

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

STAFF REPORT FOR REGULAR MEETING OF DECEMBER 5, 2003

Prepared on November 5, 2003

ITEM NO: 27

SUBJECT: Executive Officer's Report to the Board

Brief discussion of some items of interest to the Board follows. Upon request, staff can provide more detailed information about any particular item.

Watershed and Cleanup Branch Reports

**REGULATION SUMMARY OF
SEPTEMBER/OCTOBER 2003**

[Corinne Huckaby 805/549-3504]

Orders

Reports of Waste Discharge Received	23
Requirements Pending	115
Inspections Made	11
Self-Monitoring Reports Reviewed (WB)	196
Self-Monitoring Reports Reviewed (CB)	22
Stormwater Reports Reviewed	50

Enforcement

Non-Compliance Letters Sent:	
NPDES Program	2
Non-Chapter 15 WDR Program	2
Chapter 15 Program	0
Unregulated	0
Stormwater	0
CAOs Issued	1
ACL Complaints	2

WATER QUALITY CERTIFICATIONS

[Corinne Huckaby 805/549-3504]

In general, staff recommends "Standard Certification" when the applicant proposes adequate mitigation. Measures included in the application must assure that beneficial uses will be protected, and water quality standards will be met.

Conditional Certification is appropriate when a project may adversely impact surface water quality. Conditions allow the project to proceed under an Army Corps permit, while upholding water quality standards.

Staff will recommend "No Action" when no discharge or adverse impacts are expected. Generally, a project must provide beneficial use and habitat enhancement for no action to be taken by the Regional Board. A chart on the following page lists applications received from September 20, 2003 to November 4, 2003.

County	Date Received	Applicant	Project Description	Receiving Water	Project Location	Action Taken
Monterey	October 27, 2003	City of Monterey	Monterey Harbor Dredging Project	Monterey Harbor	Monterey	Pending
San Luis Obispo	September 30, 2003	County of San Luis Obispo	San Simeon Creek Road Bridges Replacement	San Simeon Creek	San Simeon Creek Road	Standard Certification
	October 9, 2003	Morro Creek Ranch	Morro Creek Road Crossing Modification	Morro Creek	Morro Bay	Pending
	October 29, 2003	CalTrans	Repair culvert and bank stabilization	Tributary to Green Valley Creek	San Luis Obispo County	Pending
Santa Barbara	October 31, 2003	City of Santa Barbara	Goleta Slough Tidal Restoration Experiment	Goleta Slough	Santa Barbara	Pending
Santa Cruz	September 22, 2003	Granite Rock	Soda Lake Facility	Unnamed drainages to Pajaro River	Santa Cruz	Pending
	September 30, 2003	County of Santa Cruz	Harkins Slough Road Bridge	Struve Slough West Branch	Watsonville	Pending
	September 30, 2003	Corps of Engineers	San Lorenzo River Bank Stabilization	San Lorenzo River	Santa Cruz	Pending
	November 3, 2003	Santa Cruz County Sanitation District	Hidden Beach Pump Station Access Road Repair	Unnamed creek	Rio Del Mar	Pending

WATERSHED BRANCH REPORTS

Status Reports

Nonpoint Source Pollution Prevention Grants Update [Sorrel Marks 805/542-3695]

At its July 11, 2003 meeting, the Regional Board discussed this year's process for prioritizing and ranking proposals for grant funded projects. At that time, staff expected the grant ranking process to be completed in time to provide a summary at the December meeting. However, delays in the State Board coordinated application process have occurred and we are still in the midst of the full proposal review and ranking process. Following is a summary of the grants selection activities completed to date.

Concept proposals were submitted to the State Board in June and reviewed for consistency with high priority water quality needs within our region and statewide. Each of more than 600 concept proposals submitted statewide (43 within Region 3) was reviewed by multi-agency Review Panels. The Review Panels include a representative from each Regional Board, State Board, U.S. EPA, Coastal Commission, other resource agencies and advisory (public interest) groups. Region 3 staff reviewed and scored concept proposals for projects within our Region as well as several statewide projects. The goal of the concept proposal review

process was to identify projects, proponents of which would be invited to submit full proposals to compete for grant funding. Summary of concept proposals submitted for projects within Region 3 was included with the July meeting agenda (Item 23). Projects successfully completing the concept proposal phase (and therefore invited to submit full proposals) are summarized below.

