

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

STAFF REPORT FOR REGULAR MEETING OF SEPTEMBER 19-20, 2002

Prepared on August 5, 2002

ITEM: 13

SUBJECT: Executive Officer's Report to the Board

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

Watershed and Cleanup Branch Reports

**REGULATION SUMMARY OF
JUNE/JULY 2002**

[Corinne Huckaby 805/549-3504]

Orders

Reports of Waste Discharge Received	7
Requirements Pending	44
Inspections Made	103
Self-Monitoring Reports Reviewed (WB)	182
Self-Monitoring Reports Reviewed (CB)	16
Stormwater Reports Reviewed	3

Enforcement

Non-Compliance Letters Sent:	
NPDES Program	1
Non-Chapter 15 WDR Program	14
Chapter 15 Program	0
Unregulated	0
Stormwater	40
CAOs Issued	1
ACL Complaints	3

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 June 8, 2002 to July 31, 2002.

WATER QUALITY CERTIFICATION APPLICATIONS RECEIVED FROM JUNE 8 THROUGH JULY 31, 2002

Date	Applicant	Project Description	Receiving Water	Project Location	Action Taken
June 11, 2002	San Luis Obispo PWD	Mission Plaza-Creek Walkway Repair	San Luis Obispo Creek	San Luis Obispo	Standard Certification
June 13, 2002	Moss Landing Marine Lab/CSU	Replacement of Ocean Pier for Moss Landing Marine Laboratories	Monterey Bay	Moss Landing	Standard Certification
June 17, 2002	CALTRANS	Embankment Reconstruction	Tributary to Prunedale Creek	Prunedale	Standard Certification
June 17, 2002	WM J Clark Trucking	Clark Pit - Bitterwater	San Lorenzo Creek	King City	Pending
June 17, 2002	Monterey Co. DPW	Boronda Redevelopment Area/ Fontes Lane Storm Drain Construction	Markley Swamp	Salinas	Standard certification
June 20, 2002	Guadalupe, City of	School Lake Wetlands Restoration Project	Santa Maria River	Guadalupe	Pending
June 24, 2002	Monterey Co Water Resources Agency	Salinas Valley Water Project - Nacimiento Dam Spillway Modification	Nacimiento River and Salinas River	Paso Robles	Pending
June 24, 2002	Santa Cruz Co.	Freedom Boulevard Storm Damage Repair Project (Slipout Repair)	Unnamed tributary to Corralitos Lagoon	Santa Cruz	Pending
June 24, 2002	Santa Cruz Co.	Lompico Road Culvert Replacement Project	Mill Creek	Santa Cruz	Pending
June 24, 2002	Santa Cruz Co.	Moran Lake Bike Path Repair Project (Slipout Repair)	Moran Lake	Santa Cruz	Pending
June 24, 2002	Santa Cruz Co.	Redwood Drive Cribwall Project at Oak Drive	Shingle Creek	Santa Cruz	Pending
June 24, 2002	Santa Cruz Co.	Rider Road Storm Damage Repair Project (Slipout Repair)	Rider Creek	Santa Cruz	Pending
June 24, 2002	Santa Cruz Co.	Schulties Road Storm Damage Repair (Slipout Repair)	Burns Creek	Santa Cruz	Pending
June 24, 2002	Santa Cruz Co.	Teilh Drive Headwall Replacement Project/ Culvert Reconstruction	Unnamed tributary to San Lorenzo River	Santa Cruz	Pending
June 27, 2002	San Luis Obispo Co.	Chorro Creek Stream Gauge at Canet Road	Chorro Creek	Morro Bay	Standard Certification
June 27, 2002	KCAC Inc.	Joe Mine Streambed Alteration Project	Tributary to San Benito River	Clear Creek Area	Pending
June 27, 2002	Donald K. Waller	Private Roadway Crossing	Summit Creek	Paso Robles	Incomplete Application
June 28, 2002	South Valley Organics Compost Facility	Expansion of the South Valley Organics Compost Facility	unnamed drainage and unnamed seep	Gilroy	Pending
July 1, 2002	San Luis Obispo Co. P&D Dept.	El Campo Road Bank Stabilization Project	Unnamed tributary to Los Berros Creek	Arroyo Grande	Pending
July 3, 2002	Shetler Construction, Inc.	Culvert Install at Noyes Road	Unnamed tributary to Meadow Creek	San Luis Obispo	Pending
July 8, 2002	DB&M Properties	Improvements and storm drain outfall	Arroyo Grande Creek	Arroyo Grande	Standard Certification
July 11, 2002	Union Asphalt	Bradley Aggregate Mine-Access Road Improvement	Unnamed ephemeral tributaries to Salinas River	Bradley	Pending

July 11, 2002	Santa Barbara Co. PWD	Jonata Park Road Bridge Replacements	Santa Ynez River	Buellton	Pending
July 15, 2002	American Dream/Glenwood L.P.	Glenwood	Carbonera Creek	Scotts Valley	Pending
July 15, 2002	Land Conservancy	Filipponi Ecological Area Wetland Enhancement	East Fork San Luis Obispo Creek	San Luis Obispo	Standard Certification
July 18, 2002	CALTRANS	Cuesta Grade Rock Weirs & Bank Stabilization	San Luis Obispo Creek	Cuesta Grade	Pending
July 22, 2002	Roger Brown	Brown Tract/Montecito Ridge Estates	Arroyo Grande Creek	Arroyo Grande	Standard Certification
July 22, 2002	Monterey Co. Water Resources Agency	Salinas River Mouth Breaching Program	Salinas River Lagoon	Monterey	Pending
July 23, 2002	Union Pacific Railroad Company	Parsons Slough Bridge Replacement	Parsons Slough	Elkhorn Slough	Pending
July 30, 2002	Mount Herman Assoc.	Mount Herman Water System Improvement	Bean and Zayante Creeks	Mount Hermon	Pending
July 31, 2002	Solvang, City of	Santa Ynez River bank restoration project	Santa Ynez River	Solvang	Pending

WATERSHED BRANCH REPORTS

Status Reports

Morro Bay Shellfish Technical Advisory Committee Update [Shanta Duffield 805/549-3464]

Morro Bay Shellfish Technical Advisory Committee – Remedial Actions Suggested

The following is a summary of remedial actions the Morro Bay Shellfish Technical Advisory Committee (Shellfish Committee) has recommended to help protect the beneficial use of shellfishing in the Morro Bay Estuary.

The Shellfish Committee has been an integral part of the recently released “DNA study” in Morro Bay.

The Shellfish Committee, as per legislation, must recommend *remedial actions* to improve water quality in the impacted areas of the Bay. The Shellfish Committee met on March 19, 2002 and agreed upon a list of remedial actions. These actions were based on percent contribution and sources to the Bay as determined in the “DNA study.” These actions reaffirm efforts previously identified by the Shellfish Committee in the Morro Bay National Estuary Program’s Comprehensive

Conservation and Management Plan (CCMP). The Shellfish Committee reviewed the CCMP to identify the related actions, where applicable.

The Shellfish Committee recommended a suite of actions along with the percent contribution (according to the DNA study), rather than a prioritized list, to allow for concurrent implementation of measures that target multiple sources. This list of actions will assist implementers in applying for funding from various sources. The outcome of the discussion is presented in **(Attachment No. 1)**.

These recommendations will be incorporated into the Implementation and Monitoring Plan in the Morro Bay Total Maximum Daily Load (TMDL) for Pathogens, including Chorro and Los Osos Creeks, which is scheduled to go before the Board December 6, 2002. The TMDL is the regulatory vehicle for which these recommended actions will be implemented.

