California Regional Water Quality Control Board San Diego Region David Gibson, Executive Officer



Executive Officer's Report September 8, 2010

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The September report for the Tentative Schedule of Significant NPDES Permits, WDRs, and Actions and the attachments noted on page 1 are included at the end of the report.

Part A – San Diego Region Staff Activities

1. Basin Plan Triennial Review

Staff Contact: Deborah Woodward

On August 5, 2010, the San Diego Water Board conducted a public workshop about the triennial review of the *Water Quality Control Plan for the San Diego Basin* (Basin Plan). Executive Officer David Gibson discussed the expanded stakeholder process he envisions for the review, which entails the formation of a Triennial Review Advisory Committee (TRAC) comprised of stakeholder representatives to help prioritize basin planning issues. Workshop attendees interested in participating as a stakeholder representative on the TRAC were invited to submit a self-nomination form and were advised that a decision as to the final composition of the TRAC would be announced sometime after August 12, the due date for the forms. Attendees were informed that the public solicitation period would be briefly re-opened to ensure that all basin planning concerns are considered during the current review; noticing for the public solicitation period is in preparation. Approximately 50 people representing a broad spectrum of stakeholders attended the workshop.

Prior to the workshop, in mid-July, a draft list of basin planning issues to be prioritized was posted. This list is a compilation of suggestions received during the initial public solicitation period (October 31, 2008 to January 9, 2009) and issues carried over from prior triennial reviews. It contains 85 issues that would entail changes to beneficial uses, water quality objectives, and/or implementation plans in the Basin Plan. A second draft list, of editorial issues, was also posted. It contains approximately 70 suggestions for text and format improvements to the Basin Plan. Text and format suggestions are not expected to be individually prioritized. Both lists ("Basin Planning Issues" and "Basin Plan Text and Format Issues"), and more information about the Basin Plan triennial review, can be viewed on the San Diego Water Board's website http://www.waterboards.ca.gov/sandiego/water_issues/programs/basin_plan/tri_review.shtml.

In fall 2010, after the public solicitation period has closed, the TRAC will convene over the course of about eight weeks to help develop a "short list" of issues that are of highest priority to work on over the next three years. The public will have an opportunity to comment on a draft short list of priority issues and, in spring 2011, the San Diego Water Board will conduct a formal public hearing and consider adoption of a tentative resolution containing a short list of priority issues.

Updates and notices about the Basin Plan triennial review are sent to those who subscribe to the "Basin Plan Issues" electronic mailing list at: http://www.waterboards.ca.gov/resources/email_subscriptions/reg9_subscribe.shtml.

2. Loma Alta Slough TMDL Meeting

Staff Contact: Cynthia Gorham

The San Diego Water Board and Southern California Coastal Water Research Program (SCCWRP) held a meeting on the Loma Alta Slough TMDL on August 13, 2010 in Oceanside, CA. The meeting was convened to discuss numeric targets for the TMDL that address eutrophication and bacteria loading in the slough.

To address eutrophication and nutrient overenrichment of the slough, Martha Sutula of SCCWRP gave a presentation on the Nutrient Numeric Endpoint Framework (the NNE) for the State of California. The NNE for California estuaries is being developed to provide the State Water Resources Control Board and the Regional Water Boards with a scientifically-defensible framework that can serve as guidance for adopting and implementing regulatory water quality objectives. This framework is founded on an evaluation of risk relative to designated beneficial uses. Essentially, the intent is to control excess nutrient loads to levels such that the risk or probability of impairing the designated uses is limited to a low level. If the nutrients present – regardless of actual magnitude – are not impairing beneficial uses, then the water quality standard is attained.

While the NNE Framework document will not be completed before the Loma Alta Slough TMDL report is due for completion, concepts from the NNE will be used to develop the TMDL requirements for the slough. In addition, Loma Alta Slough, and other estuaries in the San Diego Region, will be used as test cases for NNE Framework development. From the NNE discussion, the group agreed to use dissolved oxygen in water and algae biomass, floating on the water's surface in this case, as the numeric targets for the TMDL. The numeric target value for dissolved oxygen will be based on the water quality objectives in the Basin Plan. Numeric targets for floating algae biomass will be based on results from the scientific literature and from studies associated with NNE development and the Loma Alta Slough TMDL.

To address excessive bacteria loading to the slough, Cynthia Gorham of the San Diego Water Board gave an overview of the Bacteria Project I Beaches and Creeks TMDL (Bacteria 1 TMDL) and the Reference System and Anti-degradation Approach (RSAA). The RSAA establishes an allowable exceedance frequency of the Bacteria Single Sample Maximum water quality objectives. That exceedance frequency has been determined to be 22 percent for annual wet weather conditions only. No exceedances are allowed during dry weather conditions. For the Loma Alta Slough TMDL, the bacteria numeric targets are the established bacteria water quality objectives.

Meeting participants included the City of Oceanside, City of Vista, County of San Diego, Coastal Modeling Associates, Geopacifica Geotechnical Consultants, as well as the San Diego Water Board, and SCCWRP.

To receive updates on the Loma Alta Slough TMDL, please contact Amy Mecklenborg at <u>amecklenborg@waterboards.ca.gov</u>.

3. Tijuana River Valley Recovery Team Monitoring Meeting

Staff Contact: Cynthia Gorham

The Tijuana River Valley Recovery Team (TRVRT) Steering Committee has established a monitoring working group (monitoring group) to support the ongoing coordination effort within the Tijuana River Valley. The first meeting of the monitoring group was held on August 16, 2010 at the Tijuana Estuary Visitors Center. Jeff Crooks from the Tijuana River National Estuarine Research Reserve led the meeting. The purpose of the meeting was to determine the extent and frequency of past and current monitoring efforts in the Tijuana River estuary and lower Tijuana River watershed by governmental agencies, universities, and non-governmental organizations. A representative from each entity that attended the meeting spoke about the types of data that they collect, or have collected. The group also began discussing additional data needs and where data should be stored. Topics such as these, as well as coordination of data collection, making the best use of available sampling resources, establishing monitoring priorities, and sampling design will be discussed further at future meetings.

Cynthia Gorham and Bruce Posthumus of the San Diego Water Board participated in this meeting. The County of San Diego, U.S. Fish and Wildlife Service, U.S. Navy, International Boundary and Water Commission, Southern California Coastal Ocean Observing System (SCCOOS), and San Diego Coastkeeper also contributed to the meeting.

The TRVRT's mission is to bring together the governmental administrative, regulatory, and funding agencies in tandem with advice from the scientific community, the environmental community, and affected stakeholders to protect the Tijuana River Valley from future accumulations of trash and sediment, identify, remove, recycle or dispose of existing trash and sediment, and restore the Tijuana River floodplain to a balanced wetland ecosystem.

4. Leadership Academy

Staff Contact: Dave Gibson

My highest priorities include continuing to develop solid leadership skills and the effectiveness of the San Diego Water Board staff, and to guide the evolution of the Water Board towards an outcomes based organization focused on water quality conditions (Strategic Plan Tier IV Performance Outcomes) in place of tracking and enumerating processes (e.g. number of inspections performed, permits renewed, TMDLs adopted, etc). To achieve these goals over the next ten years in a meaningful and durable manner, I have been developing three interrelated efforts: 1) a Leadership Academy for the San Diego Water Board; 2) a regional, prioritized Strategic Plan; and 3) a systematic review and update of the San Diego Region Basin Plan focused on identifying and achieving quantifiable Tier IV performance outcomes.

A key part of this strategy has been to bring the State Water Board Leadership Academy and UC Davis Executive Program to the San Diego Water Board staff in a unified effort, rather than send staff to the training in Sacramento, structured around group and individual learning. On August 12, 2010, following months of planning with UC Davis and State Water Board staff, we started this program for 30 of the line staff and seniors. The program includes one class session per

month over the next 12 months and includes a significant amount of individual and group homework assignments for each course.

Although budgetary issues alone would indicate that this is not the time for investment in staff development, there is, in fact, never an ideal time. Moreover, the challenges we face today provide an especially powerful educational moment and present the opportunity to refine, improve, and refocus our agency on the highest priorities necessary to achieve our mission. The experiences and skills gained from this program will better enable the staff to adapt and grow from these challenges, prioritize the work strategically, perform at a high level with the limited resources available, and to protect water quality and beneficial uses even more effectively.

Most of the courses will be held off site at key locations in the community relevant to our mission. For example, the first two sessions are being generously hosted by the Tijuana Estuary Visitor Center. Many of the courses will be taught by Gene Crumley, chair of UC Davis Extension's Business & Leadership department, and Michael Thomas, Assistant Executive Officer of the Central Coast Region and instructors from UC Davis Executive program. I, along with Jimmy Smith, will lead the last four courses as we focus on improving and enhancing our own organization in meaningful and tangible ways as leaders in water quality protection, management, and restoration.