#19 Regional Integrated Program for Irrigation and Fertilization Mgmt. Assistance in Santa Clara, San Benito, Santa Cruz and Monterey Counties (Santa Clara Valley Water District)

#89 San Antonio Creek Coordinated Resource Mgmt. Plan Implementation (Cachuma RCD)

#138 Cost-Share Implementation of Erosion and Sediment Control BMPs for Non-County Roads in the San Lorenzo and Aptos-Valencia Creek Watersheds (Santa Cruz Co. RCD)

#43 Morro Bay Volunteer Monitoring (Bay Foundation of Morro Bay)

#520 Los Osos Creek Wetland Reserve Enhancement Project (Coastal San Luis RCD)

#292 Manure and Erosion Pollution Prevention

from Livestock Facilities (Ecology Action of Santa Cruz)

#521 Morro Bay On-Farm Coastal Water Quality Implementation Project (Coastal San Luis RCD)

#735 Farm Runoff Prevention and Treatment: A Focused Technical Assistance Program in the Salad Bowl (RCD of Monterey Co.)

#329 Implementation of the Moro Cojo Slough Mgmt. and Enhancement Plan: Restoration of the Core of the Watershed (Moss Landing Marine Laboratories)

Full proposals from the above list were submitted to the State Board by October 15, 2003 and are currently being reviewed for technical and administrative contract readiness. A process similar to that followed for concept proposals (standard score sheet and multi-agency review panels) will be used to select projects for funding in accordance with the following schedule.

November 21, 2003 - Project reviews and scores submitted to State Board Division of Financial Assistance

December 12, 2003 - Review Panels meet and prioritize projects for funding

December 15, 2003 - Selection Panel reviews/confirms project prioritization

January 5, 2004 - WMI Committee reviews/confirms project prioritization

March 2, 2004 - State Board workshop to consider grants

March 16, 2004 - State Board meeting to authorize grant funding

Staff plans to provide a summary of projects, criteria, scores and ranking to the Regional Board as an information item at a future Regional Board meeting.

Status of Winery Regulation [Matt Thompson 805/549-3159]

During the October 2003 Regional Board meeting, Board members requested a status update on regulation of Central Coast wineries. As background, prior to November 2002, only 20 to 25 wineries of the more than 200 wineries in the region, had obtained waste discharge requirements. Waivers of waste discharge requirements were issued to dozens of small to medium-sized wineries over the last several decades. All these waivers expired by State law on January 1, 2003. The November 2002 General Waste Discharge Requirements for Discharge of Winery Waste (General WDRs) were developed, in part, to accommodate the increase in workload resulting from expiration of these waivers.

All known Central Coast wineries were notified through several mailings and workshops of the need to seek renewal of their waiver or coverage under the General WDRs. All "large" wineries, defined as producing greater than 100,000 cases of wine per year or processing greater than 1,500 tons of grapes per year, that had not yet obtained waste discharge requirements, were required to submit an application for coverage under the General WDRs by May 1, 2003. Although we do not yet have detailed production information for every winery, we believe all large wineries have complied with this requirement. Our records indicate large wineries comprise only 10 to 15% of the total number of winery facilities in the region, however these facilities are assumed to present the greatest threat to water quality based on the size of their wastewater flow.

All remaining wineries (less than 100,000 cases per year) were required to submit a request for a waiver or an application for coverage under the General WDRs by September 1, 2003. As expected, we've received dozens of waiver requests and applications. As of November 3, 2003, 10 wineries have been enrolled under the General WDRs, 5 wineries have received waivers

of WDRs, and 24 wineries have received Small Winery Waivers ("small" is defined as producing less than 5,000 cases of wine per year). Staff is in the process of reviewing at least 36 additional applications. Overall, the number of wineries accounted for has increased by 75 since November 2002, a three-fold increase.

