

May 30, 2025

Mr. Greg Guisti, Vice Chair North Coast Regional Water Quality Control Board 5550 Skylane Blvd., Suite A Santa Rosa, CA 95403 Email: NorthCoast@waterboards.ca.gov

RE: Recommendations to Improve Proposed Order No. R1-2024-0056 General Waste Discharge Requirements for Commercial Vineyards in the North Coast Region

Vice Chair Guisti and Members of the Board,

Family Winemakers of California (FWC) is the voice of independent, family-owned wineries, representing small producers. With a "one person, one vote" philosophy, FWC ensures every member's voice is heard on issues that shape the wine industry. For over 34 years, we've worked for small wineries. Over 25 members have wineries in Sonoma and Mendocino Counties. This letter is on their behalf.

Our organization realizes that the Vineyard Permit (Order No. R1-2024-0056) is in responses to the State Water Resources Control Board's Irrigated Lands Regulatory Program (ILRP) and statewide policy. We also recognize, and are grateful, that the Regional Board staff has identified ways in which to delay or simplify some of the elements in the ILRP while still achieving the water quality goals for nitrates. Similarly, we recognize that timeline for enrollment and coming into compliance is generous.

In the spirt of partnership and our common interest in environmental stewardship, FWC and our winegrowing partners are requesting changes to the proposed Order that will ensures the goals of the permit are realized without creating a confusing regulatory regime.

INFORMATION MISSING FROM THE FINDINGS SECTION

The Findings section of the Order lays out several facts. Of note is that in the decades following the determination that the North Coast's waterways are impaired for sediment, a majority of winegrape growers adopted voluntary programs to manage sediment. Additionally, Sonoma County adopted VESCO (Vineyard and Orchard Site Development Ordinance) and now over 50% of the vineyards in Sonoma County are VESCO approved. The voluntary programs and VESCO are regularly reviewed and updated by experts to ensure alignment with the best science and to move the industry forward.

There is no mention of efforts to track the effect these voluntary and regulatory actions have on water quality. Further, the Findings states (paragraph A-6, page 7) that 61% of the North Coast Regional Board territory drains to sediment impaired streams. The Findings provide no references to indicate that the tributary area is helping or hurting impairments. However, this data from Sonoma Water in 2022 and 2023 (2024 is not yet published) indicates that water from the tributaries are reducing turbidity in the Russian River mainstem, not adding to it. This would suggest overwhelming water quality benefit of actions taken by growers.

However, the Findings section determines (paragraph D-9, page 16) that a Sediment Erosion Control Plan certified by a Qualified Professional, such as Registered Forester, provides higher water quality protection than the existing third-party audited programs. How was this determination made that a registered forester reduces the risk of sedimentation off a vineyard compared to a third-party auditor with years of experience?

"This Order also requires Enrollees to conduct Management Practice Effectiveness monitoring to evaluate whether implemented management practices are effective at controlling, minimizing, or preventing the discharge of sediment from their Farm Areas. Enrollees must either sample Agricultural Drainage Structures for turbidity (as a proxy for suspended sediment) or conduct Photo-point Monitoring according to the standards they meet for management practice implementation. This Order incentivizes higher sediment and erosion control practice standards through reduced monitoring requirements {emphasis mine}. This Order finds that Sediment and Erosion Control Plans that are certified by a Qualified Professional and/or No-Till Ground Cover in Planted Areas and Seasonal Roads provide greater water quality protection when implemented in accordance with the requirements in this Order."

Other land uses that have the potential to contribute significant volumes of sediment in the North Coast RWB territory aren't required to undertake a similar effort of "effectiveness monitoring." Existing rural private roads are not regulated. Construction of new roads and maintenance of existing county-owned roads are regulated, but only require photo point monitoring. Timber Operations on Non-Industrial Timber Management Plans don't appear to have RWB required monitoring activities.

Why does this matter?

Although vineyards on the north coast have taken significant voluntary action to manage sediment, the RWB is not considering these efforts. Instead, the agency is requiring more effort from vineyards than from other land uses that have the potential to contribute sediment to waterways. This erratic approach to regulation is arbitrary and unjust.

Further, the Order is presenting a false choice: agricultural drainage structure monitoring versus a certified Sediment and Erosion Control Plan. And wrongly suggests that (1) a certified plan is a higher standard than voluntary programs and (2) that the higher standard is incentivized. This fallacy is explained below.

