

CALIFORNIA CLEAN WATER PARTNERSHIP AGREEMENT

United States Environmental Protection Agency (Region IX)

And

The California State Water Resources Control Board

In January of 2003 the California Environmental Protection Agency (Cal/EPA) and the United States Environmental Protection Agency (USEPA) Region IX (Agencies) entered into a Memorandum of Understanding to form a collaborative working relationship in key priority areas. That agreement committed the Agencies and the Cal/EPA Boards, Departments and Offices to work as partners on state and federal environmental priorities. This Partnership Agreement will serve as an annex to the 2003 USEPA-Cal/EPA Memorandum of Understanding.

The California State Water Resources Control Board (SWRCB) is the lead agency delegated to implement both the California Porter-Cologne Water Quality Control Act and the federal Clean Water Act in California. USEPA Region IX is the lead federal agency overseeing California's implementation of the Clean Water Act.

The principal goal of the Agencies is to ensure that surface waters support healthy ecosystems and are safe for drinking, fishing and swimming. Despite improvements in the quality of water in California, serious water pollution and drinking water problems remain. Population growth continues to generate higher levels of discharges to water and places greater demand on drinking water systems. To further our progress toward cleaner surface waters and safer drinking water, we must both maintain our commitment to the core measures we have already established and look for new ways to improve water quality and protect human health. Recognizing that there are insufficient resources to address all water quality issues, this Partnership Agreement will guide our agencies to address the most important water quality problems and produce measurable results.

The Agencies hereby agree that our principal goal can best be achieved by pursuing the following four objectives:

1. **Implement the Law:** Implement the Clean Water Act and the California Porter-Cologne Water Quality Act.
2. **Improve Efficiency:** Develop more efficient methods to implement our regulatory programs.

3. **Target Critical Problems:** Target critical water quality problems, develop and implement solutions, and report the results to the public.
4. **Address Concerns of the Public:** Identify issues critical to the public, institute actions to address the highest priority issues, and report the results to the public.

The Agencies have prepared a "Surface Water Programs Five-Year Strategy" (Strategy), which addresses how the Agencies will achieve the four objectives of this Agreement. A cornerstone of this Agreement will be an annual review of progress implementing this Agreement and the Strategy. The review will evaluate progress in achieving the objectives of this Agreement, evaluate the actions of each Agency in carrying out this Agreement and the Strategy, and propose revisions to this Agreement and the Strategy as necessary to direct actions for the coming year.

Through this Partnership Agreement, the Agencies hereby agree to target specific critical priorities within the four objective areas described above. These targeted priorities are selected as indicators of the progress that can be made by working collaboratively and are not intended to limit the scope of work the Agencies need to address in the protection of California's water quality. The targeted priorities are:

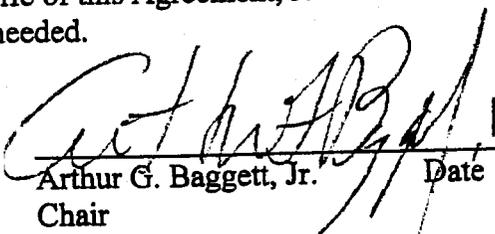
1. **Implement the Law:** NPDES wastewater permits will be updated on time to include the most recent water quality requirements every five years.
2. **Improve Efficiency:** The cost of reissuing permits will be reduced. All TMDL Program improvement initiatives will be completed.
3. **Target Critical Problems:** Beach closures and postings will be significantly reduced.
4. **Address Concerns of the Public:** Compliance with permit requirements will be improved.

The Agencies will work in partnership to achieve the four objectives and to address the targeted priorities listed above. It is the intent of the Agencies through this Partnership Agreement to make significant progress over the life of this Agreement, review that progress annually, and modify the Agreement as needed.