Unfortunately, 50% of all known wineries, or approximately 115 wineries, are unaccounted for. Our preliminary investigation suggests many of these wineries are not actually wineries, rather wine brands that are produced at "custom-crush" facilities that produce several different brands. These brands often have their own tasting rooms and/or marketing, which lead to the appearance of an independent winery. Several wineries apparently are located within industrial areas and discharge into the sewer system of communities such as Santa Maria, San Luis Obispo, and Lompoc, and are not required to obtain a waiver or waste discharge requirements. However, the majority of these 127 wineries have simply failed to submit a waiver request or application, and bringing the total number of wineries covered by individual WDRs, the General WDRs, the small winery waiver, and the General Waiver to approximately 100 facilities.

In mid to late November, we will be sending a reminder notice to all the wineries that are not accounted for, requesting they either submit clarification of their waste discharge (e.g., sewerage), or an application for coverage under the General WDRs. In the meantime, we will continue processing applications received thus far.

Carmel and Pebble Beach Phase II Water Recycling Project Update [Matt Thompson 805/549-3159]

Regional Board staff Matt Thompson attended a meeting October 1, 2003, to discuss Carmel Area Wastewater District (CAWD) and Pebble Beach Community Services District's (PBCSD) proposed "Phase II" water recycling project. Those attending included representatives of CAWD, PBCSD, Pebble Beach Company, Carollo Engineers (engineering consultant), Denise Duffy & Associates (environmental consultant), and the State Department of Health Services.

The primary purposes of Phase II are to decrease recycled water salinity and expand long-term storage. The media filtration process at CAWD's tertiary treatment facility will be replaced with a microfiltration process, and a reverse osmosis process will be added to decrease recycled water sodium concentrations to 50 mg/L. The tertiary treatment process' capacity will be expanded to 1.5 million gallons per day (MGD) annual average (2.25 MGD monthly peak). Forest Lake Reservoir, an unused 400 acre-foot reservoir in Pebble Beach, will be rehabilitated to store recycled water.

Recycled water is used to irrigate Pebble Beach's famed golf courses. Salt in the recycled water builds up in the golf course turf and must periodically be flushed out with potable water. Decreased recycled water salinity will allow the golf courses to be irrigated by recycled water continuously and eliminate the need for flushing. Expanded storage at Forest Lake Reservoir will allow recycled water to be produced continuously throughout the entire year. Hence, Phase II will significantly decrease potable water usage by the Pebble Beach golf courses, and significantly decrease the annual volume of wastewater discharged by CAWD to Carmel Bay.

Phase II implementation is unclear, as funding is not yet secure. Pebble Beach Co. will be funding Phase II, which is estimated to cost approximately \$25 million. To obtain the necessary funding, Pebble Beach Co. has proposed selling potable water entitlements that Phase II will provide. Monterey Peninsula Water Management District (MPWMD) initially approved of selling the entitlements in October 2003. Assuming MPWMD will finally approve of selling the entitlements in November 2003 and it will then take at least six months to sell enough water entitlements to generate adequate funding, groundbreaking of Phase II will not likely occur until Summer 2004 or later.

Water Recycling Requirements (WRRs) for both the recycled water producer (CAWD) and various users must be updated. Currently, nearly identical WRRs are issued to several different users. Staff tentatively plans to recommend these WRRs be rolled into "Master" Recycled Water User Requirements, as a means to more efficiently regulate recycled water use among the various users. Master Requirements could be administered by PBCSD, further decreasing burden on Regional Board staff resources.

Staff will continue tracking Carmel and Pebble Beach's Phase II Water Recycling Project and report any significant progress.

Timber Harvest Framework – Memorandum of Understanding with the California Department of Forestry and Fire Protection [Chris Adair 805/549-3761]

During the September 12, 2003 Board Meeting, the Board Members requested Regional Board staff investigate the consistency of the "Memorandum of Understanding (MOU) Between the State Water Resources Control Board (SWRCB), Designated Regional Water Quality Control Boards (RWQCB) and the California Department of Forestry and Fire Protection (Department)" with staff's internal "Decision Model".

