

**State Water Resources Control Board
November 6, 2007 Board Meeting
Item 8. Executive Director's Report**

Division of Water Quality

Status of Draft Water Recycling Policy: The State Water Board has received 81 letters commenting on the draft Water Recycling Policy and staff report. These documents were circulated to the public in September, prior to the Workshop at the State Board Meeting on October 2 in Los Angeles. Comments were due October 26. In order to provide time for review of the numerous substantive comments received, the Board has postponed its Adoption Hearing for this item until January 15, 2008.

Status of Development of Wetlands and Riparian Protection Policy: State and Regional Water Board staff is coordinating on their respective policy efforts on wetlands and riparian protection. In January, staff plans to bring forward to the State Board a resolution for consideration directing the development of phase 1 of the policy and staff report including environmental documents (CEQA checklist and alternatives analysis).

Status of Development of Once-Through Cooling [316(b)] Policy: Staff has been coordinating a once-through cooling symposium with staff of the California Energy Commission. This will be conducted on the campus of the University of California, Davis on January 15 and 16. Topics of discussion include retrofitting of coastal power plants, the identification of larval species entrained, and the reports that have been funded by the Ocean Protection Council and the State Water Board. The staff proposal for the 316(b) policy will also be discussed.

Status of Development of Compliance Schedule Policy: Staff is preparing a draft policy and staff report and plan to send them out and post them on the State Board website for public comment later this month. A State Water Board hearing on the Policy is tentatively planned for February, 2008.

Status of Draft Chlorine Policy: This policy would incorporate U.S. EPA's total chlorine residual criteria for inland surface waters, enclosed bays and estuaries. The policy would also provide details on the implementation of the proposed objectives. Following the State Water Board's public hearing held in June, 2006 on the draft policy, staff initiated a study designed to determine feasible reporting limits for continuous chlorine and sulfite meters. Staff is currently writing a report summarizing the study results and providing recommendations for appropriate reporting limits and other technical requirements. Staff will then release a revised draft policy for public comment based on these results.

Status of Draft Septic Tank System Regulations: The State Water Board was directed by legislation, AB 885, to develop statewide regulations for the operation and permitting of septic tank systems. Staff has drafted regulations as well as a statewide waiver for implementation of the regulations. A draft Environmental Impact Report is being prepared. Staff expects to publicly notice all three documents and initiate the rule-making process by the end of the calendar year. During the period January through February, the Board will hold eleven public workshops around the state to receive public input. After consideration of public comments, the documents may be modified and will be subsequently considered by the Board for adoption.

Status of Draft Storm Water Construction Permit: Staff has concluded a series of focused stakeholder meetings on the preliminary draft of the General Construction Permit. Staff is now in the process of taking the information from the stakeholder meetings and making appropriate changes to the draft Construction Permit. It is anticipated that a permit will be made available for public review and comment during mid-December 2007. Workshops will be scheduled for early next year.

Status of Draft Storm Water CalTrans Permit: The draft CalTrans Storm Water Management Plan (SWMP) was released for public comment in September, with comments due by November 30. This week, staff plans to release the draft CalTrans Storm Water Permit to the Regional Boards for comment, then to release for public comment by the end of the year. The next step will be to hold two public workshops (one North, one South) on both the draft permit and draft SWMP early in 2008. The public hearing and Board consideration will follow.

Irrigated Lands Regulatory Program Report: The State Water Board and the Central Valley Regional Water Quality Control Board held a joint public meeting on the Irrigated Lands Regulatory Program (ILRP) in September. At that meeting, the State Water Board directed the State Board Executive Director to provide regular reports on the program both in English and in Spanish. The report is presented below in English; the Spanish translation will be completed in the near future. This month's Irrigated Lands Regulatory Program report will provide an update of activities of the Central Valley Regional Water Quality Control Board (Central Valley Water Board) ILRP. However future reports will alternate between the status of the program at the Central Valley Water Board and at other Regional Water Boards throughout the state. In addition, we are considering the most effective way of providing this information (in English and Spanish) to the communities that are affected.

Following the September 13 joint workshop, State and Central Valley Water Board management conducted a "next-steps" meeting on October 5, 2007. This meeting discussed areas in which State Water Board assistance would be beneficial to the Central Valley Water Board ILRP. Specific items discussed

were funding, coordination between the State and Central Valley Water Board, and clean water supplies for impacted communities.