Program Courses:

Date	Title
August 12, 2010	Mental Models and Organization Culture
September 9, 2010	Mental Models and Organization Culture
October 21, 2010	Leadership Communication
November 17, 2010	Leadership Communication
December 15, 2010	Ethical Leadership
January 19, 2011	Leadership Styles
February 16, 2011	Harnessing Complexity
March 30, 2011	Passion, Purpose, and Performance
April 20, 2011	Difficult Conversations
May 25, 2011	Difficult Conversations
June 15, 2011	Building a Learning Organization: Creating a Shared Vision
July 20, 2011	Building a Learning Organization: Team Learning
August 17, 2011	Building a Learning organization: Strategies for
	Implementation
September 21, 2011	Building a Learning organization: Strategies for
	Implementation

The first training session was an excellent start and demonstrated that the long term value of the program merits the cost in training budget dollars and staff time. In addition to the courses above, there will also be all-staff workshops and ancillary training opportunities offered as the program is implemented this year. I will periodically report on the progress and key developments from this program.

Part B – Significant Regional Water Quality Issues

1. Enforcement Actions for August 2010

Staff Contact: Jeremy Haas

During the month of August 2010, the San Diego Water Board initiated 89 enforcement actions including one Cleanup and Abatement Order, one Investigative Order, two Notices of Violation, 20 Staff Enforcement Letters, and 65 Notices of Noncompliance.

A summary of recent regional enforcement actions is provided below. Additional information on violations, enforcement actions, and mandatory minimum penalties is available to the public from the following on-line sources:

State Water Board Office of Enforcement webpage at: http://www.waterboards.ca.gov/water_issues/programs/enforcement/

California Integrated Water Quality System (CIWQS) http://www.waterboards.ca.gov/water_issues/programs/ciwqs/publicreports.shtml

State Water Board GeoTracker database: https://geotracker.waterboards.ca.gov/

Cleanup and Abatement Order (CAO)

Former Continental Cleaners, Escondido

CAO No. R9-2010-0089 was issued to Mr. David Kahn on August 25, 2010 for the cleanup and abatement of effects from an unauthorized release of tetrachloroethylene from the former Continental Cleaners at 644 West Mission Avenue, Escondido. The CAO requires that a Site Assessment Workplan be submitted by November 30, 2010, a Site Assessment Report by May 30, 2011, and a Remedial Action Plan by July 30, 2011.

Investigative Order (IO)

Marine Corps Air Station, Camp Pendleton

IO No. R9-2010-0070 was issued to the U.S. Marine Corps, Camp Pendleton Marine Corps Air Station on August 26, 2010 for an investigation of the effects of pollution and nuisance created

by an unauthorized discharge of jet fuel from a fuel storage facility. The IO requires that a Site Investigation Report be submitted by October 15, 2010.

Notices of Violation (NOV)

Cowboy Country, Inc., Cowboy Country RV and Resort, Aguanga

NOV No. R9-2010-0105 was issued to the Cowboy Country, Inc. on August 6, 2010 for failing to submit the 2009 annual monitoring report for Cowboy Country RV and Resort by January 30, 2010 as required by Order No. 94-002. Cowboy Country, LLC has failed to submit annual monitoring reports since 2005.

Oak Village, Inc, Oak Knoll Campground, Pauma Valley

NOV No. R9-2010-0110 was issued to Oak Village, Inc. on August 10, 2010 for failing to submit the 2009 annual monitoring report for the Oak Knoll Campground by January 30, 2010 as required by Order No. 94-039. Oak Village, Inc. has failed to submit annual monitoring reports since 2007.

Staff Enforcement Letters (SEL)

Indian Oaks Trailer Ranch, Temecula

An SEL was issued to Indian Oaks Trailer Ranch on August 9, 2010 for failing to submit the 2009 annual monitoring report for the Indian Oaks Trailer Ranch by January 30, 2010 as required by Order No. 88-024.

Ortega Oaks RV Park and Campground, Lake Elsinore

An SEL was issued to Ortega Oaks RV Park and Campground on August 26, 2010 for failing to submit the 2009 annual monitoring report for the Ortega Oaks RV Park and Campground by January 30, 2010 as required by Order No. 2001-140.

Sacred Rocks RV Park, Boulevard

An SEL was issued to Sacred Rocks RV Park on August 26, 2010 for failing to submit the 2009 annual monitoring report for the Sacred Rocks RV Park by January 30, 2010 as required by Order No. 95-34.

U.S. Marine Corps Base, Camp Pendleton, Sewage Treatment Plant No. 9

An SEL was issued to U.S. Marine Corps Base, Camp Pendleton on August 5, 2010 for a spill of 211,000 gallons of secondary treated wastewater from equalization ponds at Sewage Treatment Plant No. 9 from June 6 to July 9, 2010.

Multiple Parties, Category 1 Sanitary Sewer Overflow Violations

SELs were issued to 16 enrollees of State Board Order No. 2006-0003-DWQ, Statewide Waste Discharge Requirements for Sanitary Sewer Systems, who reported Category 1 violations between November 2009 and June 2010. Category 1 violations include any discharge of sewage resulting from a failure in the sanitary sewer system that (a) is at least 1000 gallons; (b) results in

a discharge to a drainage channel and/or surface water; or (c) results in a discharge to a storm drainpipe that is not fully captured and returned to the sanitary sewer system. Private lateral spills are not considered Category 1 spills. SELs were issued to the following dischargers:

Collection System	Collection System
Carlsbad Municipal Water District	City of San Diego
City of Chula Vista	County of San Diego
City of Encinitas	Fallbrook Public Utility District
City of Escondido	Leucadia Wastewater District
City of Imperial Beach	Oceanside Water Utilities Department
City of Laguna Beach	Olivenhain Municipal Water District
City of National City	Santa Margarita Water District
City of Poway	Trabuco Canyon Water District

Notices of Noncompliance

Failure to Submit Annual Report for Industrial Storm Water NPDES Permit

Notices of Noncompliance were sent to 65 enrollees of the statewide General Industrial Storm Water Permit Order No. 97-03-DWQ (Order) who failed to submit the 2009-2010 Annual Report. The Annual Reports were due by July 1, 2010 as required by Section B.14 of the Order. In accordance with Water Code section 13399.31, Notices of Noncompliance were sent to the following dischargers:

Facility Name	City
A1 Alloys Recyling Center	National City
Agriscape	Murrieta
Agriscape, Inc.	Murrieta
AJM Packaging Corporation	El Cajon
Allied Casting	El Cajon
Allways Recycling	San Diego
Alturdyne	El Cajon
Aztec Perlite Co.	Escondido
Bens Recycling & Scrap	Oceanside

Facility Name	City
Lake Elsinore Unified School District Trans Facility	Wildomar
Lite Stone Concrete	El Cajon
Mar Con Products, Inc.	San Marcos
Martinez Tile & Granite	Lakeside Farms
Michael Ochs	San Marcos
Mikes Metal Works, Inc.	El Cajon
Modern Stairways	Spring Valley
Murrieta DC	Murrieta
Neyenesch Printers	San Diego

Facility Name	City		
Bradshaw Engineering Corp	Santee		
C E Wilson Corporation	Spring Valley		
California Stone Works	Santee		
Coastal Trans Co., Inc.	San Diego		
Cor O Van Co.	Poway		
Creative Touch Interiors	Temecula		
Dee Metals	San Diego		
Eagle Auto Dismantling	Lakeside		
El Dorado Stone, LLC	San Marcos		
El Rodeo Auto Wrecking	San Diego		
Elgar Inc	San Diego		
Erik Vogt	San Diego		
Escondido Roof Truss	San Marcos		
Expo Industries, Inc.	San Diego		
Futura Fiberglass	National City		
Gear Vendors, Inc.	El Cajon		
GMG Stone, Inc.	El Cajon		
Hallmark Circuits, Inc.	Poway		
Harrison Trucking	Santee		
Hawthorne Lift Systems	San Diego		
Hydrulic Systemes & Components, Inc.	San Marcos		
Imperial Auto Wrecking	San Diego		
Javo Beverage Co.	Vista		
LA Costa Limousine	Carlsbad		

Facility Name	City
Ogden Aviation Fueling Co Inc	San Diego
Opti Forms, Inc.	Temecula
Palo Verde Ranch Flood Control	Alpine
Professional Water Technologies	Vista
Recycle San Diego	San Diego
Remec	San Diego
Rock Solid Stone	Fallbrook
Rush Press	San Diego
San Diego Crating and Packing	Poway
San Diego Granite, Inc.	Poway
San Diego Mini Tours, Inc.	National City
San Diego Paper Box Co., Inc.	Spring Valley
San Diego Transit	San Diego
San Diego Transit	San Diego
Sciarrino, Pete	Santee
Signet Armorlite, Inc.	San Marcos
Sos Metals San Diego, LLC	Chula Vista
Stoneworks	El Cajon
Sweetwater Auto Wrecking	Spring Valley
Temecula Auto Wrecking & Towing	Temecula
Tijuana River NERRR	Imperial Beach
US Steel Fabricators	Lakeside
Vantage Assoc	National City

2. Clean Water Act Section 401 Water Quality Certification Actions Taken in July and August 2010 (*Attachment B-2*)

Staff Contact: Chiara Clemente

Section 401 of the Clean Water Act (CWA) requires that any person applying for a federal permit which may result in a discharge of pollutants into Waters of the United States, obtain a water quality certification and that the specific activity complies with all applicable state water quality standards, limitations, requirements, and restrictions. The most common federal permit that requires a Section 401 Certification is a CWA Section 404 permit, most often issued by the Army Corps of Engineers, for the placing of fill (sediment, rip rap, concrete, pipes, etc.) in Waters of the United States (i.e. Ocean, bays, lagoons, rivers and streams).