 Wayne Nasti
 Regional Administrator
 USEPA Region IX

12/04/03
 Date



 Arthur G. Baggett, Jr.
 Chair
 State Water Resources
 Control Board

11/29/03
 Date

CALIFORNIA STATE WATER
RESOURCES CONTROL BOARD
AND
U.S. ENVIRONMENTAL PROTECTION
AGENCY, REGION 9
October 10, 2003

SURFACE WATER PROGRAMS
FIVE-YEAR STRATEGY AGREEMENT

2003-2008

INTRODUCTION

The State Water Resources Control Board and USEPA Region IX (Agencies) have prepared this five-year Strategy in accordance with the 2003 California Clean Water Partnership Agreement (Agreement). The scope of the Strategy is intended to cover the broad range of important activities needed to protect and improve the State's surface waters in the implementation of the California Porter-Cologne Water Quality Control Act and the Federal Clean Water Act (water quality law). The Agreement recognized that there are insufficient resources to address all water quality issues in a given year, therefore the Agreement provided guidance for the five-year period to address the most important water quality problems and produce measurable results.

The intent of both the Agreement and this Strategy is to be responsive to new information and to make tangible progress in water quality improvement. A cornerstone of this Strategy and the Agreement will be an annual report presented at a public meeting of the State Water Board. The report will review the actions of each Agency in carrying out this agreement, review progress in achieving the objectives of this Strategy and propose revisions to this Strategy or to the Partnership Agreement as necessary to direct actions for the coming year.

This Strategy will guide the Agencies in implementation of water quality law during the next five California (CA) State Fiscal Years (SFY), SFY 2003-2008 (July 1, 2003 to June 30, 2008). Through the Agreement the Agencies agreed to target specific critical priorities within the four objective areas described in the Agreement. These targeted priorities were selected as indicators of the progress that can be made by working collaboratively and are not intended to limit the scope of work the Agencies need to address in the protection of California's water quality. The targeted priorities are:

- Implement the Law:** NPDES wastewater permits will be updated on time to include the most recent water quality requirements every five years. Defined as a "Category I" activity in section II (F) of this Strategy.
- 2. Improve Efficiency:** The cost of reissuing permits will be reduced. Activities needed to accomplish this are described in section III, Process Improvements.
- 3 Target Critical Problems:** Beach closures and postings will be significantly reduced. Activities needed to accomplish this are described in section II (D) Total Maximum Daily Load, section II (E) NPDES Storm Water Permits, and section II (H) Compliance/Enforcement Activities. The significant contribution of local agency grants is not described herein.
- 4. Address Concerns of the Public:** Compliance with permit requirements will be improved. Activities needed to accomplish this are described in section II (H) Compliance/Enforcement Activities

Progress in implementation of water quality law in California will be measured by comparing program performance with the commitments made under this agreement in sections II through IV. The major sections of this Strategy are:

- I. Categories of Work Commitments
- II. Program Activities
- III. Process Improvements
- IV. Accountability

This Strategy serves as a management agreement for implementation of the surface water programs. It does not affect the standing of any other current agreement between the USEPA and the SWRCB.

I. CATEGORIES OF WORK COMMITMENTS

Funding all aspects of all surface water programs between 2003-2008 would require combined state and federal resources in excess of \$500 million, or over \$100 million per SFY. Given current economic conditions, a funding level of less than \$100 million total state/federal funds per SFY for implementation of surface water programs appears more realistic. A summary of the current year budget allocations is in Appendix A. This budget reality necessitates careful attention to program prioritization and resource allocation. In addition, program implementation efficiencies need to be developed to make resources available to address as many priority water quality problems as possible.

The SWRCB and the USEPA agree that two categories of program activities are addressed in this agreement. Descriptions of the activities under each category are provided in the Program Scope section of this Agreement.

Category I:

Category I program activities are required on fixed schedules as specified in the federal CWA and/or the State Porter-Cologne Water Quality Control Act (Porter-Cologne Act). Category I activities will be given priority for federal and State funding in order to ensure that legal requirements are met.

Category II:

Category II program activities are all other activities undertaken pursuant to the CWA and Porter-Cologne Act that are managed annually through negotiated workplans. **Funding allocation decisions for Category II activities will be negotiated during annual state fiscal year workplan development. These allocation decisions will be based on the availability of State and federal budgeted resources and priorities identified by the USEPA Region IX/State Water Resources Control Board California Partnership Agreement.** The State's Integrated Watershed Management Plan will be used to establish the negotiated workplans each year.

While program implementation efficiencies could be identified for all surface water program activities, it is particularly important that activities falling into Category I be implemented in the most efficient manner possible in order to assure that Category II activities receive as much funding as possible.

II.

