hunter – San Luis Obispo
David Hodgins – Scotts Valley
Tom O'Malley– San Luis Obispo
Gary Shallcross - Moss Landing

2. Introductions Executive Officer Roger Briggs

Executive Officer Briggs introduced staff and asked parties who wished to speak to complete testimony cards and turn them in. Supplemental sheets that were prepared after the agenda was sent out are as follows: Item 14/Dynergy Power Plant Moss Landing.

3. Approval of July 10, 2009 Minutes Board Motion

MOTION: Russ Jeffries moved to approve the July 10, 2009 minutes.

SECOND: David Hodgins

CARRIED: (5-0) Note: Jeffrey Young and John Hayashi abstained.

4. Report by State Water Resources Control Board Liaison Status Report

No report available at this time.



5. Uncontested Items Calendar Board Motion

Executive Officer Briggs recommended Item 8/Former Pillsbury Green Giant Facility, and Item 14/Dynegy Power Plant Moss Landing be removed from the consent calendar. Board member Hunter asked staff about the status of the Monterey County Waste Water Management plan effort for Carmel Highlands. Staff Engineer Matthew Keeling said the County has prepared a study that will go public next week. The County is also putting together the onsite wastewater management plan document, as well as revising its ordinance that is due to expire in October. They hope to have a plan adopted within a month after the expiration of the ordinance.

MOTION: Russell Jeffries moved to approve the consent calendar.

SECOND: David Hodgkin

CARRIED: Unanimously (7-0)

6. Low Threat and General Discharge Cases Status Reports

Executive Officer Briggs noted that this is a written report and asked the Board if they had questions. The Board had no questions.

7. Staff Closures Board Approval

Executive Officer Briggs noted that the site was taken to clean closure and asked the Board if they had questions. The Board had no questions.

9. Enforcement Report Status Report

Executive Officer Briggs noted that this is a written report and asked the Board if they had questions. Board member Hunter asked about the status of Monarch Grove and proposed upgrades to the wastewater treatment plant. Section Manager Harvey Packard noted that the existing system would either need repairs or they could possibly hook-up to the community system. It is not known at this time what decision the plant management will make.

14. Dynegy, Moss Landing Power Plant..... Order No. R3-2009-0049

Executive Officer Briggs introduced Item No. 14, Water Board staff's proposed renewal of Waste Discharge Requirements Order No. R3-2009-0049 (Order) for hazardous waste surface impoundments at the Dynegy Moss Landing Power Plant LLC (Dynegy), Moss Landing, Monterey County. Water Board staff Engineering Geologist David Schwartzbart presented information regarding the power plant, hazardous waste surface impoundments, monitoring, operations, and applicable laws regulating the power plant and the impoundments. Mr. Schwartzbart stated that Dynegy published a notice in the newspaper that the Order would be renewed in September 2009 and the public was to submit comments by July 31, 2009. After the Executive Officer and Chairman rescheduled the meeting, Water Board staff re-noticed the item and extended the public comment period to noon on August 31, 2009.

Water Board staff responded to Monterey Coastkeeper's comments in the Supplemental Sheet, and continued to recommend the Water Board make findings necessary to renew Dynegy's legal exemptions for the impoundments and adopt the Order for five years. Water Board staff counsel,

Frances McChesney, stated that legal public notice requirements were satisfied and that the public had more than 30 days to submit comments.

Lee Genz, Dynegy, presented information regarding impoundment construction, waste containment, and ongoing impoundment operations and monitoring. Chairman Young and Board member Jeffries asked questions about historical liquid detections and Board member O'Malley asked questions about pond liner service life. Mr. Genz and J.C. Isham of Shaw Environmental Consultants (Shaw), Dynegy's consultant, responded that they had a single pinhole leak event which was along a seam, and likely related to weld integrity, not liner degradation. Mr. Genz provided Dynegy's detailed liquid collection, seam failure, and liner repair operations. Mr. Isham stated that the existing liners likely have decades of life left and the average industry standard is approximately 50 years.

