

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

STAFF REPORT FOR REGULAR MEETING OF JANUARY 28, 2016
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ITEM NUMBER: 13

SUBJECT: Budget and Priorities

STAFF CONTACT: Lisa Horowitz McCann, 805/549-3140,
Lisa.McCann@waterboards.ca.gov

DISCUSSION

The Central Coast Water Board (Water Board) is currently experiencing an expanding budget (more positions) and facing increasingly complex and integrated water quality and resources challenges. Examples of those challenges and opportunities include:

- Increased stakeholder engagement to tackle these issues collaboratively, including working with environmental advocacy groups, environmental justice groups, and disadvantaged communities,
- Climate change and drought impacts leading to more projects needing permits, such as groundwater replenishment, desalination, and recycled water,
- Widespread groundwater pollution from agricultural fertilizer applications,
- Localized water quality impacts associated with on-site wastewater treatment systems,
- Legislative mandates to evaluate groundwater quality impacts from oilfield well stimulation activities and waste discharges,
- Increased number of facilities enrolled under the new General Permit for Storm Water Discharges from Industrial Activities,
- Increasing population/growth and associated water quality demands (more permits for discharges, water/beneficial use impacts due to adjacent land use activities, groundwater basin overdraft impacts, etc.), and
- New nonpoint sources of pollution such as cannabis cultivation.

This makes it important to review and confirm, or modify, priorities and resource distribution.

The purpose of this agenda item is to present the existing resource distribution and illustrate how the budget is aligned with current priorities. Additionally, the purpose of the agenda item is to facilitate improved understanding by Water Board members so they are better positioned to confirm or suggest modifications to priorities and resource distribution to better accommodate the evolving budget and water quality challenges. Attachment 1 illustrates the current distribution of resources as related to current priorities.

Background

In 2008, the Water Board established the vision of *Healthy Watersheds* and measurable goals of healthy aquatic habitat, properly managed land to protect watershed functions, and clean groundwater. For more information and background on the vision, please see the Staff Report from Water Board Meeting Agenda Item 3, June 4, 2008 at:

http://www.waterboards.ca.gov/centralcoast/board_info/agendas/2008/jun/item3/item3_vision_staff_rpt_6_08.pdf.

The Central Coast Water Board then reorganized its operational units and programs and redistributed some of its resources to align them for achievement of the vision and measurable goals. For more information on reorganization, please see the Staff Report from Water Board Meeting Agenda Item 3, July 2010 at:

http://www.waterboards.ca.gov/centralcoast/board_info/agendas/2010/jul_offsite/item3/item3.pdf.

Finally, the Central Coast Water Board identified the following priorities/projects that Central Coast Water Board staff asserts will ensure progress towards achieving the vision and measurable goals:

- Preventing and Correcting Threats to Human Health
- Preventing and Correcting Degradation of Aquatic Habitat
- Preventing Degradation of Hydrologic Processes
- Preventing/Reversing Seawater Intrusion
- Preventing Further Degradation of Groundwater Basins from Salts

For more information on the priorities, please see Attachment #1 to the Staff Report from Water Board Meeting Agenda Item 18, July 14, 2012 at:

http://www.waterboards.ca.gov/centralcoast/board_info/agendas/2011/July/Item_18/index.shtml

The Central Coast Water Board further realigned resources with projects and programs to address these priorities/projects. For more information on realignment of resources, please see Staff Report from Water Board Meeting Agenda Item 9, October 2013 at:

http://www.waterboards.ca.gov/centralcoast/board_info/agendas/2013/oct/Item_9/item9_rpt.pdf.

Current Budget and Priorities

Currently, resources are being spent as shown in Attachment 1. The position allocations outlined in Attachment 1 reflect staff's flexibility prioritizing and targeting resources as much as possible. For instance, Central Coast Water Board supplements resources for the irrigated lands regulatory program with resources originally authorized to issue waste discharge requirements (WDRs) for facilities discharging to land. The total number of positions we are funded for in fiscal year 2015-2016 is 65.2, as compared to 62.6 positions in 2008.