Environmental Impact Report (EIR) / Long-term Program

At the joint State/Central Valley Water Board workshop, several of the board members indicated that discharges to groundwater should be addressed in the Central Valley Water Board ILRP EIR and long-term program. Public comments at the workshop and earlier comments on the Existing Conditions Report also strongly recommended that staff address discharges to groundwater. Central Valley Water Board ILRP staff has met with Jones and Stokes Associates (JSA), the lead contractor on the EIR, to discuss this change in scope. The current contract ends on January 31, 2008. Central Valley Water Board staff will work with JSA to develop a revised project plan and budget and to process an amendment of the contract. Given the expansion of the scope, additional contract funds will likely be necessary.

Draft Revised Monitoring and Reporting Program (MRP)

Central Valley Water Board ILRP staff and the Technical Issues Committee (TIC) held their last meeting regarding the working draft MRP. The development of the working draft has taken place for a period of approximately two years, utilizing the collaborative approach to achieve consensus on recommendations within the TIC. Central Valley Water Board ILRP staff has been able to utilize most of the TIC recommendations, and anticipates presenting the Tentative MRP at the January 2008 Board Meeting. Dr. Brock Bernstein from the Southern California Coastal Watershed Program has also developed a Monitoring Design Guidance document in coordination with the TIC that describes approaches for developing a monitoring design that, when implemented in good faith, will achieve the objectives of the MRP.

Enforcement

Central Valley Water Board ILRP staff is analyzing monitoring results and pesticide use by county. Staff is also analyzing United States Department of Agriculture – Natural Resource Conservation Service (USDA-NRCS) SSURGO soils data in Geographic Information Systems to identify areas in the Central Valley Region with soils that are poorly drained and that have a high runoff potential. This analysis will assist in prioritizing areas for issuing CWC section 13267 Orders to agricultural landowners that are not participating in the Central Valley Water Board ILRP.

Applications for Central Valley Water Board Approval to Join Coalition Groups: Management Plans

Central Valley Water Board ILRP staff is working with the following coalitions to develop management plans to address pollutants for which more than two exceedences have occurred in the last three years: San Joaquin County and the Delta Coalition; Westside San Joaquin River Watershed Coalition; East San

Joaquin Water Quality Coalition; Sacramento Valley Water Quality Coalition; the California Rice Commission; and the Goose Lake Coalition.

With the exception of Goose Lake, each coalition is developing management plans for multiple pollutants/parameters. In some cases, the exceedances are clearly caused in whole or in part by agriculture (e.g., certain pesticides). In other cases, further investigation will be necessary to determine whether, or to what extent, runoff from irrigated lands is contributing to the problem (e.g., pH). Central Valley Water Board ILRP staff and the coalitions have been working closely to make needed revisions to the management plans.

Coalition Group Coordination

In addition to management plan discussions, Central Valley Water Board ILRP staff has met with the coalitions numerous times to discuss: 1) semi-annual monitoring reports submitted per monitoring and reporting program requirements; 2) 2008 monitoring plans; and 3) complaints of water quality problems potentially associated with irrigated agriculture.

The semi-annual monitoring report discussions have focused on identifying and addressing data discrepancies (e.g., monitoring or analysis that was planned, but did not occur) or data quality issues (e.g., failure of laboratory controls). The 2008 monitoring plans have generally involved minor adjustments to the 2007 monitoring efforts.

Central Valley Water Board ILRP staff has received a few complaints regarding water quality problems that are potentially related to irrigated agriculture. In each case, staff has contacted the coalition and worked with them to investigate the complaint. In the Delta, Central Valley Water Board ILRP staff worked with the coalition and the local irrigation district to investigate a fish kill in Marsh Creek. The information gathered indicates a treatment of an herbicide named acrolein was the probable cause of the fish kill. The irrigation district has indicated it has adjusted its treatment protocols to ensure that growers do not release treated supply water prior to dissipation of the herbicide.

Individual Discharger Coordination

Central Valley Water Board ILRP staff is also working with five irrigation districts that have individual waivers and one grower under an individual waiver. The main focus of staff efforts has been in reviewing annual monitoring reports and working with the individual districts to address deficiencies.