Upon receipt of a complete 401 Certification application, the San Diego Water Board may either certify the project or deny certification, with or without prejudice. In cases where there are impacts to Waters of the United States, the San Diego Water Board may issue a conditional certification. The certification can be either in the form of a conditional certification document approved by the Executive Officer, or Waste Discharge Requirements (WDRs) adopted by the San Diego Water Board. If a federal permit is not required because impacts have been determined to be only to Waters of the State, the San Diego Water Board may adopt WDRs. Attachment B-2 contains a list of actions taken during the months of July and August 2010. Certification amendments are included in these reports.

Public notification of pending 401 Water Quality Certification applications can be found on the San Diego Water Board's web site at:

Certifications issued since January 2008 can also be found on our web site at: <u>http://www.waterboards.ca.gov/sandiego/water_issues/programs/401_certification/401projects.s</u> <u>html</u>

3. Grants

Staff Contact: Laurie Walsh

Clean Water Act (CWA) 319(h) Nonpoint Source (NPS) 2011 Grant Program Guidelines

The California NPS Program is making approximately \$4.5 million of CWA Section 319 (h) grant funds available to support the restoration of waters impaired by NPS pollution. The State Water Resources Control Board (State Water Board), Division of Financial Assistance is accepting Concept Proposal (CP) Applications for the 2011 CWA 319(h) NPS Grant Program. CP applications are due by 5:00 pm on Friday, September 17, 2010 and proposals will be selected through a competitive process. The grant amounts are between \$75,000-\$125,000 for planning/assessment projects and \$250,000-\$750,000 for implementation projects.

Clean Water State Revolving Fund

The State Water Board adopted the State Fiscal Year (SFY) 2010/2011 Intended Use Plan (IUP) on August 3, 2010 for the Clean Water State Revolving Fund (CWSRF) Program. The IUP is the State Water Board's annual business plan, and describes the amount of money CWSRF has available and the terms being offered this year. CWSRF accepts applications continuously. To get more information about the CWSRF program, visit the CWSRF web site at www.waterboards.ca.gov/water_issues/programs/grants_loans/srf, call (916) 327-9978, or send an email to CleanWaterSRF@ waterboards.ca.gov.

Integrated Regional Water Management Planning

The Integrated Regional Water Management Planning Act of 2002 (Act) amended the California Water Code (CWC), commencing with CWC Section 10530, to encourage local water management agencies in California to work cooperatively to manage local and imported water supplies to improve the quality, quantity and reliability of those supplies. To achieve this goal the Act encourages local water management agencies to prepare and adopt Integrated Regional Water Management (IRWM) Plans aimed at promoting integrated regional water management to ensure sustainable water uses, reliable water supplies, better water quality, environmental stewardship, efficient urban development, protection of agriculture, and a strong economy. A key element of the IRWM planning process is that local stakeholders in the IRWM planning region should develop specific objectives that reflect local conditions, priorities and opportunities for their own watershed; while addressing the water management strategies of the California Water Plan and the IRWM grant programs described below.

In November 2006, California voters passed Proposition 84, the Safe Drinking Water, Water Quality, and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. Proposition 84 provides \$1 billion in grant funds for IRWM planning and implementation. At the same time, California voters also passed Proposition 1E, the Disaster Preparedness and Flood Prevention Bond Act of 2006, which provides, among other actions, \$300 million for storm water projects that reduce flood damage and are consistent with an IRWM plan. DWR has recently released draft guidelines to begin the process of allocating of Proposition 84 and 1E grant funds for IRWM planning and implementation efforts. The first round of grants is expected in 2010. Round 2 may occur in 2011, with Round 3 to follow in 2013.

Examples of projects that may be supported by these grants include water conservation programs, retrofits to use recycled water, infrastructure upgrades, pollution reduction activities, and habitat conservation and preservation.

Information resources on the IRWM grant program can be obtained at:

Department of Water Resources: http://www.water.ca.gov/irwm/

State Water Board: http://www.waterboards.ca.gov/water_issues/programs/grants_loans

California Water Plan and Updates: <u>http://www.waterplan.water.ca.gov/</u>

FloodSafe: http://www.water.ca.gov/floodsafe/

San Diego Region IRWM Regions

The Proposition 84 and 1E grant cycles will provide at least \$71 million to the San Diego Region over the next few years. This \$71 million will be split among three designated IRWM planning areas in the San Diego Region: San Diego, South Orange County, and Upper Santa Margarita.

The San Diego Region IRWM Program is now reviewing applications that have been submitted for projects that contribute to IRWM objectives for Propositions 84 and 1E grant funding through August 2, 2010. The San Diego IRWM Plan and other information on projects where grant funding has been proposed can be viewed at <u>www.sdirwmp.org</u>. Projects submitted after August 2, 2010 will be considered for future funding rounds. Eligible projects must contribute to the IRWM Plan objectives and provide multiple water resource benefits. For more information, please contact Rosalyn Stewart (rstewart@rmcwater.com or 858-875-7400).

The South Orange County IRWM Group is now accepting project applications. Interested persons may submit water management projects using the online project information form (<u>http://www.ocwatersheds.com/Documents/WMA_IRWM_ProjectForm.doc</u>). For information visit <u>http://www.ocwatersheds.com/wma_IRWM.aspx</u>

The Upper Santa Margarita IRWM Group is now accepting projects. For information visit <u>https://www.ranchowater.com/irwmp.aspx</u> or contact Perry Louck at 951-296-6927.

American Recovery and Reinvestment Bill of 2009 (ARRA)

The American Recovery and Reinvestment Bill of 2009 (ARRA) was enacted on February 17, 2009. As of March 31, 2010 California has put out to bid, signed contracts for, and begun construction on wastewater infrastructure projects totaling 100 percent of the State's funding.

According to the U.S. EPA memorandum issued on December 24, 2009, the ARRA guidelines required the U.S. EPA to inform all States by March 8, 2010, if there were any remaining funds available for allocation due to projects not meeting the contract deadline of February 17, 2010. The State Water Board has been notified that every State and Territory met the requirement to have all ARRA funds under contract or construction by February 17, 2010. Therefore, the State Water Board will not receive any additional ARRA Clean Water funds.

4. Status Report – Shipyard Sediment Site Cleanup and Abatement Order and Environmental Impact Report

Staff Contact: Julie Chan

The Cleanup Team will issue a revised Tentative Cleanup and Abatement Order and draft Technical Report no later than September 15, 2010. This date is beyond the originally planned release date of August 27, 2010 due to the additional workload of preparing for depositions, responding to parties' written discovery, and the resumption of furloughs.

The Cleanup Team is also pursuing funding for the Environmental Impact Report (EIR) from the Cleanup and Abatement Account (CAA) and the Responsible Parties. If neither pursuit is

achieved by September 13, 2010, the Executive Officer (EO) will redirect San Diego Water Board staff resources to prepare the EIR in-house.

With respect to the EIR, the Cleanup Team is committed to completing the EIR process as quickly as possible and within this fiscal year and to that end is implementing a 3-pronged approach. First, as directed, the Cleanup Team is pursuing funding for the EIR from the CAA. A tentative resolution approving the funding request is on San Diego Water Board's September Board meeting agenda. The item is scheduled for consideration by the State Water Board at its September 21, 2010 meeting.

The second and preferred approach is for the Responsible Parties to fund the EIR. The Responsible Parties have disclosed that, since the July Board Meeting, an additional \$100,000 in funding has been committed bringing the total funding commitment to \$300,000 of the \$500,000 estimated for the cost of preparing the EIR. Mediator Tim Gallagher continues to press the Responsible Parties to close the funding gap of approximately \$200,000. In addition, the Cleanup Team will approach the San Diego Unified Port District for the additional funding needed to make up the shortfall if the gap is not filled by September 1, 2010. A signed Memorandum of Agreement is the only commitment from the Responsible Parties that the Executive Officer will accept in lieu of drafting the EIR in-house without further delay.

Finally, the San Diego Water Board staff is preparing to draft the EIR in-house without delay if the aforementioned efforts are not immediately fruitful or if the request for CAA funds is not approved by State Board. The Executive Officer has set a start date of September 13, 2010 for the initiation of the EIR in-house and to establish milestone tasks and dates and a plan to achieve them on schedule and in time for the Board to consider certification of the EIR and adoption of the CAO in mid-2011. The Executive Officer has begun identifying San Diego Water Board staff members and resources to redirect to the EIR project and ongoing priorities that may be delayed while those staff members are redirected. Key staff members that will be needed to draft the EIR have been engaged on other high priority regulatory duties and unavailable to date, but will be available to start work on the EIR at that time.