The Shellfish Committee was formed pursuant to the Shellfish Protection Act of 1993, which requires the Regional Board to convene a Technical Advisory Committee when shellfish harvesting areas are threatened. In 1996, when elevated levels of bacteria were found, the Regional Board established a Shellfish Committee

to conduct water quality investigations and develop remediation strategies for the shellfish growing area. Members of the Shellfish Committee include the commercial shellfish growers, the Los Osos Community Services District, the Farm Bureau, the Morro Bay National Estuary Program, California Polytechnic State University, the State Water Resources Control Board, the Regional Water Quality Control Board, the City of Morro Bay, the Department of Health Services, the Department of Fish and Game, and other organizations and agencies.

Guadalupe Settlement/Choin Property Acquisition
[Julia Dyer 805/594-6144]

Background: In July 1998, Unocal and several state agencies entered into a settlement agreement arising from Unocal's hydrocarbon discharges at the Guadalupe Oil Field. The settlement included monetary claims for a total of \$43.8 million, of which \$15 million was dedicated for water quality projects as selected by the Central Coast Regional Water Quality Control Board (Regional Board).

Following a proposal review process, numerous water quality-related projects were selected for funding, including the Nature Conservancy's "Piece Together a Protected Landscape" effort aimed at property acquisition and conservation in the Guadalupe/Nipomo Dunes area. The property acquisitions purchased with this funding will add to the riparian acreage already owned and managed by the Nature Conservancy in the Dunes complex.

A portion of the contract with the Nature Conservancy (**Attachment No. 2**), \$500,000, was earmarked for purchasing property in the nearby Black Lake Canyon. The Nature Conservancy has agreed to release the earmarked \$500,000 to the Land Conservancy of San Luis Obispo County (Land Conservancy) (**Attachment No. 3**) for the purchase of the Choin (pronounced coin) property. This purchase will fulfill the Regional Board and Nature Conservancy's goals for Black Lake Canyon area acquisitions.

The Choin property covers 47.9 acres and is located along the northern slope of Black Lake Canyon, a small watershed that bisects the Nipomo Mesa. The property is located off Zenon Road

(**Attachment No. 4**) in the middle reach of the canyon and is adjacent to land currently owned by the Land Conservancy; the Choin property would give the Land Conservancy a crucial link to their current restoration efforts in the area. A substantial wetland covers the floor of Black Lake Canyon in this area. Half of the wetland sits on the existing Land Conservancy property with the remaining half on the Choin property. This acquisition would allow the Land Conservancy to control the entire wetland.

Threats to this small watershed include erosion and the filling in of wetlands. These wetlands are home to two endemic endangered plants, the gambel's watercress and the marsh sandwort. The acquisition will facilitate protection of threatened wetland habitats in the Canyon from erosion both on and off the site. Part of the project includes repairing an eroded gully on the Choin property that contributes sediment which is filling the wetlands (**Attachment No. 5**). The restoration on gully site will be funded through the sale of transferable development credits for a project on the Nipomo Mesa.

Acquisition: Current language in Regional Board property acquisition contracts restricts the buyer from paying more than the appraised value for any property, regardless of the portion of the Regional Board's contribution. In this case, the asking price for the Choin property is \$900,000, or eight percent (\$65,000) above the property's appraised value of \$835,000. This premium is due to pending approval of a subdivision on the property. With the subdivision approval, the property would likely have a greater value. Although the asking price of the Choin property exceeds the current appraised value, the contribution to this acquisition by the Regional Board remains fixed at \$500,000.

In light of the fact that this property plays a crucial link in the restoration efforts of Black Lake Canyon, the Choin property is under threat of development, and the Land Conservancy does not require any further funding from the Regional Board to complete the purchase, Regional Board staff will revise the existing contract. Following the revision, the new contract language in the Conditions Precedent portion will read as follows, with the new language in italics:

"2 g. Grantee has submitted to RWQCB an appraisal showing a fair market value of the Property of the Easement (as applicable) that is not

less than the purchase price specified in the purchase agreement.

For the \$500,000 earmarked for the acquisition in Black Lake Canyon the purchase price may exceed the appraisals value up to 10%."

Modifications of the language will enable the property acquisition to be completed before the end of the year.

Salinas River Channel Maintenance Project
[Donette Dunaway 805/549-3698]

Regional Board staff is currently developing a Technically Conditioned Water Quality Certification for the Monterey County Water Resources Agency Salinas River Channel Maintenance Program. The Maintenance Program involves sand bar and vegetation removal in a 92 mile section of the Salinas River channel from San Ardo, north to Highway 1, near Castroville. Flood control activities will be limited to sandbar and vegetation removal within the river channel. The objective of the sandbar and vegetation removal is to create an unrestricted flow path that maximizes the river channel capacity to convey high volume storm flows. Heavy equipment, primarily bulldozers, will be used to contour the riverbed outside of the low flow channel. Private landowners will perform the actual work under the direction of the Monterey Water Resources Agency. These activities will disturb approximately 1.3 million cubic yards of riverbed and 280 acres of vegetation per year.

Due to complexities of the project, staff intends to seek Regional Board approval of the Technically Conditioned Water Quality Certification at the November 1 meeting in San Luis Obispo.

Water quality concerns include:

1. Riverbed vegetation stabilizes the sand bars and river bottom and maintains the structure of the low flow channel. The maintenance activities have unknown effects on increasing bed load instability. In addition, the Monterey County Water Resources Agency is proposing another project (Salinas Valley Water Project) in the Salinas River, which is expected to commence within the 5-year Channel

Maintenance Project term. The Salinas Valley Water Project will increase flow along the 92-mile stretch of river. The combination of riverbed disturbance and the increase in flow could alter the bed and sediment load synergistically.

2. The objective of sandbar and vegetation removal is to increase flow rates, which could result in several unintentional effects such as an increase in channel depth, width, and erosion rates.
3. Currently, the Salinas River is listed on the Federal and Regional 303(d) list of impaired water bodies for excess sediment and other constituents. As a result of this listing, the Salinas River is undergoing an assessment for sediment Total Maximum Daily Load (TMDL) limits. The effects of the Salinas River Maintenance and Salinas Valley Water Projects on the TMDL are unknown.

Staff intends to recommend approving the Certification with technical conditions. Conditions may include:

1. Flow-based performance specifications,
2. Pre-construction and post-construction cross-sections.
3. Low flow channel protection,
4. Bank stabilization restrictions, and
5. Monitoring and reporting requirements.

Details of the project and the proposed Technically Conditioned Water Quality Certification will be included in the Regional Board's November 1, 2002 agenda, unless further delays are encountered.

Inn at Pasatiempo [Todd Stanley 805/542-4769]

Adventco Holding Corporation, Pasatiempo Investments, Pasatiempo II Investments, and Richard S. Gregersen (hereafter Discharger) own and operate the Inn at Pasatiempo (hereafter Inn). The Inn consists of a motel, restaurant, bar, swimming pool, and conference rooms. The Inn is located at 555 Highway 17, approximately one mile north of the City of Santa Cruz.

On November 19, 1999, the Regional Board adopted Waste Discharge Requirements (WDR) Order No. 99-136. The Order required immediate

compliance with Regional Board Resolution No. 95-04, which requires at least 50 percent reduction in total nitrogen from wastewater discharged from onsite wastewater disposal systems in the San Lorenzo River Watershed.

On November 19, 1999, the Regional Board also adopted Cease and Desist Order (CDO) No. 99-131, which required the Discharger to cease and desist from discharging waste contrary to WDR Order No. 99-136. CDO No. 99-131 established a timeline to install an enhanced onsite wastewater treatment system capable of achieving at least 50% total nitrogen reduction.