Some key points of the MOU are as follows:

- Conflicts between agencies should be resolved at the lowest possible level. (MOU, Section V.7.)
- When there is disagreement between agencies, the Executive Officer, the Assistant Executive Officer, the Deputy Director of the Department, or the Assistant Deputy Director of the Department may request that the parties confer to present evidence and seek to resolve the conflict. (MOU, Section V. 8.)
- If a conflict between agencies is not resolved and the Department proceeds to approve a particular timber harvest plan, the Executive Officer or Assistant Executive Officer may commence the Head of Agency Appeal process in the Forest Practice Rules (FPR 1056). (MOU, Section V.9.)
- When the Department decides not to follow the recommendations of the relevant Regional Board or SWRCB, the RWQCB and the SWRCB may proceed to take whatever action they believe is appropriate under their authority (e.g., requiring a report of waste discharge, issuance of waste discharge requirements, etc.).

Regional Board staff has updated the "Decision Model" (attached) to include conflict resolution that is consistent with the MOU. No additional changes are needed to make the Decision Model compatible with the MOU. Regional Board staff would like to again emphasize that the Decision Model is an internal staff guidance tool. Regional Board staff will make recommendations to the Board based on circumstances presented in each individual Timber Harvest Plan.

[See Attachments No. 1 and 2]

Item No. 27
Executive Officer's Report

6

December 5, 2003

Los Osos Wastewater Project [Sorrel Marks 805/549-3695]

Following is a brief summary of issues relating to the Los Osos wastewater project since the last update provided in March 21, 2003 Executive Officer's Report

On June 16, 2003, the State Board denied Cal Cities Water Company's petition of the WDR Order adopted by the Regional Board for the Los Osos Wastewater Project. Cal Cities subsequently filed a writ of mandate in Superior Court and staff is working with legal counsels representing the Regional Board, Attorney General and Los Osos CSD to address the litigation. The 10,000+ page record (supporting documentation) has been assembled by staff and is currently being reviewed for completeness.

On July 24, 2003, San Luis Obispo County Planning Commission unanimously approved the Coastal Development Plan/Permit for the wastewater project. Planning Commission approval was appealed to the County Board of Supervisors, which also unanimously upheld permit approval (denied appeal) on October 21, 2003. Regional Board staff participated in both public hearings (Planning Commission and Board of Supervisors) by making powerpoint presentations and addressing questions. Project opponents can appeal the County Board of Supervisor's decision to the California Coastal Commission. In the meantime, wastewater project design work is proceeding and the CSD has submitted its 50% design documents. Barring unforeseen delays, construction on the project is expected to begin by the Summer of 2004.

During the past several months, staff have responded to over 200 postcards from Los Osos residents requesting that the project be postponed to allow for additional alternatives study. Sample of response letter to the post cards is included as **EO Report Attachment No. 3**. Staff has also

responded to multiple requests for public records and information from Los Osos resident Mr. Budd Sanford. Most recent response letter is included as **EO Report Attachment No. 4**. The Quarterly Status Report submitted by the CSD is included at **EO Report Attachment No. 5**.

Kelegian Ranch/Goldie Lane Properties [Donette Dunaway 805/549-3698]

At its October 24, 2003 meeting, the Regional Board received a written staff report and was presented with additional information from Sarah Christie, a concerned citizen, regarding the Goldie Lane property (40 acres) and Kelegian Ranch property (199 acres) (Sites). In August 2003, the Executive Officer issued Cleanup or Abatement Orders for both of the Sites. The Cleanup Orders were based on Porter Cologne violations. The Cleanup Orders required the Dischargers to develop and implement erosion and sediment control plans to minimize sediment discharges to waters of the State prior to the rainy season. Regional Board staff, along with Dischargers' representatives visited the Goldie Lane Property on August 19, 2003, and the Kelegian Ranch Property on September 19, 2003. Both sites were in good condition with widespread established vegetation. Regional Board staff discussed minor areas of concern with the Dischargers' representatives. The Dischargers stated in an October 14, 2003 letter, that the minor areas of concern would be hand seeded prior to the "next rain".

