STAFF REPORT FOR REGULAR MEETING OF SEPTEMBER 22- 23, 2016 Prepared on August 25, 2016

ITEM NUMBER:	10
SUBJECT:	Sustainability in Practice for Vineyards
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THIS ACTION:	Informational

DISCUSSION

Third-party environmental certifications that appropriately address water quality can serve as a means for helping Central Coast Water Board staff in prioritizing work and identifying facilities that are employing more protective (or less risky) practices and strategies. Fostering meaningful water quality protective certification development works as a counterstrategy for under-resourced programs such as the Irrigated Lands Regulatory Program (four staff overseeing greater than 4,000 ranches), and these certifications can also be imagined and potentially developed for a wide variety of programs within the Water Board's regulatory authority.

The Central Coast Water Board's Agricultural Order incentivizes third-party groups to implement water quality improvement programs to comply with regulatory requirements. Participants of Executive Officer-approved programs may qualify for a reduction in tier assignments or alternative requirements, timelines, or milestones. Qualifying third-party programs must have a stated purpose that includes alignment with the goals of the Agricultural Order, a good chance of success, accountability, monitoring, reporting, and more. An agricultural certification program is an example of such a program.

Some agricultural certification programs, such as the Vineyard Team's Sustainability in Practice (one of several vineyard certification programs in the State), have stated environmental goals, including criteria designed to protect water quality. These goals are achieved through non-negotiable requirements that members must implement in order to achieve, and maintain, certification. An auditing mechanism is employed to ensure that certified members are abiding by certification requirements; a failed audit can result is loss of certification for the grower and therefore loss of the certification benefits/incentives. Benefits of certification for the grower will depend on the program, and can include the grower marketing his or her sustained certification in an environmentally-friendly program. As described above, benefits can also include an alternative regulatory oversight strategy that is less burdensome, both in time and cost, for the individual grower; regulatory oversight is, in a sense, shifted from the individual grower to the certifying program.

The current ranch-to-ILRP-staff ratio is approximately 1000:1. Consequently, as Water Board ILRP staff implementing the Agricultural Order, we must regularly prioritize our efforts. We see potential in leveraging the efforts of third-party certification programs, when our goals are aligned. Where verified certifications exist, we can appropriately de-prioritize regulatory oversight over ranches that have certification in an approved program.

The present Agricultural Order describes a tiering structure where ranches are assigned one of three tiers based on threat to water quality. Tier 1 ranches are considered to have the least risk, tier 3 ranches the greatest risk, and tier 2 a medium risk. Regulatory oversight and reporting increases proportionally with the assigned tier, with tier 3 having the highest regulatory burden.

The Agricultural Order provides that vineyard ranches that are Sustainability in Practice (SIP) certified be assigned tier 1. There are currently more than 130 ranches totaling nearly 36,000 acres enrolled in the Agricultural Order that have SIP certification.

Ms. Kris Beal, Executive Director of the Vineyard Team, will give a presentation and provide a summary of the SIP certification program for this agenda item. Additional information regarding SIP certification is available at <u>http://www.sipcertified.org/</u>. SIP certification is one of several that exist for the vineyard commodity group.

This item, with its presentation and subsequent discussion, provides the Board and staff with the opportunity to explore the value and limitations of third-party certifications and the potential strategic benefits they have for water quality regulation in the region.