Since the tentative CAO and draft Technical Report were issued in December 2009, the Cleanup Team, assisted by the Responsible Parties, has corrected computational errors, standardized analytical methods, improved transparency by moving data and information out of spreadsheets and into newly compiled appendices, improved clarity through text edits, and cleaned up several difficult to read figures. A significant change to the CAO is the addition of a newly discovered Responsible Party, Star and Crescent Boat Company. An appropriate finding naming Star and Crescent as a party responsible for the discharge has been added to the CAO, and a supporting section has been added to the draft Technical Report.

5. Update on Gregory Canyon Landfill Permitting

Staff Contact: Chiara Clemente

On July 29, 2010, the Clean Water Act Section 401 Water Quality Certification application for the Gregory Canyon Landfill (application) was rendered complete. On that day, the applicant, Gregory Canyon Ltd., provided calculations and new/updated estimate of the length and area of

federal and non-federal waters (upland streams) within the footprint of the proposed landfill and associated infrastructure, as requested by the San Diego Water Board.

The calculations now show approximately 16,069-linear feet of proposed impacts. The proposed mitigation is the establishment of 2.3-acres, and the restoration of 0.70-acre of riparian forest woodland along the edge of the San Luis Rey River. The length (linear feet) of the proposed mitigation area was not reported in the application, but is estimated to be approximately 1,290linear feet. This presents a significant disparity between the proposed impacts to stream lengths recently reported and the proposed mitigation in terms of linear feet, habitat type, and associated functions provided. The habitat types that will be impacted by the landfill are mostly Coastal sage scrub, Chaparral, and minor amounts of Oak woodland while the mitigation is for Southern willow scrub (riparia) habitat type, which is out-of-kind and typically unacceptable. The associated functions differ in that aquifer recharge, nutrient generation and export, and mineral export occurs in the upland streams, whereas groundwater is used, nutrients are used, and minerals are sequestered in riparian areas. Therefore, the San Diego Water Board has requested that Gregory Canyon Ltd. provide detailed information on how the proposed mitigation offsets the proposed impacts. Alternatively, the applicant can revise the proposed mitigation in its application to compensate for any mitigation deficiencies. These concerns and requests were discussed during a meeting on August 10, 2010. The San Diego Water Board has issued a "Denial Without Prejudice" letter to defer final certification action until additional information is received to address this issue. Once the above information has been received, the San Diego Water Board intends to proceed with scheduling a hearing on this matter.

As directed by the San Diego Water Board at its November 2009 meeting, action on the 401 certification will be coordinated with the action on the tentative waste discharge requirements for disposal of municipal waste at the landfill. As part of this coordination, the tentative Order for fill impacts to waters of the State (in the form of a 401 Certification and individual Waste Discharge Requirements) and tentative Order R9-2009-004 for the proposed landfill will be presented for the San Diego Water Board's consideration at the same meeting. The basis for presenting two separate tentative Orders is that the timeframe for permit requirements related to wetland impacts are limited; whereas the timeframe for the proposed landfill is long term. With the development of a separate tentative Order for fill impacts to waters of the U.S. and State, all references to fill impacts have been deleted from tentative Order R9-2009-004.

In a related matter, on August 5, 2010, the San Diego County Solid Waste Local Enforcement Agency (LEA) agreed to a request from Gregory Canyon Ltd. to rescind the LEA's finding that the solid waste facilities permit application, and preliminary closure and post closure maintenance plans were complete. The LEA also agreed to accept the application package as incomplete, and informed Gregory Canyon Ltd. that it has until February 1, 2011 to complete the package. This action was prompted in part by a request from the Pala Band of Mission Indians for a hearing before the LEA on its findings. The Pala Band alleged that the application package contained deficiencies and was incomplete.

The LEA's recent action does not affect the San Diego Water Board's process. The 401 Certification and Waste Discharge Requirements for the project, and the LEA solid waste facilities permit must all be issued before the landfill can be constructed and operated. The sequence in which the LEA's and San Diego Water Board's permits are issued doesn't matter.

6. Draft Leaking Underground Fuel Tank (LUFT) Guidance Manual

Staff Contact: Sean McClain

The Underground Storage Tank (UST) Program released the draft LUFT Guidance Manual for public comment. Guidelines for site assessment, cleanup, and underground storage tank closure were introduced in 1989 as an attempt to outline best management practices and procedures for corrective action. Many lessons have been learned about successful and efficient investigation and remediation of LUFT sites in the past 20 years. The LUFT Manual is intended to provide technical guidance to all stakeholders on the investigation and remediation of LUFT sites in the State of California.

The draft LUFT Guidance Manual can be obtained on the State Water Resource Control Board's website at <u>http://www.swrcb.ca.gov/</u>. Comments may be submitted to <u>luftmanual@onesullivan.com</u>. The comment period ends October 1, 2010.

7. U.S. Environmental Protection Agency Leaking Underground Storage Tank Report

Staff Contact: Sue Pease

The U.S. Environmental Protection Agency issues a status report each year evaluating the previous fiscal year's performance of site cleanup of all Leaking Underground Storage Tank cases in the State. For fiscal year July 1, 2009 – June 30, 2010, the San Diego Water Board led all Regions with a closure rate of 19.2 percent for site closures. The State average is 11.7 percent. This high closure rate pushed the San Diego Water Board's 5-year average to 13.3 percent, second highest of all Regional Water Boards.

In addition, the electronic submittal of information (ESI) statistics show that the dischargers regulated by the San Diego Water Board have uploaded 93 percent of required reports into GeoTracker as required by law. This is the highest compliance rate of any Regional Water Board. Accurate and complete compliance with the submittal of electronic information has several benefits to the State and Regional Water Boards, the regulated community, stakeholders, and the public by allowing easy access to overall compliance statistics to evaluate program performance as well as detailed information on specific sites. For example, Regional Water Boards spend less time responding to public records requests since virtually all UST information is electronically available on Geotracker.

8. Implementation of the Rainbow Creek Total Nitrogen and Total Phosphorus TMDLs

Staff Contact: Chiara Clemente

Rainbow Creek is listed on the 2008 Clean Water Act Section 303(d) list as an impaired water body due to excessive nitrogen and phosphorus concentrations. The Clean Water Act provides that the San Diego Water Board must establish Total Maximum Daily Loads (TMDLs) for nitrogen and phosphorus designed to attain the applicable water quality objectives for biostimulatory substances. Accordingly, the San Diego Water Board adopted the Rainbow Creek TMDL for Total Nitrogen and Total Phosphorous (Resolution R9-2005-0036) on February 9, 2005. The TMDL became effective on February 1, 2006.

Under the terms and conditions of the TMDL, total nitrogen and total phosphorus reductions are required over a 16-year phased compliance schedule period during which incremental nonpoint source loads and point source wasteload reductions are required as shown in the table below. Twenty percent (20 percent) reductions are required every fourth year for the first three phases (by the end of year 12). The last (fourth) phase requires the remaining 14 percent total nitrogen reduction and 25 percent total phosphorus reduction needed to meet the TMDLs.

	Total N	itrogen	Total Phosphorus		
Compliance Date	Current Load & Annual Loads (LA + WLA) kg N/yr		Current Load & Annual Loads (LA + WLA) kg P/yr	Cumulative % Reduction	
	3,055 ¹		278^{1}		
12/31/2009	2,444	20	222	20	
12/31/2013	1,833	40	167	40	
12/31/2017	1,222	60	111	60	
12/31/2021	796	74	41	85	

Total Nitrogen and Total Phosphorus Phased Load Reduction Compliance Schedule

¹ Current annual nutrient loads from identified point and nonpoint sources (See Tables 4 - B). This value does not include the contribution for background.

Regardless of what actions are taken to achieve load and wasteload reductions, there may not be an immediate response in the water quality or biological condition of Rainbow Creek. For example, there may be significant time lags between when actions are taken to reduce nutrient loads and resulting changes in nutrient concentrations in Rainbow Creek. This is especially likely if nutrients from past activities are tightly bound to sediments or if nutrient-contaminated groundwater has a long residence time before its release to Rainbow Creek waters. A three-year response time is projected for Rainbow Creek to attain compliance with nutrient water quality objectives after reaching the desired nutrient wasteload and load reductions in 2021. Accordingly the projected date when Rainbow Creek will attain and maintain compliance with nutrient water quality objectives is December 31, 2024.

As part of the implementation of the Rainbow Creek TMDLs, Investigative Orders are being prepared for issuance in September 2010 to the County of San Diego (County), California Department of Transportation (Caltrans), and Department of Forestry and Fire Protection (CDFFP) to assess potential sources of nitrogen and phosphorus discharges into Rainbow Creek and to formalize reporting on progress in attaining required nitrogen and phosphorus load reductions.