Although the Discharger did not comply with the installation date of April 14, 2000, the Discharger completed installation of an enhanced wastewater treatment system on January 31, 2001.

On August 6, 2001, staff issued a Notice of Violation (NOV) for failure to comply with WDR Order No. 99-136. The NOV was issued in response to the Discharger's self-monitoring report for January – March of 2001. The NOV documented the failure to achieve at least 50% reduction in total nitrogen despite the installation of a wastewater treatment system theoretically capable of doing so. The NOV also cited failures related to wastewater effluent flow measurement, influent sampling, effluent limitation exceedances, sampling procedures, and reporting.

In response, the Discharger has taken the following actions since August 2001:

1. Replaced consulting engineer with the original engineering firm who designed the enhanced wastewater treatment system;
2. Consulted the treatment unit manufacturer regarding the failure to achieve design-specified nitrogen reduction – this included onsite inspections by the manufacturer and extensive internal inspection and evaluation of the treatment units;
3. Determined several key structural defects or failures with the treatment units and made (or is making) appropriate repairs and/or modifications;
4. Installed, repaired, and/or replaced flow-metering devices;

5. Implemented source control efforts to reduce the discharges of sodium and chlorides to the treatment system;
6. Retained additional environmental firm to conduct required wastewater sampling and assist with onsite maintenance;
7. Improved sampling and reporting protocols for complete and timely submittal of monitoring reports;
8. Began submitting monthly written progress reports (in response to staff request, and in addition to quarterly reports required by MRP No. 99-136);
9. Assessed their analytical laboratory's performance and, after observing inconsistencies, has now contracted with a new lab; and
10. Sampled within septic tanks and collection system to determine unknown pollutant sources.

Considerations for future actions reportedly include the installation of effluent filters, upgrade of grease removal units, further inspection, assessment, and repair of the treatment unit by the manufacturer, further pollutant source evaluation and control, ground excavations to determine the presence of groundwater intrusion, groundwater sampling, and design and installation of additional wastewater treatment equipment such as tertiary treatment technologies.

The actions taken to date have resulted in an upward trend towards compliance in the first half of 2002. Nitrogen reduction has ranged from 15 to 39 percent. Sampling conducted before the remedial efforts indicated little or no nitrogen reduction. Sodium levels are now in compliance, and chloride levels have been reduced but remain under investigation.

Though compliance with CDO No. 99-131 has not been achieved, the Discharger's progressive and continued efforts appear to be improving the performance of the enhanced onsite wastewater treatment system. It is staff's intention to continue to work closely with the Discharger to assure that progress continues.

Santa Cruz Biotechnology [Todd Stanley 805/542-4769]

**Item No. 29
Executive Officer's Report**

April 19, 2002

Santa Cruz Biotechnology, Inc. formerly operated a biomedical goat grazing operation in Santa Cruz County. These activities were terminated on July 20, 2000.

Waste Discharge Requirements Order No. 99-007 was adopted on October 22, 1999, and applied to the former facility. The California Coastal Commission directed the facility to discontinue all livestock activities by July 21, 2000. Regional Board post-closure water quality concerns regarding bacteria, nitrogen, and erosion prompted the Regional Board to request a Closure Plan on August 3, 2000.

On November 21, 2000, the Regional Board adopted Cleanup and Abatement Order (CAO) No. 00-162. The intent of the CAO was to provide a monitoring and reporting framework to demonstrate the effectiveness of the Closure Plan, and confirm the reduction or elimination of waste discharges or threat of waste discharge from the former goat grazing/manure application operation to surface and ground waters.

The Regional Board was last informed of this issue through the Executive Officer's Report for the March 23, 2001 meeting. Although at that time staff cited decreasing trends in bacterial numbers, staff concluded that further sampling was needed to document compliance with CAO 00-162.

On January 31, 2002, the Discharger submitted a semi-annual monitoring report demonstrating compliance with CAO No. 00-162.

The CAO required a combination of surface water sampling, rainfall monitoring, ground water monitoring, site observations, and reporting.

The Discharger's implementation of the Closure Plan has resulted in the following actions:

1. Removal of all livestock;
2. Removal of manure compost piles;
3. Removal of residual manure from property, including barns, pens, and pasture areas;
4. Restoration of former pen areas to pasture land;
5. Scarification (breaking up of topsoils) of all bare soils including barns, pens, alley ways, trails, and animal congregation areas; and
6. Re-seeding, mulching, and irrigation to promote re-vegetation.

The most recent storm water runoff fecal coliform data is shown below. Each storm water sampling station represents a surface drainage associated with a former grazing and/or manure land-application area.

December 2001 – Storm Event #1

	Sampling Stations			
	SW-1	SW-2	SW-4	SW-7
Date	All Data: MPN / 100 mL			
12/1/01	500	130	1600	2400
12/2/01	3000	1700	900	5000
12/2/01	1600	170	130	300
12/3/01	900	300	1600	500
12/3/01	170	170	70	900
Log Mean	820	290	460	1100

December 2001 – Storm Event #2

	Sampling Stations			
	SW-1	SW-2	SW-4*	SW-7
Date	All Data: MPN / 100 mL			
12/28/01	2400	50	NR	130
12/29/01	3000	3000	NR	1300
12/29/01	1700	1300	NR	500
12/29/01	1400	2400	NR	170
12/30/01	80	170	NR	50
Log Mean	1000	600	NR	230

* NR = Not Required for Jul-Dec 2001 report

These results support staff's earlier observation of declining trends in bacterial numbers, and indicate a substantial reduction in the magnitude of bacterial density observed before the facility's closure (upper range of 10,000 to 160,000 MPN/100 mL). A total of 70 surface water samples were collected in response to CAO No. 00-162, spanning two rainy seasons.

The former site and adjacent properties (Wilder State Park, Coast Dairies) are primarily comprised of open space that supports a wide variety of wildlife, including deer, coyote, bobcats, rodents, and birds. Wildlife continue to contribute fecal matter to the properties and therefore contribute to the bacterial and nitrogen loadings observed in discharges since the facility's closure.

The determination of compliance with CAO No. 00-162 was further supported by ground water sampling, soil sampling, substantial re-vegetation,

and technical reports provided on the Discharger's behalf by Dr. Edward R. Atwill and Todd Engineering. It has been over two years since the closure of the former facility. The goats were relocated to the San Juan Ranch in Shandon, California. Staff preliminarily evaluated the new site on September 28, 2000. At that time, due to the site's size (more than 20,000 acres) and its early stage of development, it did not appear that specific regulation was necessary. Staff is currently conducting a detailed site evaluation in response to further development of the new facility.

In consideration of the above, the Executive Officer rescinded CAO No. 00-162 by letter dated August 23, 2002.

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 status report provided for the Board's July 12, 2002 meeting.

In anticipation of the August 8, 2002 Coastal Commission meeting in San Luis Obispo, on July 31, 2002, staff sent a letter requesting support for Coastal Commission's staff recommendation. Attached to that letter, staff sent the Commissioners a copy of the June 12, 2002 letter from U.S. EPA stating their position on the wastewater project. **(Attachment No. 6)**

On August 8, 2002, Regional Board staff Gerhardt Hubner gave a short presentation to the California Coastal Commission. The presentation focused on the historical and current water quality issues facing Los Osos, and the need for the wastewater project. After receiving public comment, the Coastal Commission considered and then unanimously approved an amendment to the Local Coastal Plan by designating (rezoning) a site for the Los Osos Wastewater Treatment Facility, and incorporating standards for facility development within Estero Area Plan. This approval was key in allowing the Los Osos Community wastewater project to move forward. In addition, several Commissioner's went on the record stating the importance of water quality locally and statewide,

and the positive role Regional Boards play in water quality protection.