U.C. Davis Phase II Contract Monitoring

Field studies of waterways influenced by agricultural drainages in the Central Valley through contracts with U.C. Davis John Muir Center for the Environment and with the State Department of Fish and Game are ongoing. The field work will continue through the spring of 2008 at which point the contract will expire. Approximately 100 samples have been collected from 20 locations since June

2007. The current sampling includes water samples only (no sediment sampling) and constituents include three-species toxicity, as well as pesticides, general chemistry, and metals. These data will be made public as they are received, reviewed, and processed. Preliminary results are exhibiting a very low frequency of water column toxicity, although some pesticides have been detected. A final report for the three years of U.C. Davis monitoring will be prepared by December 2008.

Data Management

Central Valley Water Board ILRP staff continues to manually format and upload water quality monitoring data into the SWAMP comparable format for data it receives from coalitions that do not yet submit data in this format. Only two coalitions are currently submitting the monitoring data in the database format. Central Valley Water Board ILRP staff is also finalizing electronic records for quality assurance validation; developing in-house tools for upload of the SWAMP formatted data to a centralized SWAMP comparable database; and developing in-house procedure manuals to aid in training, structure, and assurance of record integrity.

2007 National Conference on Agriculture and the Environment: State and Regional Water Board staff will participate in the National Conference on Agriculture and the Environment, which will be held November 7-9, 2007, in Monterey. The conference is organized by a consortium of university and private researchers, nonprofit organizations, and governmental agencies with an interest and expertise in agriculture and natural resource protection. The conference will highlight trends in data collection methodologies; examine case studies in agricultural and environmental stewardship; and foster cross-pollination of new ideas, technologies, and methodologies among leading resource protection professionals. State and Regional Water Board staff will address a special session on Water Quality/Agricultural Runoff, describing a strategic approach to address current and future challenges in regulating discharges from irrigated agricultural lands.

Annual Meeting of the State Water Board and U.S. Forest Service: A quorum of the State Water Board members and State and Regional Water Board staff will meet with the U.S. Forest Service (USFS) executive management and technical staff on November 15, 2007 at the Cal/EPA building. This meeting is being held pursuant to the requirement of the Management Agency Agreement (MAA) between these two agencies. Topics on the agenda of this meeting include an overview of the State Water Board and USFS water quality programs, status of MAA update, and ecosystem service partnerships. The meeting has been publicly noticed.

Groundwater Ambient Monitoring and Assessment (GAMA) Public Advisory Committee (PAC) Meeting: There was a meeting on Friday, November 2 of the GAMA PAC. The group had requested the meeting to

address aspects of program implementation that they feel have not yet been adequately addressed and that were outlined in their recent letter to Board Chair Doduc. The three areas which the group high-lighted were lack of adequate coordination with other agencies, the lack of a single data base to capture groundwater monitoring and assessment information and the lack of publicly available information on groundwater quality via the State Board's web site. Staff provided an update on plans to fully implement these statutory requirements and will be providing further information on these issues, and soliciting comment and feedback from the Committee members, at a GAMA PAC meeting to be scheduled early next year.

Sediment Quality Objectives: Draft Sediment Quality Objectives were released to the public for comment. Written comments are due no later than November 16, 2007. A public hearing has been scheduled for November 19, 2007 and will take place in the Resources Building Auditorium.

Water Resources Data Project Team

CIWQS External Users Event: On November 13, 2007, the Water Boards will be holding a users-group kickoff meeting to establish public advisory groups for CIWQS. The four identified user areas that the public and the regulated community use CIWQS are: Electronic Self Monitoring Reports (eSMR) for individual National Pollutant Discharger Elimination System (NPDES) permit holders; Sanitary Sewer Overflows (SSO) for enrollees under statewide general order 2006-0003-DWQ; storm water Modules; and Public Reports.

These four identified user groups will be asked to participate with Water Board staff in designing improvements for the CIWQS modules they use and interface with. Additionally, the groups will be asked to identify a representative for each group to serve on the over-arching CIWQS Steering Committee.

CIWQS Internal Users Summit: On November 14 and 15, 2007, the State and Regional Water Boards staff will convene to discuss the current status of CIWQS, assess its ability and potential to meet our business needs, and work on solutions to move it forward.