In anticipation of the Investigative Orders, the County is continuing on-going efforts to monitor nitrogen and phosphorus levels in Rainbow Creek. In addition, the County has applied for and received Clean Water Act Section 319(h) grant funds to complete the required Nutrient Reduction Management Plan (NRMP), and a Parcel-Based Characterization of Nutrient Sources study in the Rainbow Creek Watershed. Additional information on the County's activities can be found at <u>www.rainbowcreek.org</u>, a County operated website where the NRMP and FY 08-09 Santa Margarita River Watershed Urban Runoff Management Plan (WURMP) Annual Report can be accessed.

9. City of San Juan Capistrano's Proposed Chevron MTBE Water Commodity Surcharge (*Attachment B-9*)

Staff Contact: Barry Pulver

The City of San Juan Capistrano (City) has proposed a water rate fee increase of up to nine percent to cover the City's expenses resulting from the presence of methyl tertiary butyl ether (MTBE) in the City's municipal groundwater supply (Attachment B-9a). In January 2008 MTBE was discovered in groundwater for the City's Dance Hall Well, one of six municipal supply wells. Although the MTBE concentrations were below both the human health and taste and odor levels of 13 and 5 micrograms per liter the City elected to discontinue use of the Dance Hall Well. The source of the MTBE is from gasoline spills at Chevron Service Station No. 9-3417, located approximately 2,000 feet north of the Dance Hall Well.

Chevron USA, Inc. (Chevron) is under a Cleanup and Abatement Order (CAO) to cleanup the discharge of gasoline wastes. The CAO establishes compliance dates to implement the interim remedial action (IRA) using the Dance Hall Well to contain the MTBE plume, to submit a corrective action plan (CAP), to begin implementation of the corrective action, and to complete soil and groundwater cleanup. The San Diego Water Board issued a Notice of Violation to Chevron for not starting interim remedial actions as required by the CAO. Chevron failed to implement the IRA because it could not reach agreement with the City to use the Dance Hall Well. Chevron submitted the CAP prior to the due date and has begun implementation of its selected corrective action.

The proposed Chevron MTBE Water Commodity Surcharge will allow the City to recover the \$1.45 million annual additional costs due to lost production from the Dance Hall Well and to implement well head treatment (\$1.6 million) to allow pumping of the Dance Hall Well to resume. The City estimates that since discovery of MTBE in the Dance Hall Well they have incurred expenses of \$5.2 million.

Chevron has stated that the proposed rate increase is not needed (Attachment B-9b). Chevron claims that the City prevented them from using the Dance Hall well for the IRA, which would require the installation of a MTBE treatment facility by Chevron. Chevron also claims that because the MTBE is below the Primary and Secondary MCLs the City was not required to cease pumping the Dance Hall Well.

10. Development of General Waste Discharge Requirements for the Temecula Valley Wine Country (*Attachment B-10*)

Staff Contact: Cathryn Henning

The San Diego Water Board is currently leading an effort by stakeholders in the Temecula Valley Wine Country to develop general waste discharge requirements (WDRs) that will identify appropriate measures to address potential water quality impacts resulting from activities proposed in the area. The Temecula Valley Wine Country area encompasses approximately 19,200 acres generally east of the City of Temecula, south of Lake Skinner, west of Vail Lake; roughly framed by Butterfield Stage Rd, State Route 79 (SR-79), De Portola Road, and Borel Road. Along with vineyards and other agricultural uses, the area's existing development activities also include large, single-family residential and equestrian estates, bed and breakfast inns, restaurants, equestrian centers and special occasion facilities.

General WDRs will enable the San Diego Water Board to expeditiously process individual project proposals in the Temecula Valley Wine Country by taking a comprehensive approach to addressing all sources of salts, nutrients, and other constituents of concern that could impact ground and surface water (other than those discharges regulated under NPDES permits). At the first stakeholder meeting, Executive Officer David Gibson stressed the San Diego Water Board's continuing support for a management plan approach for achieving salt and nutrient water quality objectives in the region's groundwater basins. The general WDRs will take into account this approach, which is consistent with State Water Resources Control Board's Strategic Plan concept that "wastes from intensive land use, such as urbanization and agriculture, will continue to degrade groundwater unless current management practices are improved through a comprehensive approach that takes into account the relationship between land use and potential impacts to water resources."

Development of a plan for addressing potential water quality impacts resulting from future development within the Temecula Valley Wine Country is timely in that the County of Riverside is undergoing the environmental review process for an amendment to its General Plan establishing the Community Plan for the Temecula Valley Wine Country. For more information regarding the amendment to the County of Riverside's General Plan, please visit its webpage at: http://www.rctlma.org/planning/content/temp/wine_country_2020.html In addition, the North

County Times recently published an article, attached, which discusses the expansion of Wine Country.

The general WDRs are expected to be completed as early as March 2011.

The San Diego Water Board maintains a webpage containing updated meeting announcements and reference documents at:

http://www.waterboards.ca.gov/sandiego/water_issues/programs/wine_country/index.shtml

Part C – Statewide Issues of Importance to the San Diego Region

1. 2009 Non-Substantive Amendments to the California Ocean Plan --Approved by Office of Administrative Law and In Effect

Staff Contact: Charles Cheng

The 2009 non-substantive amendments to the California Ocean Plan were adopted by the State Water Board on September 15, 2009, approved by the Office of Administrative Law (OAL) on March 10, 2010, and are now in effect. Although the U.S. Environmental Protection Agency must still approve them, for purposes of state law, the amendments become effective upon OAL approval.

The California Ocean Plan is a statewide water quality control plan designed to protect ocean waters. The Ocean Plan designates beneficial uses, water quality objectives to protect those uses, and prescribes implementation programs. It is applicable to point and nonpoint source discharges of wastes to the ocean and does not apply to enclosed bays and estuaries. Like the Basin Plan, the Ocean Plan contains discharge prohibitions and must undergo Triennial Reviews.

The State Water Board first adopted the California Ocean Plan in 1972 and has amended it several times since. The most recent substantive amendments were adopted in 2005. During the 2005-2008 Triennial Review, the State Water Board directed staff to improve the clarity and usefulness of the Ocean Plan. The 2009 amendments to the Ocean Plan incorporated only non-substantive amendments by correcting typographical and grammatical errors, correcting anachronisms, adding maps, and reflecting current laws and regulations. The 2009 California Ocean Plan and final Staff Report describing the changes can be found at the following web links:

http://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2009/rs2009_0072_appxa.pdf; and

http://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2009/rs2009_0072_ copfinalrpt.pdf.

2. State Water Board Approved Section 303(d) List Portion of the 2010 Statewide Clean Water Act Sections 303(d)/305(b) Integrated Report

Staff Contact: Charles Cheng

On August 4, 2010, the State Water Board approved the revised Section 303(d) List portion of the 2010 statewide Clean Water Act (CWA) Sections 303(d)/305(b) Integrated Report. Section 303(d) of the CWA requires States to identify surface waters that do not meet applicable water quality standards; Section 305(b) requires States to assess all waterbody segments within its jurisdiction and place them into one of five categories based on the assessment results (i.e. the 305(b) Report is a "water quality inventory" of all waters in the Region). Although the reporting process for the 303(d) List and the 305(b) Report has been combined, only the 303(d) List requires approval by the State Water Board and U.S. Environmental Protection Agency (U.S. EPA).

The California 2010 Integrated Report is a compilation of the Regional Water Boards' 2008 Integrated Reports with State Board staff recommendations for additions, deletions, or changes. Regional Water Board staff held stakeholder meetings prior to adoption of the Integrated Report in each Region during 2009. The San Diego Water Board adopted its Integrated Report on December 16, 2009.

At its June 15, 2010 public hearing on the Integrated Report, the State Board directed its staff to re-evaluate ten contentious Section 303(d) listing recommendations from several regions throughout the State. None of the San Diego Water Board's listing recommendations required re-evaluation and the San Diego Water Board's adopted list remains unchanged. As part of its approval on August 4, the State Board directed its staff to make a few additional modifications to the Section 303(d) List which are currently underway. Upon completion, the Integrated Report will be sent to U.S. EPA for approval. U.S. EPA may make changes to the 303(d) List before it approves the List, and thus before it becomes effective.

The California 2010 Integrated Report, Staff Report and all Fact Sheets can be found at the following web link:

http://www.waterboards.ca.gov/water_issues/programs/tmdl/integrated2010.shtml.

