

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

**SUPPLEMENTAL SHEET FOR REGULAR MEETING OF MARCH 17-18, 2016**  
Prepared on March 3, 2016

**ITEM NUMBER:** 14

**SUBJECT:** Executive Officer's Report

**STAFF CONTACT:** Katie McNeill (805/549-3336)

This item presents a brief discussion of issues that may interest the Board. Upon request, staff can provide more detailed information about any particular item.

**GRANTS**

[Katie McNeill 805/549-3336]

Avila Beach Water Quality Fund Closure

In June 1998, the Water Board reached a settlement agreement with the Unocal Corporation following the discharge of petroleum from pipelines beneath Front Street in Avila Beach. The Unocal settlement agreement was comprised of \$900,000 for water quality improvement projects and \$100,000 for regional water quality monitoring. The funds were deposited into an endowment account administered by the San Jose State University Foundation as the Avila Beach Water Quality Trust. During the past fifteen years, the Avila Beach Water Quality Trust has funded the implementation of fourteen projects totaling approximately \$1.25 million dollars. The list of projects is included in Table 1 below.

Approximately \$50,000 remains today in accrued interest and in previously allocated funds to three projects, as shown in Table 1. The three projects with remaining funds were completed successfully and under budget. The following discussion describes how staff plans to allocate the remaining funds, consistent with previous Water Board direction, and close out the Avila Beach Water Quality Fund.

The balance of one project that was on the initial list of water quality improvement projects (approx.\$2,500), along with the unallocated balance in accrued interest (approximately \$36,000), will be transferred to The Nature Conservancy for the long term property maintenance of the Andre Ranch, which was acquired as Project #7 in Table 1. This is consistent with the Water Board's direction in May 2007 to allocate any remaining balance to long term maintenance at Andre Ranch. These funds will ensure that the property management is aligned with the goals of the conservation easement, such as providing alternate water for cattle to reduce impacts to streams, installing riparian fencing, and conducting annual rangeland easement compliance monitoring.

The remaining balance of two other projects (Projects #12 and #14) within UC Davis's water quality monitoring contract (approx. \$11,000) will continue to be used by UC Davis researchers for additional water quality project monitoring and assessment beyond the original scope of work until the funds are exhausted. UC Davis researchers will be conducting water and sediment chemistry monitoring, data analysis, load reduction evaluation, and reporting for the purposes of water quality project planning, as part of a feasibility study for agricultural tail water toxicity treatment projects in the Santa Maria watershed. This effort would keep the funds with UC Davis researchers as originally planned, and therefore minimize administrative work. It would also keep the funds allocated to monitoring and assessment efforts, consistent with the Water Board's original intent.

**Table 1 – Project List**

<b>Project</b>	<b>Project Title</b>	<b>Allocated funding</b>	<b>Remaining balance</b>
Project 1	The City of San Luis Obispo – Ayers (Johnson Ranch) Property Acquisition	\$50,000	
Project 2	Port San Luis Harbor District – Boatyard Upgrade	\$132,500	
Project 3	Tenera - Oil and Grease Filters in Stormwater Drain	\$15,460	
Project 4	Blue Water and Associates Inc. – Oil Spill Response Equipment	\$25,000	
Project 5	California Polytechnic State University - Continuous Real Time Water Quality Monitoring	\$107,500	\$2,646.56
Project 6	Outfall Diffuser Replacement and Extension at Avila Beach CSD Waste Water Treatment Plant	\$233,000	
Project 7	The Nature Conservancy – Andre Ranch Property Acquisition	\$250,000	
Project 8	Land Conservancy of San Luis Obispo – Replace Marre Dam and Improve Fish Passage	\$50,000	
Project 9	Land Conservancy of San Luis Obispo – South San Luis Obispo Creek Habitat Restoration	\$50,000	
Project 10	Rehabilitation of Primary Clarifier at Avila Beach CSD Wastewater Treatment Plant	\$30,000	
Project 11	Replace Influent Pumps and Restore Wet Well at Avila Beach CSD Wastewater Treatment Plant	\$205,000	
Project 12*	Granite Canyon Marine Pollution Studies Laboratory, Moss Landing Marine Labs, UC Davis – Water and Sediment Pesticide Chemistry	\$20,000	\$10,051.00
Project 13*	State Mussel Watch – Avila Beach Ambient Monitoring	\$50,000	
Project 14*	School of Veterinary Medicine, UC Davis - Sea Otter Tissue Chemistry	\$30,000	\$1,078.60

\*projects for water quality monitoring