CIWQS Review Panel Meeting Postponed: The CIWQS Review Panel had originally been scheduled to reconvene on December 19, 2007, to get an update on the progress of the Water Boards in addressing the recommendations made by the Panel. This meeting has been rescheduled to February 27 and 28, 2008, to allow for more time to complete some of the evaluations asked for and to facilitate further advancement on some of the projects underway. This will allow the Review Panel to provide a better evaluation of the projects since they will be more fully developed.

Agency Information Management Strategy: The Water Board, as required by the Legislature through the budget process, is evaluating and updating its Information Management Strategy. This process was started in late September with the securing of a contractor to assist with its development. Currently Water Board staff, managers, and outside interested parties are being interviewed to provide input to the Strategy, with approximately 20 interviewed to date. The revised Strategy will also link with the Water Boards Strategic Plan as information management will be a focus of the organizational improvements addressed in the Strategic Plan update and as implementing many of the programmatic priorities of the Strategic Plan will have information management facets. Staff and the contractor are working to complete the update by the end of the year, as requested by the Legislature, so the review is proceeding rapidly on a tight schedule. The Board will be kept informed of our progress.

Office of Research, Planning and Performance

WQCC

The Water Quality Coordinating Committee meeting, which had been scheduled for October 29-30 in San Diego, was postponed due to the devastating fires in the region. Due to difficulties associated with schedules, flights and room availability, the meeting has been rescheduled for Sacramento on December 10-11. The agenda for this meeting remains the same (focusing on the Strategic Plan update) and anyone wishing more information can go to the State Water Board's website and view the posted meeting notice and agenda.

Strategic Plan Update

An initial draft of our proposed strategic programmatic priorities and goals has been posted to the Water Boards' web site. In keeping with the Boards' commitment to transparency throughout the Strategic Planning process, revised versions of the "Draft Water Boards' Strategic Planning Proposed Goals: 2008-2012" will be posted as they become available. Comments on draft versions will be accepted continuously. We are proposing to hold a formal workshop on the draft Strategic Plan Update in the latter part of January, 2008.

Staff Transition

I wanted to take a few moments to express appreciation for an employee that I know all of you have had the pleasure of working with for many years now. Zori Lozano-Friedrich has decided to make that momentous transition and enjoy the rewards of retirement. Due to the nature of Zori's job which has been to facilitate individual and organizational development throughout the Water Boards, she is probably one of the most recognizable faces and names among us and I think that it is truly fitting that we bid her a fond farewell and wish her all the success in her future endeavors. Zori's last day with the Water Board is November 29.

Office of Enforcement

Water Quality Enforcement Policy: The Water Board's current Water Quality Enforcement Policy is being revised to reflect recent changes in the law and the need for improvement of our enforcement programs statewide. State Water Board staff has met with internal and external stakeholders to discuss proposed changes and improvement to this important policy document and a public workshop was conducted to solicit input. We anticipate a draft policy will be available for public comment by the first of the year and presented to the Board for public discussion in February 2008.

Baseline Enforcement Report: This report will present violation and enforcement data for the all Water Boards' core regulatory programs statewide. It will also assess our enforcement resources, propose specific performance measures for tracking our enforcement progress, and include recommendations for improving Water Board enforcement programs. We anticipate this report will be made available for public comment by the first of the year and presented to the Board for public discussion in February 2008.

Division of Administrative Services (DAS)

Water Quality and Water Right Fees: The State Water Board is required to annually assess fees for its water quality and water right programs. No fee increases were proposed this year. Annual bills were recently sent out.

The Water Resources Control Board receives an award for most improved small business participation for Procurement and Contracts: Congratulations go to the Division of Administrative Services' Procurement and Contract staff as the recipient of the Most Improved Small Business Participation Award for Large Departments at the 8th annual State Agency Recognition Awards (SARA) sponsored by the Department of General Services.

The Water Boards have a successful track record of achieving the State's goal of doing business with certified small businesses and businesses run by disabled veterans in California. But in fiscal year 2006/07 our performance with California small businesses was exceptional. The Water Boards increased Small Business participation by 30 percent; from 28 percent participation in 2005/06 to 58 percent participation in 2006/07. The State goal for Small Businesses is 25 percent. We doubled the goal!

Our contract and procurement team of David Brady, Dorenda Hammarlund and Cheryl Hayes in partnership with the Division of Information Technology played a large part in this achievement.