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD SAN DIEGO REGION

Significant NPDES Permits, WDRs, and Actions of the San Diego Water Board

September 8, 2010

APPENDED TO EXECUTIVE OFFICER'S REPORT

TENTATIVE SCHEDULE SIGNIFICANT NPDES PERMITS, WDRS, AND ACTIONS OF THE SAN DIEGO WATER BOARD

Action Agenda Item	Action Type	Draft Complete	Public Review & Comment	Consent Item
October 13, 2	2010 Regional Bo	oard Meetir	ng	
Temecula (Ranch	o California Wat	er District (Office)	
Adoption Hearing -Riverside County MS4 Permit (Ben Neill)	NPDES Permit Reissuance	0%	0%	No
Waiver for Alternative On-site Wastewater Treatment Systems in Riverside County (<i>Fisayo Osibodu</i>)	New Waiver Issuence	40%	0%	No
Salt and Nutrient Management Plan Guidelines (<i>Robert Pierce</i>)	Resolution	80%	0%	No
Eastern Municipal Water District, Temecula Regional Water Reclamation Facility (C. Means)	ACL	50%	10%	No
November 10.	2010 Regional E	Soard Meet	ina	
	ego Water Board			
City of Oceanside Ocean Outfall (J. Cofrancesco)	NPDES Permit Reissuance	0%	0%	No
US NavyNaval Base San Diego (including Graving Dock) - San Diego Bay <i>(Kristin Schwall)</i>	NPDES Permit Reissuance	80%	0%	No
NPDES General De Minimis Discharges Permit - San Diego Region (Michelle Mata)	NPDES Permit Adoption	75%	0%	No
Poseidon Mitigation Site Approval (Eric Becker & Chiara Clemente)	Tentative Resolution	0%	0%	No
Former Teledyne Ryan Facility (Tom Alo)	CAO Addendum	50%	0%	No
Informational Item on the Cleanup of the A8 Anchorage using CAA funds (Eric Becker)	Information Item	NA	NA	NA
December 10,	2010 Regional E	oard Meet	ing	
San Di	ego Water Board	Office		
Proposed Gregory Canyon Landfill - Fill Permit (Chiara Clemente)	401 Certification and WDRs	50%	0%	No
Proposed Gregory Canyon Landfill - Landfill Permit (Carol Tamaki & Bob Morris)	Hearing: New WDRs	100%	95%	No

Attachment B-2

DATE	APPLICANT	PROJECT TITLE	PROJECT DESCRIPTION	WATERBODY	IMPACT (Acres) ¹	MITIGATION (Acres) ¹	CERTIFICATION ACTION ²
7/13/2010	City of Oceanside	Opportunistic Beach Restoration Program	The proposed amendment as described in the amendment request would change the grain size distribution for the beach restoration program. The sediment would contain no more than 25% of fine grained sediment. Fine grained sediment is defined as particles that are smaller than 0.74 mm. The proposed changes will also disallow activities to be conducted within 500 yards of a Western Snowy Plover breeding colony from May 1 through September 30. These changes are consistent with other RGP 67 and 401 Certifications issued for other opportunistic beach fill programs within the region.	Pacific Ocean	No changes in impacts.	No changes in mitigation requirements.	07C-022 Amendment to Technically Conditioned Certification
7/14/2010	The City of Vista	Buena Vista Creekwalk Trail and Channel Stabilization Project	The proposed changes as described in the amendment request would include a temporary flow diversion to install a 140 foot-long plantable rock gabion. The temporary flow diversion would provide a more stable, dry work surface for the contractor. The City of Vista	A tributary to Buena Vista Creek Vista HSA (904.22)	No changes in impacts.	No changes in mitigation requirements.	07C-050 Amendment to Technically Conditioned Certification

DATE	APPLICANT	PROJECT TITLE	PROJECT DESCRIPTION	WATERBODY	IMPACT (Acres) ¹	MITIGATION (Acres) ¹	CERTIFICATION ACTION ²
			would install a 40 foot long temporary by-pass pipe to divert flows away from the work area. The pipe would be reinforced with several sandbags to ensure it remains in place during gabion installation. The pipe is expected to remain in place for 5 days. No vegetation is located in the area of the by- pass pipe and no additional impacts are expected. Thus, no additional mitigation is proposed.				
7/21/2010	California Department of Transportation, District 11	Interstate 805 at Post Mile 24.7 Culvert Replacement	Caltrans proposes to replace a corrugated metal pipe (CMP) at Interstate 805 Post Mile 24.7 between Governor Drive and Nobel Drive. The CMP lies under Interstate 805 and carries flow for an unnamed tributary to Rose Canyon Creek. The CMP will be repaired by "pipe jacking," a trenchless technique for installing underground pipelines.	Rose Canyon Creek Miramar HA (906.4)	 (P) 0.008 acre (16 linear feet) southern willow scrub, 0.004 acre (81 linear feet) streambed – unvegetated channel (T) 0.030 acre (45 linear feet) of southern willow scrub, 0.018 acre (150 linear feet) of streambed – unvegetated channel 	On-Site: Restoration of 0.018 acre unvegetated channel. Off-Site: Creation of 0.060 acre Southern willow scrub	10C-035 Technically- conditioned Certification & Enrollment in SWRCB GWDR Order No. 2003-017 DWQ

DATE	APPLICANT	PROJECT TITLE	PROJECT DESCRIPTION	WATERBODY	IMPACT (Acres) ¹	MITIGATION (Acres) ¹	CERTIFICATION ACTION ²
7/26/2010	California Department of Transportation, District 11	San Onofre Culvert/Slope Repair Project	The project includes the replacement of a damaged culvert with a concrete drain and the addition of a riprap pad at the drain outlet to slow the water velocity before entering San Onofre Creek. The slope would be reconstructed and a detention basin placed at the top of the slope to allow sediment to settle out before entering the drain.	San Onofre Creek San Onofre Valley HSA (901.51)	(P) 0.001 acre of streambed(T) 0.014 acre of streambed	Off-site: 0.022 acre of mitigation site credit from Marron Mitigation Site	10C-010 Technically- conditioned Certification & Enrollment in SWRCB GWDR Order No. 2003-017 DWQ
8/3/2010	County of San Diego	Valley Center North Road Improvement Project	This amendment changes the mitigation site for the additional impacts to the Valley Center North Road Improvement Project. The permanent loss of 0.016 acre of jurisdictional waters of the U.S./State will be mitigated by purchasing 1.0 acre of habitat credit from Caltrans' Pilgrim Creek Mitigation Bank.	Keys Creek, Moosa Canyon Creek, and unnamed intermittent streams within the San Luis Rey River watershed. San Luis Rey HU (903.00)	Amended Impacts: (P) 0.778 acre of waters of the State including 0.166 acre of riparian woodland, 0.072 acre of wet meadow, 0.115 acre of herbaceous wetland, 0.007 acre of freshwater marsh, 0.402 acre of non-wetland water, and 0.016 acre drainage improvements. (T) 0.36 acre of waters of the State	Amended Mitigation: On-site: Mitigation of temporary impacts at a 1:1 ratio. Off-site: Restoration and enhancement of 0.166 acre of riparian woodland, 0.072 acre of wet meadow, 0.115 acre of herbaceous wetland, 0.007 acre of freshwater marsh, and 0.402 acre of non-wetland waters at Cedar Trails Mitigation Site. Off-site: 1.0 acre of mitigation credit purchased from the Pilgrim Creek Mitigation Bank	03C-116 Amendment to Technically Conditioned Certification

DATE	APPLICANT	PROJECT TITLE	PROJECT DESCRIPTION	WATERBODY	IMPACT (Acres) ¹	MITIGATION (Acres) ¹	CERTIFICATION ACTION ²
8/3/2010	Sierra Linda Development LLC	Poinsettia Place	The project is the construction of 90 condominium units on 5-acres, within an 18.97 acre parcel. The remaining 11.55 acre of the project site will be preserved as biological open space.	Tributary to Batiquitos Lagoon Batiquitos HSA (904.51)	(P) 0.20 acre of Southern willow scrub	Off-site: Creation/restoration of 0.20 acre of CDFG and restoration/enhancement of 0.022 acre of CDFG mitigation credits from the North County Habitat Mitigation Bank	10C-21i Enrollment in SWRCB GWDR Order No. 2004-004 DWQ
8/6/2010	DKN Holdings, LLC	Murrieta Development	This is an amendment to compensate for temporal losses and additional impacts beyond those certified. DKN Holdings LLC has proposed conducting additional 5-year enhancement and monitoring activities within the 2,000 linear feet mitigation channel, as well as a one-time restoration of 0.13 acres off- site in the California Oaks Basin. Teracor Resource Management has submitted a Revised Habitat Mitigation and Monitoring Plan to account for the additional proposed mitigation.	Unnamed tributary to Warm Springs Creek French HSA (902.33)	Changes in impacts. (P) Additional impacts to 0.24 acre of waters of the state. (T) Additional impacts to 0.73 acre of waters of the state	Amended Mitigation: On-site: Creation of 0.24 acre of waters of the state, Restoration of 0.073 acre of water of the state, enhancement of 2,000 linear feet Off-site: Restoration of 0.13 acre at the California Oaks Basin	02C-037 Amendment to Technically Conditioned Certification
8/6/2010	Municipal Water District of Orange County	Tracer Study San Juan Creek Seasonal Lagoon Surface Groundwater Connectivity Investigation	The project proposes a tracer study to determine the feasibility of placing a desalination facility at Dana Point. The tracer study is necessary to determine the amount of San Juan Creek	San Juan Creek Lower San Luis HSA (901.27)	(T) 0.001 acre (100 linear feet)	No significant impacts to water are anticipated therefore no mitigation is required.	10C-058 State Pre-Certified Nationwide Permit #5