Steve Shimek of Monterey Coastkeeper stated that Water Board staff's public notice was possibly improper and certainly confusing because public comments could be submitted after the hearing was over. Mr. Shimek also identified pH variations in multiple groundwater monitoring wells and variability of ammonia in the groundwater monitoring data, and he suggested this indicated that pond integrity was compromised. Mr. Shimek reiterated his request that the Water Board approve only a one-year extension of the current permit.

Mr. Isham stated the recent ammonia variability resulted from lab error (and he explained their process for that determination), no other parameters were elevated at that time, and there was no liquid in the leachate collection system. He testified that groundwater data and methods were reviewed carefully by Department of Toxic Substances Control geologists, monitoring wells are closely spaced, the site is variable hydrogeologically, and there has never been indication of release to the environment. In response to questions from Chair Young, Mr. Isham stated that multiple chemical concentration spikes would be more meaningful than a single chemical increase (e.g., spikes in pH, in conjunction with sulfate and iron), and iron concentration increases in groundwater have never correlated to a pinhole release from the liner system or with other signature chemicals. Board Member O'Malley asked Mr. Schwartzbart if Mr. Isham's method for determining lab error seemed plausible and he replied that it did; it was reasonable. Mr. Schwartzbart also noted that the subject ammonia concentrations were low compared to drinking water standards.

The Chairman and Board members discussed approving staff recommendations, provided all additional public comments received prior to noon on August 31, 2009 were forwarded to the Board, who could reopen the item, if significant comments warranted.

MOTION: Tom O'Malley moved to adopt staff's recommendation to adopt the Order and revisit the issue if new and substantial information was submitted before noon.

SECOND: David Hodgkin

CARRIED: (6-1) Note: Monica Hunter voted no.

15. Public Forum Board Direction

The individual listed below had comments:

- Daniel Diaz, Nipomo Creek Dogs – Mr. Diaz asked the Board to help with the creek cleanup of black plastic irrigation tubing in the Nipomo area. He noted that the irrigation tubing has already reached the estuary at Main Street Beach. Senior staff Engineering Geologist Sheila Soderberg noted that staff Geologist Rich Chandler received comments on the Conoco Phillips Corrective Action Plan from the Dept. of Fish and Game. We are reviewing the comments now and will respond to the Corrective Action Plan and will provide an update at our December Board meeting. Chairman Young asked staff if there was anything more that could be done on this

issue. Board member Hunter would like to see the issue included in the agricultural waiver. Mr. Briggs noted that Board member Hayashi is providing recycle deposit boxes for the tubing for any farmer to drop off their tubing at no charge. Section Manager John Robertson noted that the issue can be added to the existing agricultural waiver order and that there is no need to wait until next year. He will work with Mr. Diaz on the issue. Chair Young asked staff to provide a status report as information becomes available.

16. 2010 Board Meeting Calendar Board Motion

Executive Officer Briggs recommended changing the December 2009 meeting date December 10, 2009 due to the implementation of furlough Fridays. Board members discussed their schedules and directed Mr. Briggs to resolve the May and December 2010 date conflicts.

MOTION: David Hodgin moved to adopt the 2010 Board Meeting Calendar.

SECOND: Gary Shallcross

CARRIED: (6-1) Russ Jeffries voted no.

17. Reports by Central Coast Water Board Members Status Report

No reports at this time.

19. Executive Officer's Report Information/Discussion

This was a written report only.

Chairman Young adjourned the meeting at 10:36 a.m. The next Board meeting will be held on October 23, 2009 in Santa Barbara, California.

The meeting was audio recorded and the minutes were reviewed by management and approved by the Board at its October 23, 2009 meeting in Santa Barbara, California.



Jeffrey Young, Chairman

H/ALLMYDOCS/BOARD MINUTES/2009/AUG09mins/carol