

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF WATER QUALITY
JUNE 16, 2009**

ITEM 6

SUBJECT

CONSIDERATION OF A PROPOSED RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE INTERAGENCY AGREEMENTS AND CONTRACTS TO IMPLEMENT SENATE BILL X2 1 (SB X2 1) (PERATA, 2008 – WATER CODE SECTION 83002.5) TULARE LAKE BASIN AND SALINAS VALLEY NITRATE PILOT PROJECTS

DISCUSSION

SB X2 1 (Perata, 2008 – Water Code section 83002.5) provides two million dollars (\$2,000,000) from Proposition 84 to the California Department of Public Health (CDPH) to contract with the State Water Resources Control Board (State Water Board) for specific pilot projects in the Tulare Lake Basin and the Salinas Valley focused on nitrate contamination. A report to the Legislature is due two years after the funding is received by the State Water Board. The purpose of the projects is “to improve understanding of the causes of groundwater contamination, identify potential remediation solutions and funding sources to recover costs expended by the state for the purposes of this section to clean up or treat groundwater, and ensure the provision of safe drinking water to all communities.” Specifically, the State Water Board must:

- “(a) (1) In collaboration with relevant agencies and utilizing existing data, including groundwater ambient monitoring and assessment results along with the collection of new information as needed, do all of the following:
- (A) Identify sources, by category of discharger, of groundwater contamination due to nitrates in the pilot project basins.
 - (B) Estimate proportionate contributions to groundwater contamination by source and category of discharger.
 - (C) Identify and analyze options within the board's current authority to reduce current nitrate levels and prevent continuing nitrate contamination of these basins and estimate the costs associated with exercising existing authority.
- (2) In collaboration with the State Department of Public Health, do all of the following:
- (A) Identify methods and costs associated with the treatment of nitrate contaminated groundwater for use as drinking water.
 - (B) Identify methods and costs to provide an alternative water supply to groundwater reliant communities in each pilot project basin.
- (3) Identify all potential funding sources to provide resources for the cleanup of nitrates, groundwater treatment for nitrates, and the provision of alternative drinking water supply, including, but not limited to, state bond funding, federal funds, water rates, and fees or fines on polluters.
- (4) Develop recommendations for developing a groundwater cleanup program for the Central Valley Water Quality Control Region and the Central Coast Water Quality Control Region based upon pilot project results.

- (b) Create an interagency task force, as needed, to oversee the pilot projects and develop recommendations for the Legislature. The interagency task force may include the board, the State Department of Public Health, the Department of Toxic Substances Control, the California Environmental Protection Agency, the Department of Water Resources, local public health officials, the Department of Food and Agriculture, and the Department of Pesticide Regulation.
- (c) Submit a report to the Legislature on the scope and findings of the pilot projects, including recommendations, within two years of receiving funding.
- (d) Implement recommendations in the Central Coast Water Quality Control Region and the Central Valley Water Quality Control Region pursuant to paragraph (4) of subdivision (a) within two years of submitting the report described in subdivision (c) to the Legislature.
- (e) For the Salinas Valley Pilot Project, the State Water Resources Control Board shall consult with the Monterey County Water Resources Agency.”

The State Water Board plans to contract with a public entity such as a university to conduct the pilot projects. State Water Board staff plan to lead the interagency oversight, coordinate inputs with other agencies, and prepare the report to the Legislature. Funding is not currently available to implement the recommendations, as required in subsection (d).

State Water Board authorization is necessary to receive reimbursement from CDPH through an interagency Agreement of up to \$2 million, and to enter into contracts in the amount of up to \$1.7 million.

POLICY ISSUE

Should the State Water Board adopt a resolution authorizing the Executive Director or designee to enter into and amend as necessary an interagency agreement with the CDPH for reimbursement of up to \$2 million and any contracts for activities necessary to implement Water Code section 83002.5 up to \$1.7 million.

FISCAL IMPACT

Funding in the amount of \$2 million from Proposition 84 is identified in Water Code section 83002(b)(2)(D) to implement Water Code Section 83002.5, and expenditure authority for contracts in the amount of \$1.7 million are included in the Governor’s Budget for Fiscal Year 2009-10.

REGIONAL BOARD IMPACT

Yes. The Central Valley and Central Coast Regional Water Boards.

STAFF RECOMMENDATION

That the State Water Board authorizes the Executive Director or designee to enter into and amend as necessary:

1. An interagency agreement with the California Department of Public Health for reimbursement of up to \$2 million; and

2. Any contracts for activities necessary to implement Water Code section 83002.5 up to \$1.7 million.

State Water Board action on this item will assist the Water Boards in implementing Priority 2 of the Strategic Plan Update: 2008-2012 to protect and restore groundwater quality. In particular, approval of this item will assist in fulfilling Objective 2.2 to identify strategies to ensure that communities that rely on groundwater contaminated by anthropogenic sources will have a reliable drinking water supply.

DRAFT

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2009-

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE INTERAGENCY AGREEMENTS
AND CONTRACTS TO IMPLEMENT SENATE BILL X2 1 (SB X2 1)
(PERATA, 2008-WATER CODE SECTION 83002.5)
TULARE LAKE BASIN AND SALINAS VALLEY NITRATE PILOT PROJECTS

WHEREAS:

1. SB X2 1 requires the State Water Resources Control Board (State Water Board) to implement Water Code section 83002.5 to:
 - a) Develop pilot projects in the Tulare Lake Basin and the Salinas Valley focused on nitrate contamination “to improve understanding of the causes of groundwater contamination, identify potential remediation solutions and funding sources to recover costs expended by the state for the purposes of this section to clean up or treat groundwater, and ensure the provision of safe drinking water to all communities”; and
 - b) Submit a report to the Legislature reporting on findings and recommendations within two years after the funding is received by the State Water Board.
2. Funding in the amount of \$2 million from Proposition 84 is identified in Water Code section 83002(b)(2)(D) to implement Water Code section 83002.5, and expenditure authority for contracts in the amount of \$1.7 million are included in the Governor’s Budget for Fiscal Year 2009-10.

THEREFORE BE IT RESOLVED THAT:

The State Water Board authorizes the Executive Director or designee to enter into and amend as necessary:

1. An interagency agreement with the California Department of Public Health for reimbursement of up to \$2 million; and
2. Any contracts for activities necessary to implement Water Code section 83002.5) up to \$1.7 million.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on June 16, 2009.

Jeanine Townsend
Clerk to the Board