On August 15, 2002, the Los Osos Community Services District adopted Resolutions Nos. 2002 – 33 and 34 authorizing District staff to proceed to the bond market and begin the process of selling bonds to finance that part of the Los Osos wastewater project not covered by the low interest loan from the State Water Resources Control Board. A letter dated August 16, 2002, signed by all five Los Osos Community Service Directors describes the reasons for this vote. It is included as **Attachment No. 7**. At the CSD's request staff prepared a letter for this meeting containing language with our expectations in respect to Time Schedule Order No. 00-131 and the CSD moving forward with the wastewater project **(Attachment No. 8)**.

Because there remains a cloud over the bond sale due to continuing litigation from wastewater project opponents, the CSD was forced to begin purchase of bond insurance to protect those who invest in the CSD's bonds. This insurance may not have to be purchased if further litigation is not pursued by the time of bond sell, thus putting the project opposition on notice that if they litigate further, the community will pay more for the project.

With bonds sold and money in hand, the Los Osos CSD will be able to draw off the SWRCB Revolving Fund loan, complete design, obtain permits, purchase the Broderon disposal and Tri-W treatment plant sites, and initiate construction. Staff understands that bonds might be sold as early as the 3rd week in September.

City Of Pismo Beach Wastewater Treatment Plant [Scott Phillips 805/549-3550]

The City of Pismo Beach (City) owns and operates an overloaded and outdated wastewater treatment facility. The plant is near its design capacity, is unable to handle peak holiday weekends, and regularly falls into upset conditions. Over the years the Regional Board has requested improvements in the City's collection and treatment system. In 1998, the Regional Board issued CAO Order No. 98-83 to the City, ordering them to make improvements in their collection

system, and requiring them to develop a wastewater master plan. In 2001, the City was fined \$125,000 in mandatory minimum penalties due to effluent violations. Since then through April, the City has accumulated an additional 108+ violations (equaling a potential liability of at least \$324,000). In May, the facility experienced two more significant upsets in its treatment processes, which will result in at least 19 more violations.

Over the past two years the City Council has considered a number of other options and alternatives; including consolidation with another sanitation district, relocation/construction of the facility at another site, and retrofitting the existing facility.

On July 31, 2002, Regional Board staff members Scott Phillips and Gerhardt Hubner attended a joint City Council and planning commission meeting. Mr. Hubner was asked to address the City Council on staff's positions related to current wastewater treatment operations and ongoing violations of the City's NPDES permit. At issue was the replacement or upgrade of the City's ailing wastewater treatment plant.

The Pismo City Council took the following actions at that meeting:

The City Council approved the construction of a new wastewater treatment plant on the existing plant site. An oxidation ditch process was selected because of its flexible and robust treatment.

The City Council certified the Final Environmental Impact Report, and adopted a statement of overriding consideration for the Wastewater Treatment plant described above. The statement of overriding consideration was needed to address the 100-year flood event (the City will only be able to protect against a 60-year event).

The Pismo Beach Planning Commission at the same joint meeting by virtue of a 2-2 tie unexpectedly denied the Coastal Development Permit (CDP) for the project (ties results in denial). That decision was appealed and was heard by the City Council on August 26th, when the Council overruled the denial of the CDP by the Planning Commission. Consequently, Pismo staff and consultants are proceeding with the project.

B&D Mushrooms, Inc., Santa Clara County
[Kimberly Gonzalez 805/549-3150]

On December 5, 2000, Regional Board staff inspected B&D Mushrooms, Inc., an unregulated mushroom farm and composting facility located at 14255 Sycamore Avenue in San Martin, Santa Clara County. George Boero and John Davids (hereafter B&D) own the facility, which generates compost leachate, spent compost leachate, growing house wash water, process area wash water, and boiler blowdown water. Regional Board staff determined site conditions at the time of the inspection had potential to threaten surface water and groundwater quality. (Sanitary wastewater is also generated at the facility and is regulated by Santa Clara County. For purposes of this document, "wastewater" does not include sanitary wastewater.)

On December 21, 2000, the Regional Board Executive Officer issued Cleanup and Abatement Order No. 00-168 (CAO) and Monitoring and Reporting Program No. 00-168 (MRP). B&D met all CAO and MRP requirements in a timely manner.

On August 6, 2001, the Regional Board issued B&D a Waiver of Waste Discharge Requirements. The waiver was conditional upon completion of all planned facility improvements by July 2002, in accordance with technical reports prepared and submitted by B&D's consultant. Planned changes would allow B&D to capture and store (for 90 days) all wastewater flows and contaminated storm water from a 100-year, 24-hour storm event. All wastewater (excluding boiler blowdown water) would be recycled through application to compost piles. Boiler blowdown would be contained in plastic-lined evaporation ponds.

In May 2002, B&D reported that they completed all wastewater management commitments. On June 19, 2002, Regional Board staff inspected the facility and confirmed that all work had been completed ahead of schedule. The facility was recycling and evaporating their wastewater, thereby resulting in no discharge.

On August 23, 2002, the Regional Board Executive Officer rescinded the CAO and MRP, as B&D had met all requirements and commitments, and implemented collection, recycling, and evaporation systems that would eliminate

wastewater discharge. The waiver issued to B&D will be allowed to expire on January 1, 2003 in accordance with SB 390 legislation. Since the facility operates without waste discharge to groundwater or surface water, no further regulation by the Regional Board is appropriate at this time.

CLEANUP BRANCH REPORTS

Status Reports

Olin Corporation, Morgan Hill, Santa Clara County [John Mijares 805/549-3696

Background

The former Olin Corporation site is a 13-acre parcel Olin purchased in 1956. Prior to Olin's purchase, the site was used for agriculture. Olin used the site for a variety of purposes, including packaging swimming pool products, manufacturing clay targets for skeet shooting, and producing signal flares. Beginning in 1988, Standard Fusee Corporation leased the facility and manufactured flares until December 31, 1995. From January to November 1996, Standard Fusee used the facility as a storage and distribution facility. Standard Fusee completed an above ground closure at the site in accordance with its closure plan dated November 7, 1996, and approved by the Santa Clara County Central Fire Protection District. In 1997 and 1998, demolition and remedial activities included the removal of 10 buildings and four to five small structures, removal of an underground storage tank, evaluation of soil and groundwater near the north septic tank area, and the excavation and disposal of approximately 1,000 tons of waste skeet. The site is currently vacant and enclosed by a fence.

During 1997, a Phase I Environmental Site Assessment (ESA) was conducted at the site. The ESA identified thirteen areas of potential concern. A Phase II ESA was conducted to further characterize the site. Based on site history and results from investigations, the environmental consultant recommended no further action except with respect to elevated metals in groundwater at the north septic tank area. Perchlorate was not a parameter of concern at that time.

The Olin property has been for sale since 1997. During late 2000, a prospective purchaser conducted a due diligence investigation of the property. In August 2000, perchlorate was detected in groundwater samples collected from borings advanced during the investigation at concentrations ranging from 21 to 55 µg/l. To obtain reproducible and accurate measurements of perchlorate in groundwater and to determine the groundwater flow direction and gradient, three monitoring wells were installed on October 2000 inside the southern and southwestern property line. Perchlorate was detected in two wells above the California Department of Health Services (DHS) Action Level of 18 µg/l. **(See Attachment 9).**

Perchlorate Overview

Perchlorate originates as a contaminant in the environment from the solid salts of ammonium, potassium, or sodium perchlorate. One major source of contamination is the improper disposal of ammonium perchlorate, which is the primary component of the solid propellant used for rockets, missiles, and fireworks. The perchlorate part of the salts is quite soluble in water. The resultant perchlorate anion is exceedingly mobile in aqueous systems and can persist for many decades under typical groundwater and surface water conditions because of its resistance to react with other available constituents. At this site, potassium perchlorate was used in the manufacture of highway and railroad flares by both Olin and Standard Fusee. Perchlorate contamination at the site may have come from an unlined evaporation pond that received wastes from the cleaning of the ignition material mixing bowls, the on-site incineration of cardboard flare coatings with residues on them, and accidental spills.