Staff continues working with the property owners, their consultants, County officials, and concerned citizens to gather facts about the sites, including whether or not the trees have been ordered. In particular, information is being gathered to clarify permit approvals and activity scheduling related to agricultural and construction practices. Regional Boars staff intends to present all the facts and enforcement options to the Regional Board at its February 6, 2004 meeting, in San Luis Obispo. In the meantime, staff will continue working with the owners, County officials, and interested public to ensure that erosion and sedimentation concerns are adequately managed.

CLEANUP BRANCH REPORTS

Status Reports

Underground Tanks Summary Report dated November 6, 2003 [Burton Chadwick 805/542-4786]

[EO Report Attachment No. 6]

Groundwater Monitoring System Proposal, Tajiguas Landfill, Santa Barbara County [Hector Hernandez 805/542-4641]

Note: New portions of this report are in italics. Portions carried over from the October 2003 agenda are in regular font and provided for background and history.

Summary

The following is a status report prepared per Regional Board direction during the October 24, 2003, Regional Board meeting in Santa Barbara. During the meeting, Regional Board staff was directed to provide a detailed update concerning the County's proposed groundwater monitoring plan (Monitoring Plan). Provision E.17 to Order No. R3-2003-0011 requires the County to develop and provide an effective groundwater monitoring plan (Monitoring Plan) covering the landfill's expansion and existing unlined landfill areas by November 21, 2003.

Background

Groundwater Monitoring Plan Status – The County is required to develop and provide an effective monitoring plan (Monitoring Plan) covering the landfill's expansion area by November 21, 2003. The required Monitoring Plan must include detailed information and justifications for the placement of additional monitoring points for all media (groundwater, surface water and vadose zone) covering the expansion area. It must include proposed monitoring frequencies, analytical parameters, vertical and horizontal gradients, and elevations.

Additionally, per Regional Board directive and as a condition to adoption of Order No RB3-2003-

0011, the Monitoring Plan must propose additional groundwater monitoring wells covering the existing unlined Landfill area. The proposed additional monitoring wells will enhance the effectiveness of the existing groundwater monitoring network directly down gradient from the Landfill.

The County is on track for submitting an acceptable Monitoring Plan by the submittal deadline. Staff has been working closely with the Discharger to finalize and implement an effective Monitoring Plan that enhances groundwater monitoring within the existing unlined Landfill area, and provides effective monitoring of the expansion area.

Due to the time constraints between drafting this status report and the submittal deadline for the Monitoring Plan, details concerning the County's Monitoring Plan proposal will be forwarded to the Regional Board via a supplemental sheet.

Specific details concerning the Landfill's background history, setting, existing monitoring systems, geology and hydrogeology, and present groundwater conditions are detailed in the October 24, 2003 status report and Order No. R3-2003-0011.

REGIONWIDE REPORTS

Regionwide Monitoring and Basin Planning [Karen Worcester 805/549-3333]

Monitoring

Funds for ambient monitoring through the Surface Water Ambient Monitoring Program (SWAMP) appear to have been restored through a new surcharge to discharger fees. The State Mussel Watch Program and the Toxic Substances Monitoring Program have not been restored in their original format. However, \$500,000 of the new monitoring funds will be allocated from SWAMP towards bioaccumulation sampling. A state-wide technical meeting is planned to discuss the goal and objectives of the new bioaccumulation program.

Central Coast Ambient Monitoring Program (CCAMP) staff have been developing a spending

plan for the newly available funds. The Coastal Confluences program, our long-term trend monitoring program, will be reinstated in January 2004. Watershed rotation monitoring in the Pajaro watershed and north coast will begin in January 2005.

SWAMP has recently developed a standardized reporting format for assessment of data. CCAMP staff is beginning work on assessment of SWAMP data from fiscal years 00/01 and 01/02.

CCAMP staff are renovating our web site, and are also working on import tools to enable the state-wide SWAMP database to be imported into a similar web-based framework as we currently use for CCAMP data.