INFORMATION MISSING FROM THE COST ESTIMATES

The costs presented in the Order (Tables 4a/4b and paragraph G-22, pages 42-43) are **not accurate**. We have presented details here:

- 1. Coalition monitoring activities total \$0.66 per acre over 65,000 acres or \$42,900 across two counties and multiple watersheds.
 - Supply imbalances are impacting the industry with the calls for the removal of 50,000 acres of winegrapes across California.¹
 - The \$42,900 will be spread over fewer acres and the cost per acre will increase.
- 2. Coalition reporting activities are estimated in the Order at \$1.14 per acre or, at 65,000 acres, \$74,100 per year.
 - Again, the price per acre will increase as more acres are fallowed.
 - Administrative fees were not presented in the Order. These are \$1.01 per acre in the Central Coast Region. Enrolled acres are substantially larger in the Central Coast compared to the North Coast, spreading the Coalitions' cost over a very large base.
- 3. Total Costs on a 100-acre farm:

\$150 SWRCB ILRP fees
\$101 Coalition administration fees
\$66 Coalition monitoring activities
\$114 Coalition reporting activities
\$464 TOTAL will likely increase over time

¹https://www.svb.com/globalassets/library/uploadedfiles/wine/svb-state-of-the-us-wine-industry-report-2025.pdf

4. Additional on-site costs (not including growers' time):

\$215 Drinking water well monitoring \$240 2 Ag drainage structure sampling \$455 TOTAL will likely increase over time

5. To avoid \$240 in ag drainage structure sampling, the grower can pay for a *certified* soil erosion control plan. The Order (paragraph G-22, page 43) estimates the cost at \$5,000 to \$10,000. This is estimate is just wrong based our members' experience and confirmed by conversations with Resource Conservation District staff and Professional Engineers. The expectation is to pay a "professional" \$10,000 to \$25,000 for a certified SECP.

The cost of the Farm Plans required by the San Francisco Bay Region's Vineyard Permit were offset by grant monies. As a result, growers paid less than \$5,000 for a \$25,000 plan. That grant money is not available to the North Coast Region's winegrape growers.

NOT ABLE TO ABSORB NEW COSTS

The costs calculated above total over \$900 for a 100-acre farm and will approach \$1000 in 2028 when enrollment begins. Ten dollars per acre adds \$3.33 of farming costs to each ton harvested and almost \$0.05 per case produced

Wineries' Perspective: As you have likely read, the wine industry and its entire supply chain is undergoing a major reset. Customer demand is down. Supply imbalances may result in the fallowing of 50,000 acres of vineyards. Add to these ongoing obstacles, increases in winemaking costs - Portuguese cork, aluminum screwcaps, French oak barrels, Mexican and Chinese bottles – and the loss of export markets due to tariffs.^{2,3} Thirty-five percent of California Wine exports have historically gone to Canada, which now has a don't-buy-American campaign in effect. Canadian business partners have canceled hundreds of thousands of dollars of orders, and potential sales to Mexico or the European Union are on hold.⁴

 Most FWC members do not have vineyards and purchase winegrapes from longterm farming partners. However, given tariffs and reduced customer demand, wineries are unable to absorb any increases in farming costs. As much as wineries appreciate their partnership with growers, they are unable to absorb the additional cost. These new Vineyard Permit costs will be taken out of the grower's margins.

https://www.npr.org/2025/05/02/nx-s1-5342394/how-tariffs-might-impact-small-american-winemakers

³ https://www.nytimes.com/2025/04/10/dining/drinks/wine-tariffs.html

https://calmatters.org/economy/2025/04/tariffs-california-agriculture-wine/

Winegrowers' Perspective: Given the supply imbalance, multi-year grape contracts between growers and wineries occur less frequently and, when they do happen, the negotiated price is reduced compared to a few years ago. Grape prices on the spot market have also dropped. In fact, the 2024 weighted average price per ton for Mendocino County grapes fell by almost 20% (and by about 2.5% in Sonoma County)⁵. Farming costs— labor, steel, wire, chemicals — have all increased. In other words, farmers will operate at a loss for the foreseeable future.

• Winegrape growers are not able to pay \$10,000 to \$25,000 for a certified plan. This is why this Vineyard Permit offers a false choice. Staff and the Board should be honest about this.

REQUEST

Based on the discussion above, we are requesting changes prior to adoption of the Vineyard Permit. These changes are appropriate for the following reasons:

- The Findings section has not demonstrated that the tributary areas, particularly in the Russian River watershed, are contributing to impairment in the mainstem.
- The Findings have not accounted for more than 20 years of water quality protections associated with voluntary stewardship programs and VESCO.
- The Order falsely suggests that there is a choice and an incentive to choose a certified SECP (Option B) over the Voluntary Program (Option A).
- The Findings section has not demonstrated that the Voluntary Program provides less water quality protection compared to a certified SCEP.
- The additional cost of a certified SECP is not justified.

Based on these reasons, we request that:

- The Order recognize that the Voluntary Program as described Option A on pages 52-53, coupled with on-site photo-point monitoring and off-site turbidity streambed monitoring, is as protective of water quality as a certified SECP, and
- Eliminate agricultural drainage structure monitoring for enrollees participating in Option A, Volunteer Programs.

⁵ American Ag Credit, Winescape.

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Thank you for taking the time to read through this document. I am available to discuss further if that is helpful.

Sincerely,

GinaLisa Tamayo

Board Chair

FAMILY WINEMAKERS OF CALIFORNIA

Bruce Lundquist Board Vice-Chair

FAMILY WINEMAKERS OF CALIFORNIA