DATE	APPLICANT	PROJECT TITLE	PROJECT DESCRIPTION	WATERBODY	IMPACT (Acres) ¹	MITIGATION (Acres) ¹	CERTIFICATION ACTION ²
			water that may be pumped by the ocean slant wells. Authorization is being sought for the temporary placement of injector tubing, which would be located within San Juan Creek.				
8/6/2010	University of California, San Diego	East Campus Bed Tower Project	The proposed project is the construction of a twelve-story bed tower, a helistop on the bed tower roof, and a free- standing central utility plant, in addition to interior and exterior improvements to portions of the existing Thornton Hospital.	Two unnamed tributaries to Rose Creek Miramar Reservoir HA (906.1)	(P) 0.002 acre (51 linear feet) of stream bed	On-site: Restoration of a minimum of 0.276 acre of Southern willow scrub	10C-070 Certified by Default
8/9/2010	University of California, San Diego	East Campus Parking Structure	The project will construct two separate adjacent parking structures and an athletic field. The multi-level parking structures will be situated parallel to Medical Center Drive and northeast of the Cardiovascular Center.	Los Penasquitos HU (906.00)	(P) 0.05 acres (275 linear feet)	On-site: Enhancement of 0.15 acre of the riparian corridor	10C-014 Technically- conditioned Certification & Enrollment in SWRCB GWDR Order No. 2003-017 DWQ
8/16/2010	City of Escondido	Dredging of Sand Lake	The activities for the proposed project include diverting incoming flow from two unnamed tributaries to prevent discharge into the lake and implementing best management practices to retain all water in the Lake as	Two unnamed tributaries of Sand Lake Hodges HA (905.2)	(P) 0.25 acre of lake. 5,000 cubic yards of dredged material.(T) 0.1 acre of lake	No significant impacts to water are anticipated therefore no mitigation is required.	10C-051 Certified by Default

DATE	APPLICANT	PROJECT TITLE	PROJECT DESCRIPTION	WATERBODY	IMPACT (Acres) ¹	MITIGATION (Acres) ¹	CERTIFICATION ACTION ²
			work is occurring. The construction phase of work includes the dredging of 5,000 cubic yards of material that has deposited within the lake (detention basin).				
8/19/2010	City of Murrieta	Line D and Line D-1 Realignment (CIP 8157)	The project proposes to fill in the existing creek channel of Line D-1 and route the storm water flows from Line D and D-1 into two open channels which connect to underground pipes that discharge back into Line D and D-1 southwest of Jefferson Avenue.	Murrieta Creek Murrieta HSA (902.32)	Not Applicable.	Not Applicable	10C-009 Denial of Water Quality Certification
8/23/2010	Bay Club Hotel and Marina	Bay Club Hotel and Marina Concrete Restoration Project	Deteriorated concrete beams and existing piles that support the club house and deck will be restored to the original configuration and strength by repairs made to the concrete. Sheet piling will also be installed along the club house walls.	San Diego Bay	Not Applicable	No significant impacts to water are anticipated therefore no mitigation is required.	10C-020 Certified by Default

1. Wetland refers to vegetated waters of the U.S. and streambed refers to unvegetated waters of the U.S. (P) = permanent impacts. (T) = temporary impacts.

2. Low impact certification is issued to projects that have minimal potential to adversely impact water quality. Conditional certification is issued to projects that have the potential to adversely impact water quality, but by complying with technical conditions, will have minimal impacts. Denials are issued when the project will adversely impact water quality and suitable mitigation measures are not proposed or possible. Certified by default refers to projects that may proceed due to the lack of an action by the Regional Board within specified regulatory timelines. Withdrawn refers to projects that the applicant or Regional Board have withdrawn due to procedural problems that have not been corrected within one year.

Number of Projects Received Between July 1, 2010 and July 31, 2010: 12 Number of Amendment Requests Received Between July 1, 2009 and July 31, 2010: 1 Number of Projects Received Between August 1, 2010 and August 31, 2010: 8 Number of Amendment Requests Received Between August 1, 2009 and August 31, 2010: 0 Number of Projects Received Between July 1, 2010 and August 31, 2010: 20 Number of Certifications Issued Between July 1, 2010 and August 31, 2010: 4 Number of Amendments Issued Between July 1, 2010 and August 31, 2010: 4 Number of Projects Withdrawn Between July 1, 2010 and August 31, 2010: 0 Number of Projects Certified by Default Between July 1, 2010 and August 31, 2010: 2 Number of Projects Denied Between July 1, 2010 and August 31, 2010: 1



July 30, 2010

Re: Notice of Public Hearing to be held on September 21, 2010 Concerning Proposed Chevron MtBE Water Commodity Surcharge and Automatic Electricity Cost Pass Through

Dear Property Owner:

The City of San Juan Capistrano completed a Water Rate Study, dated November 17, 2009, to evaluate the service needs, programs, and operational costs of the City's water system. The Water Rate Study was prepared by the firm Black and Veatch and is available for review at the City Clerk's office and on the City's website at <u>www.sanjuancapistrano.org</u>. The study recommended a rate adjustment that was approved by the City Council and became effective February 1, 2010. The study also recommended that the City adopt a water surcharge to fund short term anomalies that might occur as opposed to build these costs into the permanent rates. The study identified the costs associated with the MtBE contamination of the City's groundwater as such an anomaly. Additionally, the Study recommended an automatic pass-thru for certain costs such as imported water and electricity. On September 21, 2010, at 6:30 pm, the City Council will be considering a resolution that will add a Chevron MtBE Water Commodity Surcharge and an automatic electricity cost pass through component to the existing rate structure.

Why is this commodity surcharge needed?

The City's current water rates were adopted based on regular recurring costs without consideration for short term anomalies such as the MtBE contamination. In order for the current rates to provide the funding necessary to provide reliable water service, maintain our infrastructure, develop alternative sources of water, replace aging infrastructure, and restore a sufficient level of reserves, a surcharge is needed to cover the excess costs being incurred due to Chevron's contamination of the City's groundwater until the issue is resolved and Chevron takes financial responsibility for its contamination of the City's ground water supply.

The contamination results in the Ground Water Recovery Plant being unable to operate at planned levels and the need to import water to replace this lost production. Additionally, the City is losing grant revenue associated with this lost production, incurring other related costs and realizing costs savings associated with the lower production. The consultant's report identified costs of \$1.45 million or a net cost of approximately \$700 per acre foot being incurred annually due to lost production.

What are the proposed rate adjustments?

The consultant's report recommended a per meter charge for the surcharge based on meter size. However, the City Council requested that the charge be calculated based on usage. The City Council will be considering two options for the surcharge as follows:

Surcharge Option #1 - Based on our baseline commodity usage of 8,500 acre-feet annually, the surcharge to cover the cost of \$1.45 million going forward is calculated to be \$0.39 per unit or ccf (one ccf equals 748 gallons) to cover the annual cost of this lost production.

Surcharge Option #2 - The costs to date are approximately \$3.6 million. The projected cost of the granulated active carbon treatment facility currently being constructed by the City is \$1.6 million. In order to recover this \$5.2 million in costs, an additional \$0.35 per unit (ccf) would be added to the \$0.39 per unit surcharge to recover these costs by June 30, 2014. The resulting commodity surcharge under this option would be \$0.74 per unit (ccf).

In addition to the proposed surcharge, the proposed resolution would authorize future automatic adjustments to the existing commodity charge to account for unanticipated increases or decreases in the cost incurred by the City for electrical power as authorized by Section 53756 of the Government Code. The amount of such automatic adjustments will be based directly on the incremental difference in costs that the City will incur to acquire electricity from appropriate providers (i.e., San Diego Gas & Electric, Southern California Edison, etc.). Automatic adjustments will only be made to the extent such increases or decreases are not already reflected in the schedule of charges then in effect. At least 30 days notice will be provided to customers before any such automatic adjustments will take effect. In addition, data documenting the amount of the unanticipated increase or decrease in water commodity costs and the basis for all adjustment calculations will be made available to the public upon request at the time of any automatic adjustment.

When will I see the rate increase show up on by bill and what will it be?

The proposed Chevron MtBE Water Commodity Surcharge, if enacted would be effective October 1, 2010. The average single-family resident with a regular size lot uses approximately 12 ccf of water per month. The increase for this household would be \$4.68 under Option #1 and \$8.88 under Option #2. The average single-family residence with a large lot uses approximately 30 ccf. The increase for this household would be \$11.70 under Option #1 and \$22.20 under Option #2. The average commercial customer uses approximately 68 ccf. The increase for the average commercial user would be \$26.52 under Option #1 and \$50.32 under Option #2. This amount would be effective thru June 30, 2014, or until the MtBE issue is resolved with Chevron, whichever is sooner. The following illustrates the average monthly surcharge amount for varying households and businesses based on usage:

City of San Juan Capistrano Chevron MtBE Surcharge - Average Monthly Charge Effective October 1, 2010							
Customer	Customer Usage Proposed Surcharge						
Class	CCF	Current	Option #1	Option #2			
Proposed Rate		\$0.00	\$0.39	\$0.74			
Low User (WCA)							
5/8" or 1" Meter	6	\$0.00	\$2.34	\$4.44			
Average User (WCA)	Average User (WCA)						
5/8" or 1" Meter	12	\$0.00	\$4.68	\$8.88			
Benchmark User (WCA)						
5/8" or 1" Meter	20	\$0.00	\$7.80	\$14.80			
High User (WCB)							
5/8" or 1" Meter	30	\$0.00	\$11.70	\$22.20			
Commercial							
1" or 2" Meter	68	\$0.00	\$26.52	\$50.32			

There is no proposed increase in the commodity charge for increased electricity costs in excess of those projected at this time.