Basin Planning

Nutrient Objectives for California

United States Environmental Protection Agency (U.S. EPA) has proposed Nitrogen and Phosphorus criteria under Clean Water Act §304(a). U.S. EPA has also developed guidance documents that detail methods for developing new criteria. U.S. EPA has given states three options regarding the creation and implementation of nutrient criteria: 1) employ methods outlined in the guidance documents, 2) directly adopt proposed §304(a) criteria or 3) use other scientifically defensible methods to develop criteria. Whatever the approach, continued progress is necessary to prevent promulgation of §304(a) default criteria. U.S. EPA has revised the time frame for nutrient criteria development requiring that nutrient criteria be established no later than 2007.

The U.S. EPA Region IX Regional Technical Advisory Group (RTAG) and the State/Regional Board Technical Advisory Group (STRTAG) oversee nutrient criteria development for U. S. EPA Region IX and California, respectively. In 1999, RTAG commissioned a study to evaluate methods from the guidance documents (option one). Results indicated that U.S. EPA's methodology would not adequately reflect conditions in California. Consequently, Regional Board representatives, as members of RTAG,

voted unanimously to pursue option three (use other scientifically defensible methods to develop criteria).

The rationale for using a scientifically defensible method unique to California is that U.S. EPA's guidance document methods assume nutrient levels in reference waters may be used to determine the condition of non-reference waters. This relationship was established with data from Minnesota, New York and Tennessee, but with no data from the western United States. The U.S. EPA approach would also place many reference and non-reference waters in immediate non-compliance, necessitating site-specific objectives or other corrective actions. Finally, the U.S. EPA approach may lead to unnecessary and widespread 303(d) listings.

A consultant, Tetra Tech, has been hired to conduct the technical work and coordinate RTAG/STRTAG meetings. As part of these efforts, it is anticipated that nutrient-caused impairment will be clearly defined, providing a scientifically defensible rationale for Clean Water Act §303(d) listing/delisting decisions. Modeling techniques will also be developed that should allow Regional Board staff to delineate important factors to control eutrophication in surface waters. The draft State/U.S. EPA work plan detailing the scientifically defensible method for criteria development has been written.

State representatives and Tetra Tech are implementing a "pilot project" to evaluate the approach for developing nutrient objectives laid out in the U. S. EPA Region IX Nutrient Criteria Development Work Plan. In early 2003, as part of the "pilot project" Central Coast Regional Board staff provided Tetra Tech with nutrient data collected through the Central Coast Ambient Monitoring Program. Additionally, Central Coast Regional Board staff developed a draft "Multi-Metric Biostimulatory Risk Exposure Index" used to evaluate site based on various water quality parameters (nutrients, pH, dissolved oxygen, chlorophyll a, flora, and turbidity). The intent of the Index is to provide a screening tool that embodies simultaneous consideration of stressor, responder, and indicator variables. This Index was also provided to Tetra Tech for use in the "pilot project".

A report (2003 Progress Report – Ecoregion 6, Pilot study for the Development of Nutrient Criteria) evaluating the approach for developing nutrient objectives laid out in the U. S. EPA Region IX Nutrient Criteria Development Work

Plan was made available to Regional Board staff on November 3, 2003. The report will provide preliminary results regarding the feasibility of developing nutrient criteria for varied landscapes and the basic framework for continued nutrient criteria development. Much of the data used as the basis of this report was that supplied by our Central Coast Ambient Monitoring Program. Staff is currently reviewing the report and will provide comments to Tetrattech through the RTAG.

Assembly Bill (AB) 885 Update – Porter-Cologne Water Quality Control Act (January 1,2002), Chapter 4.5 Onsite Sewage Treatment Systems, Sections 13290, 13291, 13291.5, and 13291.7

AB 885 requires the State Water Resources Control Board (State Board) to adopt, on or before January 1 2004, (in consultation with the State Department of Health Services (DHS), the California Coastal Commission (CCC), the California Conference of Directors of Environmental Health (CCDEH), counties, cities, and other interested parties), specified regulations or standards for the permitting and operation of prescribed onsite sewage treatment systems that meet certain requirements.