Potassium perchlorate had, until recently, been used therapeutically to treat hyperthyroidism resulting from an autoimmune condition known as Grave's disease. Potassium perchlorate is still used diagnostically to test thyroid hormone production in some clinical settings. The basis for the effect on thyroid gland function is the competitive inhibition of iodide anion uptake by perchlorate. Because iodide is an essential component of thyroid hormones, perchlorate disrupts how the thyroid functions. In adults, the thyroid helps to regulate metabolism. In children, the thyroid plays a major role in proper development in addition to metabolism. Impairment of thyroid function in expectant mothers may impact the fetus and

newborn resulting in behavioral changes, delayed development, and decreased learning capability. Changes in thyroid hormone levels may also result in thyroid gland tumors. The United States Environmental Protection Agency's (USEPA) draft analysis of perchlorate toxicity is that perchlorate's disruption of iodide uptake is the key event leading to changes in development or tumor formation. Following the release of USEPA's 2002 draft risk evaluation, DHS concluded that its action level needed to be revised downward. On January 18, 2002, DHS reduced the perchlorate action level from 18 µg/l to 4 µg/l. The 4 µg/l action level also corresponds to the current detection limit for purposes of reporting (DLR). The DLR is the level at which DHS is confident about the quantitation of the contaminant in drinking water.

Soil and Groundwater Investigation

According to Olin, the initial results of the perchlorate groundwater investigation were reported to the California Office of Emergency Services and the Santa Clara County Environmental Health Department on August 29, 2000. Initial contact between Olin and Regional Board staffs was made on February 13, 2001. In response to Regional Board staff's request, Olin submitted on April 25, 2001, relevant site closure, environmental site assessments, and perchlorate investigation reports. After reviewing the reports, Regional Board staff requested Olin to conduct groundwater monitoring for heavy metals (arsenic, barium, chromium, lead, and mercury) in addition to perchlorate. Analytical results of the groundwater samples collected in September 2001 from the three on-site monitoring wells show that perchlorate was not detected in two monitoring wells but was detected at 340 µg/l in the third monitoring well. Of the five metals analyzed, only barium was detected, ranging from 85 to 100 µg/l. Perchlorate was not detected above the laboratory reporting limit in a groundwater sample collected from the City of Morgan Hill municipal supply well located about 250 feet southwest of the site.

City of Morgan Hill Municipal Supply Well Status

The City owns and operates a municipal supply well (Tennant Well) located about 250 feet southwest and downgradient of the Olin site. The well is reported to have a total depth of 420 feet bgs, is screened at 190-412 feet bgs, and produces an average of 450 gallons per minute. In April

2001, a groundwater sample was collected from the Tennant Well and split between the City and Olin's contractor. The sample analyzed by the City contained 5.1 µg/l of perchlorate but in Olin's sample perchlorate was not detected. In subsequent sampling by Olin's contractor (July, October, and December 2001) perchlorate was not detected in samples from the Tennant Well.

The Tennant Well was again sampled on March 18, 2002. This time, perchlorate was detected at a concentration of 15.8 µg/l. The City shut the well down shortly after receiving the result. The Tennant Well was resampled for perchlorate on April 17, 2002. The result of the resampling showed 2.8 µg/l perchlorate.

The City has drilled a replacement municipal supply well and is in the process of developing the well and connecting it to the water supply system. The City and Olin are currently negotiating the extent of Olin's financial liability in the replacement of the Tennant Well.

March 2002 Soil and Groundwater Investigation

In March 2002, Olin's environmental consultant conducted a soil and groundwater investigation to further assess the source and extent of perchlorate, lead, and chromium at the site. There were five areas of concern included in the investigation based on site history, previous studies, and input from Olin. The areas of concern are:

- Former North Septic Tank – This area was used to dispose of clay pigeons and pool tablet rinsewater. About 10% of the clay pigeons were painted with water-soluble lead chromate paint. Previous investigations detected metals in the soil; however, characterization was incomplete.
- Former Hazardous Material Storage Area – The former hazardous material storage area was identified as a former storage area for potassium perchlorate and may be a potential source area for perchlorate in soil.
- Former Wastewater Evaporation Pond - The pond was reportedly used from about 1951 to 1987 for disposal of wastes from cleaning the ignition mix bowls. Potassium perchlorate was one of the ingredients of the ignition mix.

- Former Production Building No. 5 Hopper
– The former building 5 may have been a potential source area of perchlorate in soil and groundwater. Historical data indicate that a hopper was likely used to handle and manage potassium perchlorate.
- Former Production Building No. 5 Mixer
– The former building 5 may have been a potential source area of perchlorate in soil and groundwater. Historical data indicate potassium perchlorate was likely managed at a former mixing area of the building.

Lead was investigated in the former north septic tank area to determine if the disposal of clay pigeons painted with lead chromate paint has impacted soil and groundwater. Results of soil samples show that lead was generally at concentrations that are within background levels (3 to 5 mg/kg). Only one sample contained lead at a concentration that was above the residential USEPA Region IX Preliminary Remediation Goal (PRG) of 400 mg/kg; however, lead was detected near background levels in the same boring collected at depths below 10 feet. Lead was not detected in any of the groundwater samples. Considering the results of this and previous investigations, Regional Board staff agrees that lead is not a constituent of concern and no further action is needed.

Chromium was detected in several soil samples at the former north septic tank area; however, the concentrations were generally within background levels (18-33 mg/kg), except from two samples from one boring. The concentrations of chromium in all the samples were within the residential PRG of 210 mg/kg. Chromium was detected slightly above the MCL of 0.1 mg/l in two groundwater samples from borings located on the perimeter of the investigation area. Considering the results of this and previous investigations, Regional Board staff does not see chromium as a constituent of concern in soil. However, results of this investigation were in terms of total chromium. Since chromium VI has greater toxicity than total chromium, we requested that Olin conduct a soil and groundwater chromium VI investigation in this area.

Perchlorate was investigated in all potential source areas discussed above to determine its magnitude and extent and to identify potential data

gaps. Perchlorate was detected at concentrations below the industrial and residential PRGs in several shallow soil samples located on the perimeter of the former building 5 and the former Hazardous Material Storage areas. Results of the soil analysis appear to indicate that the extent of perchlorate near portions of the two areas was still not completely characterized. Therefore, additional investigation will be conducted to determine the magnitude and extent of perchlorate soil contamination.

The results of five direct-push borings (CPT-1 to CPT-5) show that the site is underlain by stream and alluvial deposits that comprise zones of sandy/gravel materials and zones of fine-grained materials. Between four and six unconfined water-bearing zones were identified within the upper 200 feet of subsurface materials. Perchlorate was detected in each zone from each CPT boring. Groundwater samples collected from two areas of concern near the center of the site (CPT-4 and CPT-5) contained elevated levels of perchlorate to depths of 191 feet below ground surface (bgs). In CPT-4, perchlorate concentrations increased with depth from 2.5 µg/l in shallowest zone (28 feet bgs) to 110 µg/l in the 90-foot zone. Below 90 feet the average perchlorate concentration was 10.9 µg/l. In CPT-5, perchlorate concentrations decreased with depth from 167 µg/l in the shallow zone (28 feet) to 84.9 µg/l at the 90-foot zone. Below 90 feet the average perchlorate concentration was 60.4 µg/l. In the deepest groundwater samples from CPT-4 (191 feet) and CPT-5 (172 feet), perchlorate was detected at 18.1 µg/l and 63.3 µg/l, respectively. This data indicate that the vertical extent of perchlorate has not been determined.