PROGRAM SCOPE

The following program areas will be addressed in detail under this agreement:

	Page
A. Water Quality Standards/Basin Planning .	5
B. Monitoring/Assessment	7
C. Nonpoint Source (NPS)	9
D. Total Maximum Daily Load (TMDL)	11
E. National Pollutant Discharge Elimination System (NPDES) Stormwater Permits	12
F. NPDES Wastewater Permits	14
G. Pretreatment	14
H. Compliance/Enforcement Actions	15
I. Concentrated Animal Feeding Operations (CAFO)	16
J. Data Management	17
K. Quality Assurance/Quality Control (QA/QC)	18
L. State Revolving Fund (SRF) .	19

A. Water Quality Standards/Basin Planning

Category I

Triennial Review--The SWRCB will review and modify, if appropriate, water quality standards (WQS) and basin plans at least once every three years, as required by the CWA and its implementing regulations. Each year, the SWRCB will share with USEPA its plans for adopting water quality objectives for updated CWA section 304(a) criteria as well as plans for triennial reviews and other proposed WQS amendments so that USEPA and SWRCB can work together to provide a basis for prompt action by USEPA on any amendments. USEPA will take timely action on WQS amendment packages submitted for approval. WQS amendment packages will contain minimum requirements for WQS rules submitted for USEPA approval (see Water Quality Standards Submission Checklist sent to SWRCB and Regional Water Quality Control Boards [RWQCBs] with May 25, 2001 letter).

Category II

1. Water Quality Standards (WQS)--The SWRCB will continue to assist the RWQCBs in reviewing and revising, as appropriate, water quality standards that pose implementation problems. USEPA will continue to provide support in conducting these analyses and assist in streamlining procedures for conducting use attainability analysis (UAA).
2. WQS--The SWRCB will adopt updated water quality objectives for bacterial indicators for ocean waters by June 2004 and by late 2005, will adopt objectives for chlorine for non-ocean surface water to ensure protection of beneficial uses. USEPA will continue to work, on a regional and statewide basis, on the timely development of nutrient criteria.
3. Basin Planning--The SWRCB will make the current basin planning process more efficient. Steps should include a clear identification of the basin plan amendment process flow chart that will identify the responsibilities of all parties involved in the process, timelines for each step in the process, and a 'clear communication' initiative that will eliminate many of the information lapses that occur at present. A handbook for standardizing language and process should also be developed. SWRCB will establish a Basin Planning Roundtable and other mechanisms, such as annual workplans, to prioritize workload.
4. SIP--The SWRCB will complete updates to the "Policy for Implementation of Toxics Standards for Inland Surface Waters, Enclosed Bays, and Estuaries" (SIP) (SWRCB, 2000) pertaining to WQS and NPDES program implementation provisions by fall 2005. The revisions consist of improving toxicity control provisions in Section 4, allowing water effects ratios for certain California Toxics Rule metals criteria to be established in permits, eliminating a reasonable potential trigger and making several

language changes. State Board staff will also establish workgroups on storm water, effluent dominated waters and mixing zones.

5. Bioassessment--The SWRCB will continue ongoing efforts to develop a bioassessment program and tools for managing water quality with the goal of developing and adopting biological criteria (biocriteria) into WQS.

B. Monitoring/Assessment

Category I

1. **Surface Water Ambient Monitoring Program (SWAMP)**--The SWRCB will prepare a SWAMP implementation plan consistent with the USEPA document "Elements of an Adequate State Ambient Water Monitoring and Assessment Program". The plan will address the following ten elements: (a) comprehensive monitoring strategy, (b) monitoring objectives, (c) monitoring design, (d) water quality indicators, (e) QA/QC, (f) data management, (g) data analysis/assessment, (h) reporting, (i) periodic review of the program, and (j) general support and infrastructure planning. A draft plan will be submitted to USEPA by October 31, 2003. USEPA will review the plan and provide SWRCB with comments by March 1, 2004. SWRCB will finalize the Strategy by June 30, 2004 and will begin implementation by July 1, 2004.
2. **QMP**--The SWRCB will continue implementing the statewide water quality monitoring Quality Management Plan (QMP). The SWRCB will integrate QA/QC activities contained in the SWAMP QMP into the statewide QMP. Progress here will be identified in the draft SWAMP implementation plan being submitted to USEPA in SFY 2003-04.
3. **305(b) Report**--As required under section 305(b) of the CWA, the SWRCB will continue to provide USEPA, every two years, an overall assessment of the waters of the State. The 305(b) Report is due April 1 during the even-numbered years. USEPA also requires that the states provide electronic updates of the assessment data (either 305(b) or STORET update) on an annual basis. By October 31, 2003, the SWRCB will articulate how the 305(b) process will be accomplished.