From April through August 2001, State Board staff developed the approach to be used to address AB 885 tasks. In September 2001, State Board staff procured contract facilitation services to help implement State Board actions to address AB 885. From November 2001 through October 23, 2002, State Board staff held bi-weekly technical advisory committee (TAC) meetings to solicit public input and address the tasks of AB 885. State Board staff prepared and distributed draft regulations to meeting participants for additional review and comment.

Subsequent to the October 23, 2002 TAC meeting, a minority report was prepared March 2003 by various AB 885 participants that did not support the State's draft regulations. State Board staff elected to revise the draft regulations to address the concerns identified in the minority report prior to release of the draft regulations for public review.

As of March 2003, the draft regulations have been prepared, reviewed by State Board Office of Administrative Law, and revised by State Board

staff. State Board plans to release the draft regulations in November 2003.

Total Maximum Daily Load Program [Lisa Horowitz McCann 805/549-3132]

Regional Board staff of the Watershed Assessment Unit continues to implement priority activities of the Total Maximum Daily Load (TMDL) Program.

Staff is progressing on the TMDL project tasks to be completed during fiscal year 2003-2004. Most of these projects focus on completion of TMDLs in development and initiation of preliminary studies for new TMDL projects. TMDLs nearing completion include Clear Creek and Hernandez Reservoir Mercury TMDL, San Luis Obispo Creek Nutrients and Pathogens TMDLs, Chorro and Los Osos Creeks Nutrients and Dissolved Oxygen TMDLs. New projects in the preliminary investigation phases include Salinas River Pathogens, Carpinteria Marsh multiple pollutants, Goleta Slough multiple pollutants, Santa Maria and Oso Flaco Nitrates, Santa Maria Bacteria, Pajaro River and Llagas Creek Salts, and Pajaro River Bacteria.

Additionally, staff in the Watershed Assessment Unit developed a proposed program for sediment assessment and monitoring for the region, and began scoping a region-wide study to investigate sources of bacteria to impaired waterbodies. Staff is also participating in state-wide development of a technical approach for evaluating nutrient impacts to aquatic life and recreational beneficial uses (as this is significantly more complex than comparing nitrate water quality data to the numeric water quality objective for nitrate in drinking water).

Implementation of Morro Bay National Estuary Program [Bill Hoffman 808/772-3834]

In 1997, \$3.55 million from a Consent Decree was granted to the Bay Foundation of Morro Bay for implementation of the Morro Bay National Estuary Program's Comprehensive Conservation and Management Plan. This money has been invested in a conservative portfolio and has been used by the MBNEP for projects to enhance the estuary and watershed, and for grants to other agencies or organizations that likewise work on similar projects. The funds may not be used for MBNEP operations,

nor for education or outreach projects. The Consent Decree also requires that the monies be fully allocated by 2009. Allocations are approved by both the Bay Foundation Board of Trustees and the MBNEP Executive Committee, and are subject to review by the CCRWQCB Executive Officer.

The following summarizes the use and status of the Consent Decree funds through FY 2002-03 (June, 2003):

Original Amount:	\$3.66 million
Amount Remaining:	
Schwab portfolio	\$2.603 million
County of SLO trust fund	<u>\$0.571 million</u>
Total Remaining:	\$3.174 million
Spent:	\$1.446 million
Allocated but unspent:	\$0.943 million
Unallocated:	\$2.227 million
Current remaining plus spent:	\$4.620 million

The accompanying pie chart illustrates the allocations to date by different types of project. Approximately 43% of allocations to date have gone toward the acquisition of land to preserve and enhance valuable habitats, and to allow for the construction of sediment traps above Morro Bay. These land acquisition projects have a fair market value of almost \$12 million; the MBNEP's contribution has been about \$1 million, for a leverage ratio of 12:1.

The next largest category of allocations includes projects in the watershed to reduce erosion and pollution. They directly implement TMDLs adopted by the CCRWQCB.