In the perimeter CPT locations (CPT-1 to CPT-3), perchlorate was detected at lower concentrations than the central area of the site. In the shallow zones (less than 106 feet bgs) the average perchlorate concentrations in CPT-1, CPT-2, and CPT-3, were 13.4 µg/l, 11.3 µg/l, and 24.6 µg/l, respectively. In the deep groundwater zones (below 106 feet) perchlorate was at about 3 to 4 µg/l.

The groundwater data indicate there is potential for lateral migration of perchlorate in the shallow groundwater zones (less than 100 feet bgs). However, it is unclear how perchlorate is

migrating laterally (between about 100 and 175 feet bgs) and vertically within the deeper groundwater zones (from 100 to about 400 feet bgs). Therefore, additional groundwater investigation is needed.

On May 17, 2002, a meeting was held at the City of Morgan Hill Public Works Department to discuss results (as summarized above) of the soil and groundwater investigation and the Phase 2 soil and groundwater investigation follow-up discussed below. The meeting was attended by staffs of the Regional Board, Olin Corporation and its environmental consultant, City of Morgan Hill Public Works Department, California Department of Health Services, and Santa Clara Valley Water District.

Phase 2 Soil and Groundwater Investigation

The purpose of the Phase 2 Soil and Groundwater Investigation is to further determine the extent of perchlorate and chromium at the site. The investigation will include five CPT borings that will be located on the site and three deep borings that will be located off of the site. Four of the on-site CPT borings will be located along the north and east property boundary to determine background water quality. The fifth on-site CPT boring will be located near and downgradient of the former hazardous materials storage area. The three off-site deep borings will be located in accessible locations near the west and southern site boundary to determine the potential for off-site perchlorate migration.

Olin will investigate the area of the former hazardous materials storage to further determine the extent of perchlorate in soil. Approximately seven soil borings will be advanced outside of the previous investigation grid area. To further determine the extent of perchlorate in the former building 5 area, approximately 15 soil borings will be advanced outside of the previous investigation grid area. In the former north septic tank area, approximately six soil borings will be advanced on the perimeter of the previous investigation grid to determine the extent of chromium including chromium VI in soil and groundwater.

To determine if perchlorate has migrated offsite, the Regional Board, with the assistance of Santa Clara Valley Water District, has identified 27 water supply wells for perchlorate sampling within one-half mile downgradient of the site. As of

August 14, 2002, we received permission to sample from 12 well owners. Olin's environmental consultant will be conducting the sampling. A follow up letter was also sent by Olin's consultant to the other well owners that did not respond to the initial request to sample their wells.

On August 14, 2002, Olin's staff reported that all proposed on-site borings have been completed. One off-site boring to a depth of 400 feet bgs was completed on August 12. Work on the remaining off-site borings is continuing. Sampling of the off-site domestic wells for perchlorate will begin on August 19, 2002.

Groundwater Monitoring

On December 14, 2001, the Executive Officer issued Monitoring and Reporting Program (MRP) No. 01-161 for Olin Corporation. The MRP requires quarterly monitoring of on-site monitoring wells (MW-1 to MW-3) and the Tennant Well for perchlorate, depth to groundwater, and groundwater elevation. The most recent groundwater monitoring was conducted in June 2002. The three on-site monitoring wells were sampled; however, the Tennant Well was not sampled since it was not operating. The initial sampling device for the Tennant Well proposed by Olin's consultant did not fit and needed modification. Olin's consultant will soon present a modified sampling device to the City and when approved will collect the groundwater sample for perchlorate analysis.

Results of the June quarterly groundwater monitoring from the three on-site monitoring wells show that the depth to groundwater ranges from 28.49 to 29.95 feet bgs. The groundwater flow direction was to the south with a gradient of 0.0005. Perchlorate concentration ranges from a low of 2.31 µg/l in MW-3 to a high of 154 µg/l in MW-1. All three monitoring wells are considered downgradient of the suspected perchlorate source areas. Historical groundwater data show that the groundwater flow direction varies from southeast to south-southwest. The variation may be related to seasonal fluctuations within the basin and intermittent pumping of nearby wells.

Conclusion

Pollution incidents affecting drinking-water supplies require a serious response by both the

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responsible parties and the regulating agencies. So far, Olin has complied with our requests in a timely manner and, in our view, acted in good faith in responding to its responsibilities. Regional Board staff will continue to give this case the high priority attention it deserves.

Rancho Los Lobos Class II Landfill [Frank DeMarco 805/542-4638]

Rancho Los Lobos Landfill is a Class II oil field waste site in Monterey County. The site is currently preparing for closure. Staff has under taken an extensive review of the site record in preparation for revising the current Waste Discharge Requirements for the site.

According to Regional Board records, the only remaining issues regarding the Discharger achieving full compliance with Executive Officer issued Cleanup or Abatement Order No. 91-027 "Rancho Los Lobos, Inc. Toxic Pit and Class II Oilfield Waste Disposal Site, Monterey County" (CAO 91-027), are to complete Task 16 (Complete Toxic Pit Closure) and Task 17 (Submit Toxic Pit Closure Certification Report).

Completion of Tasks 16 & 17 is documented in the Discharger's August 11, 1994 "Testing of Pond II Bottom Liner and Cap System" report. Therefore, the closure of Pond II has been completed in accordance with the Toxic Pits Cleanup Act, pursuant to Section 25208 of Health and Safety Code, and CAO 91-027.

Consequently, the Executive Officer rescinded Cleanup or Abatement Order No. 91-027 in a June 10, 2002 letter to the Discharger.

Underground Tanks Summary Report dated August 7, 2002 [Jay Cano 805/549-3699]

(See Attachment No. 10)

Regionwide Reports

Regional Monitoring [Karen Worcester 805/549-3333]

Central Coast Ambient Monitoring Program Update June 26 through July 16, 2002

Marine Monitoring

CCAMP staff hosted a meeting on July 11 to discuss proposed activities for augmenting CCAMP monitoring in the marine environment. Scientists from several universities and agencies were invited to provide input and technical review of monitoring concepts. Attendees included:

- Dr. Rob Atwill, Veterinary Medicine Teaching and Research Center, U.C. Davis
- Dr. Pat Conrad, Department of Pathology, Microbiology and Immunology, U.C. Davis
- Dr. Jenny Dugan, Marine Science Institute, U.C. Santa Barbara
- Dane Hardin, Applied Marine Sciences, Inc.
- Michael Harris, California Department of Fish and Game
- Dr. Chris Kitts, Biological Sciences Department, Cal Poly State University
- Dr. Melissa Miller, California Department of Fish and Game Wildlife Veterinary Health Center
- John Richards, Marine Science Institute, U.C. Santa Barbara
- Dr. Woutrina Smith, Department of Pathology, Microbiology and Immunology, U.C. Davis
- Dr. Robyn Stoddard, Department of Pathology, Microbiology and Immunology, U.C. Davis
- Dr. Libe Washburn, Department of Geography, U.C. Santa Barbara
- CCAMP and RWQCB staff (K. Worcester, M. Adams, D. Paradies, P. von Langen)

Invited but unable to attend:

- Dr. Chris Scholin, Monterey Bay Aquarium Research Institute
- Dr. Mark Moline, Biological Sciences Department, Cal Poly State University
- John Steinbeck, Tenera Environmental
- Gary Ichikawa, State Mussel Watch Program, California Department of Fish and Game
- Dr. Rikk Kvitek, Earth Systems, Science, and Policy, California State University, Monterey Bay
- Greg Langlois, Marine Biotoxin Monitoring and Control Program, Calif. Dept. of Health Services

A package of current research information was distributed to the group and discussion centered on two proposed monitoring concepts. The first included regular monitoring of sandy beaches using sand crabs. The vast majority of the Region's shoreline is sandy habitat, yet conventional monitoring has focused on mussel tissue collection, which is more typically available from rocky habitat. Sandy beaches are common in heavily used urban areas, and at the mouths of major river discharges where impacts from chemical pollutants may be most prevalent. Preliminary results from a pilot study showed sand crabs to be effective at bioaccumulating DDT and other organochlorine pesticides, PAHs, diazinon, and PCBs. They appear to be sensitive enough to be able to pick up oil and grease from parking lot runoff, which may make them an excellent indicator of urban storm water impacts. Recent research by scientists has also shown sand crabs to be more effective than mussels at bioaccumulating toxins associated with toxic phytoplankton blooms. We are interested in learning whether sand crabs may pick up several key pathogen species of concern, particularly *Cryptosporidium* and *Toxoplasma*. The group was enthusiastic about this monitoring approach, though several associated research questions may need to be addressed simultaneously. Beach monitoring may include two components, the first being professional collection of samples for chemical and biological analysis of pollutants and pathogens, and the second being volunteer collection of samples for analysis by the Department of Health Services Marine Biotoxin Monitoring Program. This latter approach would be adaptive, with sampling triggered by detection of target species in phytoplankton samples. The DHS program may be able to support analytical costs, and our various volunteer groups would likely be very excited to participate in sample collection activities.

The second program component is related to expanding the availability of data from moored instruments in the Central Coast Region, to ultimately develop a better understanding of the impacts of nitrate and other pollutants on the nearshore environment. Many universities and organizations are collecting real-time data on moorings in nearshore areas, and there are organized efforts through the University of California and the California State University systems to develop a network of instruments

collecting comparable data. We are interested in expanding areas covered and in deploying instruments for measurement of nitrate, chlorophyll a, and toxic phytoplankton in a number of locations. New technology being developed by the Monterey Bay Aquarium Research Institute allows for continuous real time monitoring of these parameters. The Central Coast Long-term Environmental Assessment Network already plans to deploy this type of instrumentation at four buoys in the Monterey Bay area. Additional funding and collaboration will be necessary to deploy similar instruments in more southerly portions of our Region. Regional Board staff met with Dr. Ken Johnson and Dr. Chris Scholin of Monterey Bay Aquarium Research Institute, and Dr. Kenneth Coale, Director of the Moss Landing Marine Laboratory on August 2nd to discuss these issues, learn more about their ongoing activities, and discuss ways in which we can collaborate further.

Sea Otter Research— CCAMP staff organized a meeting of sea otter researchers and stakeholder groups from the Morro Bay watershed, to provide an opportunity for information exchange and to prevent misconceptions about recently publicized findings related to *Toxoplasma*, the "kitty litter" disease. The researchers also toured the City of Morro Bay's wastewater treatment plant, the urban communities, and the watershed, in order to select most appropriate sites for followup research on several disease organisms of concern in the Morro Bay area.

Volunteer Monitoring - Karen Worcester and Dave Paradies taught a workshop on volunteer data management on July 10, using the CCAMP data screening tool. Representatives from groups from Santa Barbara, San Luis Obispo, Santa Cruz and Monterey Counties attended.

Surface Water Ambient Monitoring Program Roundtable – Karen Worcester participated in a SWAMP Roundtable meeting on July 9. Regional staff expressed concern that our limited monitoring budget not be diverted to address a single statewide question. We have agreed that until the budget is increased we should strive for data comparability by implementing our quality assurance program and striving for a level of consistency related to methods and minimum detection limits, rather than trying to implement any consistent statewide sampling design.

Other Monitoring Activities - In anticipation of an extended vacation, Karen Worcester has been completing Task Orders for State Mussel Watch Program, Toxic Substances Monitoring Program, and Surface Water Ambient Monitoring Program sampling activities for the next six months. We will be moving into the Pajaro and Northern Watersheds rotation area in January, starting the first year of our second five-year rotation cycle.

We have acquired five recording probes for measuring dissolved oxygen and temperature around the clock. These instruments will be deployed for 24-hour periods at each of our watershed monitoring sites to document swings in these parameters during the summer low-flow season. We have finished building housings to secure and protect the instruments.

We have released a bid package for a laboratory contract to three small businesses in the area. This contract is limited to under \$100,000 and a new one will need to be in place in eight months. This contract is expected to be in place by September 1.

Regional Board staff met with Drew Bohan of the Channel Keepers to learn about the Keepers expansion of volunteer monitoring activities into the Goleta Slough watershed and to strategize how to best approach data sharing opportunities. The Keepers are interested in porting their data into our CCAMP data management system so that we can better use their data for decision-making and they can easily generate graphs, maps, and web site data displays.

Basin Plan Revisions - Basin Planners are releasing revisions to Chapters 4, 5, and 6, for public review prior to the December Board meeting. These revisions will include incorporation of a Nonpoint Source policy and a riparian policy. Chapter 6 will include new, more relevant information on monitoring activities. Basin Planners are participating in an in-house SB 390 group working to address waiver policy issues. A draft staff report and Basin Plan amendment related to the waiver policy is being developed for the December Board meeting and is currently undergoing internal review.

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

See Attachment No. 11: Planned TMDL Components/Projects to be Completed During Fiscal Year 2002-2003.

Main activities in progress during the first quarter of fiscal year 2002-2003 include the following:

- Participate in development of State Policy for Identifying Impaired Waters pursuant to Clean Water Act Section 303(d) and development of State TMDL guidelines pursuant to Assembly Bill 469;
- Prepare and propose Basin Plan Amendments for San Lorenzo River Siltation TMDL, Las Tablas Creek Mercury TMDL, Chorro and Los Osos Creeks Nutrient and Dissolved Oxygen TMDL, and the Morro Bay Pathogens TMDL;
- Complete Draft TMDL Reports for Salinas River Siltation TMDL;
- Continue preparation of Draft TMDL Reports for San Luis Obispo Creek Nutrients and Pathogen TMDLs, and Pajaro River Nutrients TMDL;
- Complete preliminary TMDL components (problem statements, numeric targets, and/or source analysis) for several additional TMDLs
- Scope TMDL development needs for additional listed waterbodies.

Specific activities to be accomplished during the first quarter of fiscal year 2002-2003 include the following:

- Prepare and/or review internal draft sections of the State Policy for Identifying Impaired Waters and State TMDL guidelines;
- Propose a Basin Plan Amendment for San Lorenzo River Siltation TMDL;
- Prepare Basin Plan Amendments for Las Tablas Creek Mercury TMDL, Chorro and Los Osos Creeks Nutrient and Dissolved Oxygen TMDL, and the Morro Bay Pathogens TMDL; and
- Complete Draft TMDL Reports for Salinas River Siltation TMDL.

Administrative Reports

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

On July 16 and 17, Gerhardt Hubner, Amanda Bern, and Matt Thompson attended a UC Davis Extension's "Land Use Planning, Environmental Regulation, and the Wine Industry" conference in San Luis Obispo. They gained Central Coast wine industry perspective, learned about future trends in the industry, and informed industry representatives of pertinent water quality regulations.