When can you speak to the City Council about this increase?

The public hearing scheduled for Tuesday, September 21, 2010, at 6:30 pm provides an opportunity for all parties to speak in favor or in protest of the proposed rate adjustment. Under State law, if you are the owner of record for a parcel or parcels subject to the proposed rate changes, you may submit a written protest against the proposed rate increase to the City Clerk at or before the time set for the public hearing. If written protests are filed by a majority of all affected property owners within the service area, the proposed rate increase may not be imposed.

A written protest must contain the name of the record owner or owners of the property and identification of the property by either assessor's parcel number or street address. If the party signing the protest is not shown on the last equalized assessment roll of Orange County as the record owner, the protest must contain written evidence that the party is the owner of the parcel. Only one protest per property is allowed. In the case of two or more record owners per property, both or a majority must sign the written protest.

To be valid, a protest must be in writing with the owner's original signature and received by the City Clerk at or before the time of the public hearing. Protests can be mailed or personally delivered to the City Clerk, City of San Juan Capistrano, 32400 Paseo Adelanto, and San Juan Capistrano, CA 92675. If you have questions regarding this notice, please contact the City's customer service department at 949-493-1515.

Attachment B-9b

REGISTER

Water rate hike possible for San Juan

By VIK JOLLY 2010-07-13 07:39:00



SAN JUAN CAPISTRANO – Average ratepayers here could see either a 5 percent or a 9 percent increase on their monthly water bills because of a new fee, money the city says it needs for service costs in the aftermath of a fuel additive spill that contaminated its water supply more than two years ago.

The city expects to mail out notices on July 21 about a statemandated hearing Sept. 17 at which property owners can have their say on the fee, which the city calls a "Chevron MtBE surcharge."

City officials say the proposed surcharge is necessary to recover approximately \$5.2 million the city has spent and will spend following a January 2008 discovery of a banned gas additive – methyl tertiary butyl ether or MtBE – in city groundwater from two Chevron stations.

The City Council is considering two fee options: a higher rate that would raise the average household's water tab by \$8.88 per month for roughly a four-year period; and a lower rate that would raise the average tab by \$4.68 per month for a longer period.

The average household uses 12 units – 8,976 gallons – of water per month. Each unit would cost either .39 cents or .74 cents more per month. The amount of the fee will depend on actual water usage.

If approved, the fee would come even as San Juan ratepayers in February saw an average 22 percent increase in their water bills. That increase resulted from a regular review of water costs and services.

The discovery of MtBE prompted city officials to shut down two of the six wells that feed into the community's groundwater recovery plant. Chevron tracked the leaks to two stations at Camino Capistrano and Del Obispo, and Ortega Highway and the I-5. Chevron has taken responsibility for MtBE leaking into city soil from the two gas stations but says only one affected the city's drinking water supply.

The city and Chevron have been in talks on cleanup for more than two years. Chevron has proposed a solution that would require the company to access city land, but the sides have been unable to agree on how the cleanup should proceed.

Meanwhile, the city has been supplementing its supply by purchasing water from the Metropolitan Water District. That cost and lost grant money for water not produced by the city plant have added up to approximately \$1.45 million annually since 2008, a city staff report says. In addition, the city is constructing an MtBE treatment facility for \$1.6 million.

City officials have asked Chevron to foot the bill for the leaks before and remain optimistic of some settlement with the company.

"I have been meeting on a regular basis with representatives from Chevron trying to hammer out a solution that the City Council is supportive of," City Manage Joe Tait said. "We've gone back and forth."

Because of the new fiscal year, he said, the city has run out of time but hopes that a surcharge won't be

necessary should a settlement occur.

"It may be a partial resolution, not all or nothing," Tait said.

Tait said ratepayers should only be concerned if no agreement is reached with Chevron because the added costs would not be borne by the city. Should a surcharge be approved and later a settlem ent reached, ratepayers would get a refund, city officials said.

For its part, Chevron says the surcharge is not needed.

"The MtBE Surcharge to the City of San Juan Capistrano's ratepayers is inappropriate and unnecessary," company spokesman Juan Garcia said in an e-mail. "Chevron took responsibility and was ready to implement the treatment of MtBE in February of 2009. In fact, we currently have equipment ready for deployment. However, the City refused Chevron access to its Dance Hall Well which was needed to perform treatment."

Garcia said city staff and the San Diego Regional Water Quality Control Board have indicated the water is safe to pump from the city's Dance Hall Well and called the city's curtailed water production "voluntary and unnecessary."

The city did not respond to Garcia's comments.

Councilman Mark Nielsen said the city's options are limited when it comes to the surcharge because not having one would mean either subsidizing water costs or reducing services.

"There's an additional cost and un til Chevron pays, there's no one else to pay for it," he said. "We would like to see a zero additional surcharge, but the fact is that we have to deal with the problem caused by the MtBE spill."

Contact the writer: 949-465-5424 or vjolly@ocregister.com

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Attachment B-10

x The North County Times - Californian

REGION: Stone sees future with 125 wineries

Regional water quality board to discuss Wine Country expansion

By DAVE DOWNEY - ddowney@californian.com | Posted: Wednesday, July 28, 2010 7:30 pm

Riverside County Supervisor Jeff Stone said Wednesday he envisions 125 wineries operating one day in the verdant, rolling hills lying east of Temecula, more than four times the 30 or so that produce wine today.

Stone said he also foresees a future in which the vineyard area is a complete, world-class destination resort, with hotels, bed-and-breakfast inns and restaurants complementing the growing number of winery tasting rooms.

"We are going to make this a spectacular Wine Country that is nationally and internationally known," he said.

Stone, a former Temecula mayor who represents the Board of Supervisors' 3rd District, which takes in much of Southwest County, made the comments at a Riverside meeting of the Wine Country Community Plan Ad Hoc Committee he assembled late last year.

Composed of vintners, equestrians, landowners, business promoters and others, the committee has been working since winter to rewrite county ordinances governing development in 20,000 acres targeted for a Wine Country expansion. The panel is aiming to finish crafting a 2020 vision for the area by January.

The county's ability to finish the project on time was thrown into question during the spring, because of sharply declining revenues and deep cuts in funding for planning efforts. But Stone vowed to keep the project on track.

And the project received a boost Tuesday when county supervisors allocated \$175,232 to pay for an environmental analysis and a traffic study.

Part of studying the environment will entail examining potential impacts of the grand expansion plans on water quality.

Eventually, Stone said, the area is going to need a sewer system. He said preliminary discussions have been held with Eastern Municipal Water District, which treats the area's wastewater.

Stone also said his staff recently met with the San Diego Regional Water Quality Control Board, which regulates water quality in parts of Southwest County.

"They don't want to be an obstacle," he said. "They want to help us."

The board is scheduled to discuss the proposed Wine Country expansion at its Aug. 11 meeting, at 9 a.m. in San Diego.

The committee is proposing not only to expand Wine Country, but to integrate it with the Valle de los Caballos equestrian area to the south.

The panel is trying to figure out how to do that tastefully.

One thing the marriage should not result in, said committee Chairman Bill Wilson, owner of Wilson Creek Winery, is wineries sprouting in the middle of pastureland.

Under existing county planning rules, those who want to open wineries must plant 75 percent of their land in grapes. And Wilson said the Wine Country expansion should yield not only more wineries, but also more vineyards.

Panel members also said they have no intention of relaxing a standard that was established in early 2006, after a Northern California winemaker wanted to set up a shop in the area and sell Paso Robles wine. That led to the 75 percent planting

requirement. It also led to a rule that Wine Country retailers must make at least 75 percent of their wine from grapes grown in Riverside County.

"We have worked way too hard to have our farming community and winemaking community run over," Wilson said.

Kimberly Adams, executive director of the Temecula Valley Convention and Visitors Bureau, said selling mostly local wine is also crucial from a marketing standpoint.

"If we're going to brand ourselves, we have to have authenticity," Adams said.

In setting the stage for a robust future, the panel is exploring minimum standards for future development.

For example, newcomers wanting to assemble complexes of wineries, tasting rooms and restaurants would need a minimum of 20 acres. And new equestrian operations would require 10 acres under proposed rules.

A county attorney suggested last month such standards eventually would push a number of existing winery and equestrian operators out of compliance with ordinances and they would have to comply or close. That prospect triggered concern among the horse enthusiasts and vintners on the panel.

But Stone assured members Wednesday that, no matter what blueprint for the future is adopted, existing operators will be able to continue operating as long as they want.

"The last thing I want to do is put anybody out of business," he said.

Call staff writer Dave Downey at 951-676-4315, ext. 2623.