The purpose of the SARA award is to recognize State agencies and departments, which have shown exceptional dedication toward accomplishing the Governor's commitment to meet and exceed Small Businesses (SB) and/or Disabled Veteran Business Enterprises (DVBE) contracting goals.

The SARA award is available and open to all State agencies. Through a review by SARA judges representing the Small Business Association, California Disabled Veteran Business Alliance, California Department of Veteran Affairs, Office of the Governor Small Business Advocate and SB and DVBE council members, the Water Boards was one of the few selected agencies that was recognized for exceptional performance. Well done!

Division of Financial Assistance (DFA)

Public Workshops

On September 27, 2007, Division staff and Environmental Protection Agency (EPA) staff hosted an Applicant Workshop in the CalEPA building for the 319(h) Nonpoint Source Implementation Grants Program. The purpose of the workshop was to provide applicants with information to help them prepare their concept proposal applications, due to the State Water Board on November 1, 2007. Successful applicants will be invited back to develop full proposals.

On September 25 and October 10, Division staff held public workshops to solicit input on funding Guidelines for the Proposition 84 Areas of Special Biological Significance (ASBS) Grant Program. The September 25 workshop was held in Costa Mesa in Southern California, and the October 10 workshop was held in Oakland in Northern California. Input gathered from the stakeholders, as well as input from Board member briefings, Regional Board staff and Division of Water Quality staff will be useful in drafting the program guidelines.

Division Approvals

The following Preliminary Loan/Grant Commitments were approved from September 14 through October 31, 2007, by the Deputy Director of DFA:

State Revolving Fund Loan (SRF)

DFA-2007-035 – Inland Empires Utility Agency - Phase 3 Regional Recycled Water Distribution System Project; RP 4 Pump Station, Reservoir Modifications and PZ1158 Pipeline Project. Preliminary Loan Commitment for \$16.4 million– Approved 10-10-2007

The Project will provide approximately 247 acre-feet per year (AFY) of recycled water to customers within the Agency's service area. The Project will serve eight recycled water users that have an existing demand of approximately 247 AFY for irrigation. Converting these customers to recycled water will augment the State

water supply. The Project will provide 11 million gallons of storage capacity in the system to assist in meeting peak regional water demands.

DFA-2007-036 – Union Sanitary District – Lower Hetch-Hetchy Sewer Rehabilitation Project – Preliminary Loan Commitment for \$2.34 million– Approved 09-18-2007

The objective of the proposed Project is to rehabilitate an existing trunk sewer within the City of Newark that has deteriorated over time due to hydrogen sulfide corrosion. Without rehabilitation, there is the likelihood that a segment or segments of the sewer line will fail and collapse. The Project will rehabilitate approximately 2,316 linear feet of existing 27-inch diameter and 3,241 linear feet of 30-inch diameter reinforced concrete pipe using cured-in-place pipe.

Small Community Wastewater Grant (SCWG)

DFA-2007-044- City of Morro Bay- Morro Bay/Cayucos Sanitary District Wastewater Treatment Plan (WWTP) Project - Approved 10-05-2007

On October 5, 2007, the Division of Financial Assistance approved a Small Community Wastewater Grant (SCWG) Program Preliminary Funding Commitment for \$425,345 to the City of Morro Bay (City) for preliminary engineering and facilities planning to evaluate viable alternatives for the Morro Bay/Cayucos Sanitary District Wastewater Treatment Plant (WWTP) Project. The WWTP currently operates under an National Pollutant Discharge Elimination System (NPDES) permit , which waives full secondary treatment standards for Total Suspended Solids (TSS) and Biochemical Oxygen Demand (BOD). Since the existing facility does not treat to current secondary standards, the City and Cayucos Sanitary District adopted Resolution No. JPA 01-07 to upgrade the facility by March 2014. The adopted time schedule to upgrade the facility was accepted by the Central Coast Regional Water Board Executive Officer, Mr. Roger W. Briggs, in a letter to the City, dated July 17, 2007. The planning grant will be used to develop an alternative to upgrade the WWTP to achieve compliance with Central Coast Regional Water Board requirements and local water quality objectives.