About one-fifth of the money has been allocated toward a major in-bay habitat enhancement project, proceeding through a partnership of the MBNEP, Army Corps of Engineers, County of San Luis Obispo and California Department of Parks and Recreation. Work to date has included modeling to better predict the rate of bay sedimentation, projections of consequent impacts on the habitats, and a list of projects that might ameliorate those impacts. Next, those projects will be subjected to a feasibility

analysis, leading ultimately to design and implementation.

Other expenditures have been used for pollution reduction projects (in addition to the sediment capture and watershed projects (for example, the installation of "mutt mitt" dispensers around the bay) and for monitoring, which is directly relevant to tracking TMDL progress.

The total allocation of about \$2.3 million has leveraged projects with a combined value of \$16 million, an overall leverage ratio of almost 7:1.

As noted above, many of the allocations are in the form of grants to public agencies or other organizations directly involved with bay and watershed work. To date, 32 grants totaling about \$1 million have been awarded to 18 different groups.

Summary charts of status and use of funds to date included as **EO Report Attachment No. 7.**

[Letter from the Ocean Conservancy Regarding Ag Waivers \[Allison Jones 805/542-4646\]](#)

[Agricultural Discharge Workshop on October 23](#)
(In response to several comments received during the workshop) Staff is developing a monitoring and reporting program (MRP) that will describe in more detail the various options being proposed for monitoring agricultural discharges. Staff is also considering some changes to the structure of the program as a result of additional information provided by workshop participants. Staff is scheduling a meeting of the Agricultural Advisory Panel in December to discuss the revised program. An additional public workshop has been scheduled for January 9, 2004, in Salinas.

The Ocean Conservancy submitted a comment letter subsequent to the workshop, which is attached. The letter is consistent with discussions staff has had with the organization in the past, and staff agrees that it is important that the program be adopted in a timely manner. Once comments have been received from the January workshop, staff believes it will be possible to complete CEQA and bring the program to the Board by the March Board meeting.

[EO Report Attachment No. 8]

ADMINISTRATIVE REPORTS

Presentations and Training [Roger Briggs
805/549-3140]

On October 5-10, Water Resource Control Engineer Bill Arkfeld attended a five day Fluvial Geomorphology Class in Bishop, Taught by Dr. Kondolf. The course provided classroom and field demonstrations regarding design parameters and associated impacts of stream channel modifications that staff routinely reviews as part of our 401 Water Quality Certification Program.

On November 5 and 6, 2003 Julia Dyer, Angela Carpenter, and Katie McNeill attended the California 2003 Nonpoint Source Conference, "Restoring Clean Water: NPS Pollution Prevention and TMDLs," sponsored by California State Water Resources Control Board, California Regional Water Quality Control Boards, and US

Environmental Protection Agency, Region 9. The conference was held in Ventura. Katie McNeill moderated a session titled Reducing Runoff from Agricultural Sources and made a presentation titled, "The Morro Bay National Monitoring Program- A 10-Year Study of Rangeland Best Management Practices."

On November 14 and 15, 2003 Karen Worcester, Katie McNeill, Dominic Roques and Shanta Keeling made presentations at the Morro Bay "State of the Bay" Workshop, sponsored by the Morro Bay National Estuary Program. The presentations focused on water quality monitoring and assessment conducted by the Regional Water Quality Control Board, their partners and contractors, and implementation activities recommended by the Regional Water Quality Control Board.

ATTACHMENTS

1. Timber Harvest Decision Model
2. Memorandum of Understanding between The State Water Resources Control Board, Designated Regional Water Quality Control Boards, and the CA Department of Forestry and Fire Protection
3. Sample of Response Letter to Post Cards/Los Osos.
4. Regional Board Response Letter dated 10/28/03 for Requests for Information/Los Osos.
5. Quarterly Status Report from Los Osos CSD dated 10/10/03.
6. Underground Tanks Summary Report dated November 6, 2003.
7. Implementation of Morro Bay National Estuary Program Summary charts of status and use of funds to date
8. Letter from Ocean Conservancy regarding Ag Waivers