New resources acquired since 2008 have been tied or targeted to new programs (such as the 2.8 positions for the Irrigated Lands Regulatory Program and the one position augmentation for the Clean Water Act, section 401, Water Quality Certification Program). Central Coast Water Board has used as much flexibility in resource alignment as possible to supplement programs like irrigated agriculture or stormwater regulatory programs, as regionally needed per water quality priorities; The Central Coast Water Board also dedicates most of the resources to the programs addressing the highest priority water quality problems, e.g. irrigated agriculture regulatory program. Additionally, staff within each program prioritizes their tasks to focus on the highest priorities. For example:

- inspections and collaboration with growers operating where groundwater and/or surface water quality is most impaired,
- stormwater permit requirements for low impact development that improve watershed processes and habitat,

- landfill and cleanup staff focusing the bulk of their time on the highest risk sites with respect to human health and water quality,
- increasing grant funds to improve or protect wetlands and riparian habitat.
- permitting projects proposed because of the drought emergency.

In addition to aligning resources with priorities, programs rely on performance measures and track how these measures indicate progress or achievement of meeting program and project objectives and measurable goals. Staff considers whether performance targets are met when reevaluating priorities and/or resource distribution. Furthermore, this information can be used to determine if additional resources are needed by demonstrating effectiveness (or lack of effectiveness) of staff efforts. In this way, staff has indicators that additional resources may be needed and/or staff is focusing on the wrong pollution sources or strategies to control pollution. In these cases, staff will request additional resources and/or improve efficiencies and/or redirect efforts to emerging water quality issues. For example, the Stormwater Regulatory Program focused predominantly on collaborating with and regulating municipal stormwater dischargers for several years but has recently shifted some program resources to regulating industrial and construction stormwater discharges. Similarly the landfill program is changing effectiveness measures from permits issued/re-issued (very indirect measure of water quality outcome) to corrective actions taken to address releases (more direct measure); this has resulted in shifting resources to cleaning up and closing groundwater cleanup cases.

By maintaining priorities that follow from the vision of Healthy Watersheds and measurable goals of clean groundwater, properly managed land, and healthy aquatic habitat and aligning resources accordingly, Water Board staff is effectively and productively implementing its programs, protecting water quality, and continuously adapting to address emerging water resource management issues.

Recently, as new positions and budget have been approved related to newer water quality challenges, Central Coast Water Board has further realigned resources to meet new demands. Specifically, the latest changes include:

- Creating the Active Oilfield Unit with a new senior engineer and three new geologist positions in response to SB4 (Hydraulic Fracturing) and SB 83 (re: Produced Water Ponds) which require the Water Boards to evaluate active oilfield activities (well stimulation and water disposal) relative to groundwater quality,
- Recruiting new staff to implement the Groundwater Assessment Program (GAP) suite of projects in an effort to better plan for and protect our groundwater basins,
- Recruiting a Senior Environmental Scientist (Specialist) to take on a lead role for water quality and habitat assessment, stakeholder involvement and recommending strategies to protect and improve water quality and habitat related to recycled water projects, cannabis cultivation, other key implementation actions established by approved Total Maximum Daily Loads (e.g., targeting grant funds to wood chip bioreactor nitrification systems to treat agricultural runoff in sensitive wetland and riparian areas),
- Increasing inspection and enforcement of violations of Clean Water Act section 401 Water Quality Certification conditions where sensitive habitat and water quality are negatively impacted,
- Shifting stormwater regulation and management to increase implementation of low impact development, improved stormwater capture and treatment through distributed retention and infiltration features, and provide effective tools for municipalities to prioritize and evaluate type, location and effectiveness of best management practices based on assessing potential and actual pollution load reduction.

Conclusion

The Central Coast Water Board continues to adapt its priorities, projects and resource distributions as water quality and socio/economic conditions in the region and the state of California demand. This requires the organization to be both nimble and adaptive to respond to changes, while at the same time, maintain clear priorities, acknowledge limits of existing resources, and continuously evaluate alignment with priorities and effectiveness of programs and projects to achieve the vision and measurable goals. The Central Coast Water Board has effectively managed its budget and realigned its resources for the past ten years to make progress towards Healthy Watersheds indicated by clean groundwater, healthy aquatic habitat and properly managed land. The Central Coast Water Board plans to continue to use all its resources, new positions (e.g., for cannabis cultivation regulation) on this path in 2016-2017.