DFA-2007-045- City of Gridley- Wastewater Treatment Plan Expansion Project- Approved 10-18-2007

On October 18, 2007, the Division of Financial Assistance approved a Small Community Wastewater Grant (SCWG) Program Preliminary Funding Commitment for \$77,635 to the City of Gridley (City) for preliminary engineering and facilities planning to evaluate viable alternatives for expansion of the Wastewater Treatment Facility (WWTF) Project. The City has experienced several localized wastewater spills during wet weather conditions due to hydraulic deficiencies at the WWTF.

DFA-2007-047- Amador Water Agency- Lake Camanche Wastewater System – Wastewater Improvement District No. 11 Project - Approved 10-25-2007

On October 25, 2007, the Division of Financial Assistance approved a Small Community Wastewater Grant (SCWG) Program Preliminary Funding Commitment for \$126,938 to the Amador Water Agency (Agency) for preliminary engineering and facilities planning to evaluate viable alternatives for the Agency to comply with the existing Cease and Desist Order (CDO) and Waste Discharge Requirements (WDR). The WWTP does not consistently meet the treatment and disposal requirements. Wastewater overflows occurred in 1995, 1998, 1999, 2000, and a planned emergency release in 2005. The Central Valley Regional Water Board adopted Cease and Desist Order (CDO) No. R5-2003-0126 for the Agency's Lake Camanche WWTP on September 5, 2003. The CDO requires the Agency to submit a Feasibility Study, which describes the feasibility of modifying the existing WWTP, constructing a new WWTP, or regionalizing wastewater treatment for the entire area.

Watershed Forum: The State Water Board was one of the sponsors of the California Watershed Network's Statewide Watershed Forum, which was held in the Byron Sher Auditorium of the Cal/EPA building in Sacramento on September 20. The Forum was well-attended by various agencies from the local, state and federal level (including Division environmental scientist and engineering staff and staff from the Regional Water Boards), active watershed organizations, representatives from the Tribes, and other interested parties. The Forum involved discussions on a Statewide Watershed Program and Integrated Regional Water Management planning from key watershed players throughout California, members of state departments and the State Legislature. The purpose of the Forum was to bring together people engaged in watershed work throughout California to discuss the present condition and the future of the state's watersheds, and to solicit input as to what a statewide watershed program would entail. This statewide program would be housed in the Department of Conservation of the Resources Agency. Forum attendees were encouraged to continue their productive watershed work and to be daily advocates for watersheds. Some of the organizations also presented posters and were available for questions on the services they provide and the work that they have accomplished.

Self-Help Enterprises Tour of the Central Valley to Visit Disadvantaged Communities with Wastewater Problems: On October 11 and 12, 2007, management and staff from the Small Community Wastewater Grant (SCWG) Program at the Division of Financial Assistance (DFA) traveled to Central California to meet with Self-Help Enterprises (SHE). SHE is a nonprofit housing and community development organization that supports the efforts of low-income residents of the San Joaquin Valley to improve their living conditions. Additionally, a subset of SHE staff focuses on aiding small low-income communities with their wastewater issues. DFA staff and representatives from SHE visited multiple small communities that lack wastewater infrastructure or

with failing infrastructure, which has led to serious public health and/or water quality concerns.

The two-day tour was also joined by staff from the United States Department of Agriculture (USDA) on Thursday and staff from the County of Tulare on Friday. In each community, we were joined by community representatives, who served as tour guides for our visit. Of specific note, our tour group met with Ms. Sandra Meraz, an Alpaugh resident and member of the Central Valley Regional Water Quality Control Board.

Conference Exhibit: On September 23-25, Division Staff attended the *2007 Headwaters to Oceans (H2O) Conference* in Long Beach, CA. The State Board set up an exhibit at the conference to educate numerous attendees from all levels of government, including non-government organizations, coastal consultants and students. The exhibit was a success in informing the public about ongoing State and Regional Water Board programs, Division-funded projects and available program funding. The conference covered a wide spectrum of coast and ocean issues, including shoreline preservation, water quality, wetland restoration, watershed management, desalination and marine debris. Board Chair Tam Doduc was a Keynote Speaker at the conference and presented “State Water Board – *On the Crest of Ocean Protection.*”

Coordination Meeting with DWR: On Friday, October 26, 2007, State Water Board staff met with DWR staff to discuss coordination of their Proposition 84 storm water related Grant Programs. State Water Board and DWR staff agreed to work collaboratively on the implementation of their respective storm water programs and coordinate workshops.