On August 14, 2002, Gerhardt Hubner, Eric Gobler, Donette Dunaway, and Matt Thompson attended the Environmental Law Enforcement Conference at California State University Monterey Bay. The conference was sponsored by the Monterey County District Attorney's office. Topics included an overview of environmental laws, search and seizure procedures, evidence collection, and procedures for referring enforcement cases to the District Attorney. The conference facilitated coordination between the various agencies responsible for enforcing environmental laws in Monterey County.

In July 2002, Senior Water Resources Control Engineer Michael LeBrun participated in Santa Barbara County's effort to produce a public information video regarding the County owned Tajiguas Landfill. The 30-minute video featured a number of speakers from the County, County Consultants, Regulatory agencies, and environmental groups. The video began airing on public access cable in the Santa Barbara area on July 20, 2002.

On August 6 and 7, 2002, Linda Stone and Michael LeBrun of the Regional Board's Department of Defense program attended a partnering workshop that focused on bringing together the various parties involved with Base Realignment and Closure efforts at the Former US Disciplinary Barracks in Lompoc. Other attendees at the Workshop included: Federal Bureau of Prisons (new tenant of property), US Army (Former tenant), US Environmental Protection Agency, County of Santa Barbara Health Department.

The two-day meeting resulted in a Partnering Agreement that expressed and embodied the following mission:

"We, the U.S. Army, U.S. Bureau of Prisons, Regional Water Quality Control Board, Santa Barbara County Environmental Health, USEPA, ARCADIS, Louis Berger Group, Techlaw Inc. and members of our extended team, will treat each other fairly and professionally and work together diligently in partnership toward the ultimate goal of closing out the Army sites in a condition that is protective to human health and the environment in an expeditious and cost effective manner."

On the evening July 24, 2002, staff members Gerhardt Hubner and Julia Dyer attended a forum in Arroyo Grande entitled, "The Future of the Big Ditch, Flood Control Planning." Approximately three years ago Central Coast Salmon Enhancement received a grant to establish a watershed organization in the Arroyo Grande Watershed, thus the Arroyo Grande Watershed Steering Committee was created. This group plans and drafts agendas for community meetings and forums. The purpose of this forum was to facilitate coordination between the various agencies responsible for watershed and flood control protection in the Arroyo Grande Creek watershed.

The agenda included four main topics. A photo tour of the Arroyo Grande Watershed, presented by Malcolm McEwen, Coastal San Luis Resource Conservation District. Channel Maintenance, current status and future work was presented by George Gibson, County of San Luis Obispo Engineering Department, Zone 1. Currently the County of San Luis Obispo is allowed to remove some sediment from sand bars in the Arroyo Grande Creek Channel as part of a short-term plan. For the long-term, a list of project alternatives is being developed, and will be released to the public in 2003. Mitch Swanson of Swanson Hydrology, highlighted examples of flood control that work in other areas. The San Lorenzo River project was shown as a project that is successful as flood control, in addition to providing good wildlife and aquatic habitat. The forum concluded with a presentation by a representative of the Zone 1/1A Advisory Committee, and a question and answer period by members of the audience.

On July 30, 2002, David Athey of the Regional Board's Land Disposal Unit, participated in a San Luis Obispo County sponsored Agricultural Disaster Drill planning event. The event brought together representatives from a wide range of agencies that have jurisdiction during an actual Agricultural Disaster. The event had four planning sessions: wild animal, domestic livestock, environmental health, and disease control. Mr. Athey was involved with the domestic livestock group and mainly the proper disposal of dead animals. Past improper disposal has led to groundwater and surface water contamination. Problems are typically a result of too many animals being buried close to groundwater or surface water and or the use of diesel fuel during incineration.

Since this was a planning event, several best management practices were presented. First, for small numbers of animals that can be transported, Landfill disposal is a good option. Second, for large numbers of animals land disposal should be considered first, but onsite burial may be also considered with appropriate safeguards. Safeguards include burial or incineration a safe distance from streams and shallow groundwater. The findings from this event will eventually be used for mock disaster training drills and for the County's final Agricultural Disaster Response Plan.

Water Quality Coordinating Committee Meeting (WQCC) (Roger Briggs 805-549-3140)

This is the meeting for the State and Regional Board Members to get together and talk about mutual issues. The Chairs have been working on development of an agenda, etc., for the next WQCC meeting(s). In the interest of limiting travel expenses the Chairs decided to have two separate meetings as follows:

Nov. 7 and 8 --Regions 4, 6, 7, 8 and 9 will meet at a location somewhere within Region 8. Region 8 staff are working to identify a location with Orange County being the first option and Riverside/Ontario the second. Nov. 18 and 19 -- Regions 1,2, 3 (that's us), and 5 will meet in Sacramento.

The hope is that almost all of the Regional Board Members and Executive Officers will be able to drive to one of the two locations, in the interest of saving expenses. State Board Members and appropriate staff will attend both meetings. The meetings will start at 1:00 on the first day and end at noon on the second day. We'll also get together at a dinner to provide time for more informal interaction. The draft agenda currently includes discussion on TMDL's, stormwater phase II, Senate Bill 390 discharge waiver status, enforcement, petition and stay hearings, and the usual session with the Chief Counsel.

AGP Video [Brad Hagemann 805/549-3697]

At the July 12, 2002 Board meeting Nancy Castle from AGP video briefly addressed the Board during the public forum. Referencing a May 30, 2002 letter from AGP to the Regional Board, Ms Castle advised the Board that AGP's efforts to find other cost sharing partners for video taping of Regional Board meetings had been ineffective. Attached to the letter was a proposal for Video Production/Tape Distribution Services for future Regional Board meetings. AGP video is currently billing the Regional Board \$300 per meeting to cover a portion of their costs. Their May 30, 2002 proposal includes costs of \$1000 per meeting (8:30 AM - 4:00 PM) with overtime charges after 4:00 PM.

Board members briefly discussed the pros and cons of having the video services. Several of the Board members supported retaining the video services as a means of public outreach and education. Advantages of the video services include: public outreach and education; and having a video record of the meetings available to staff and to the public for a nominal fee. Disadvantages include: meeting coverage was only for the San Luis Obispo meetings and only televised in San Luis Obispo County; and staff feedback regarding the effectiveness of the public outreach was marginal. Board members further discussed the concept of funding the video service via a supplemental environmental project or other similar project. Board staff reminded the Board that the State was without a budget, but committed to reviewing the proposal and providing further analysis at the September meeting.

Unfortunately we are still without a State budget and resources are very tight. Based on recent directives from our budget office we are advised not to commit to any "non-mission critical" expenditures until further notice. We will continue to explore the possibility of funding the video services via a supplemental environmental project or similar project that has a nexus with the

need for public outreach and/or education. However, until we have a budget in place we believe it is prudent for us not to commit to additional expenditures.

ATTACHMENTS

1. Table 1: Remedial Actions Recommended by the Shellfish Committee
2. Budget Showing \$500,000 Allocation for Black Lake Canyon Acquisition (Item 2a)
3. MOU Between the Land Conservancy and the Nature Conservancy for the Re-allocation of the \$500,000 Earmarked for Acquisition in Black Lake Canyon
4. Vicinity Map of the Choin Property Area
5. Photographs of Erosion on Choin Property
6. Letter dtd 7-31-02 from U.S. EPA Stating their Position on the Los Osos Wastewater Project
7. Letter dtd 8-16-02 from Los Osos CSD re Bond Sale for Wastewater Project
8. Letter dtd 7-30-02 from Regional Board to LOCSO re Clarification of Wastewater Project Progress
9. Site Map of Olin Corporation, Morgan Hill, with Proposed CPT and Deep Boring Locations
10. Underground Tanks Summary Report dated August 7, 2002
11. Planned TMDL Components/Projects to be Completed During Fiscal Year 2002-2003