Category II

- Ambient Data Formats**--The SWRCB will also continue the process of developing and implementing standardized data formats for ambient data that was initiated under the SWAMP program. This will facilitate the exchange of information between SWRCB, RWQCBs, and USEPA and facilitate the compilation of data into a centralized data system envisioned by the State. Progress here will be identified in the draft SWAMP implementation plan being submitted in SFY 2003-04.
2. **Water Quality Improvement**--USEPA and SWRCB will work together to identify how information generated by monitoring activities, the CWA section 305(b) Report (305(b) Report), and the CWA section 303(d) List (303(d) List) will be used to track improvements in water quality and evaluate the overall effectiveness of USEPA and SWRCB programs

3. **EMAP--USEPA and SWRCB will assess the data generated by the EMAP Western Pilot Projects since 1999 to test the utility of probabilistic monitoring for fresh water stream systems to address the 305(b) reporting needs of the state. USEPA will provide the SWRCB with training and technology transfer. USEPA and SWRCB will investigate potential mechanisms for continuing this effort. To the maximum extent practicable, the EMAP information will be incorporated into the 2004 305(b) Report.**
4. **Monitoring and Assessment Framework-- USEPA and SWRCB will work together to explore how lessons learned in Regional Monitoring efforts from around the state (i.e., Southern California Coastal Water Research Project [SCCWRP] and San Francisco Bay Regional Monitoring Program [RMP]) can be applied to other areas of the state to support monitoring and assessment needs. The SWRCB and USEPA will also consider development of monitoring guidelines for grant projects. This is needed to integrate data collection at the project level (implementation) with the overall assessment framework.**
5. **NPDES Monitoring Data--SWRCB and USEPA will evaluate how monitoring requirements for NPDES permits can be integrated and coordinated with the ambient monitoring program.**

C. Nonpoint Source (NPS)

Category I

1. NPS Plan Implementation--The State will make progress in implementing the Plan for California's Nonpoint Source Pollution Control Program 1998-2013 and achieving the Plan's goal to implement the 61 NPS management measures by 2013. The State will utilize CWA section 319 funds to implement the Plan consistent with statutory requirements and annual USEPA guidelines. The State will also utilize matching funds for projects consistent with that Plan.
2. NPS Plan Development--The State will develop, by October 2003, the second five-year NPS Implementation Plan (2003-2008). The State will initiate activities to develop the third five-year Plan (2008-2013) by August 2008.

Category II

1. NPS Report – In addition to the NPS annual report to USEPA, and as stated in the NPS Plan, the State will report biennially, in odd years, on progress in implementing the NPS Program. The biennial report will also serve to comply with USEPA's requirements for an annual report in odd years. By December 31, 2003, the State will provide to USEPA a report that incorporates all required reporting measures for the annual and biennial reports. Beginning in 2005, the report will include information based on the tracking system on the extent of implementation of management measures for all source categories throughout the State.
2. Management Measure Guidance--The State will develop, by June 2004, an NPS management measure guidance and associated online reference guide.
3. CCC--The State will continue to work in partnership with the California Coastal Commission (CCC) and will provide at least \$400,000 of CWA Section 319 funds annually to CCC, subject to annual USEPA/SWRCB review and approval of the CCC grant workplan and availability of federal funds.
4. IACC--USEPA will facilitate the active participation of other federal agencies in the Interagency Coordinating Committee (IACC).
5. Grant Funds Processing--The State will improve the contracting process for CWA Section 319 supported projects selected through an annual Request for Proposals (RFP) to simplify the application process, accelerate the time in which recipients can receive funding, and ensure that these funds are coordinated with related sources including State bond funds. The State will include appropriate monitoring and reporting requirements, as applicable, to contracts supporting CWA section 319 projects.

- 6 Information Transfer--The State will implement mechanisms to more fully promote the lessons learned from funded CWA section 319 projects. This may include enhanced utilization of the NPS website (<http://www.swrcb.ca.gov/nps/index.html>) by providing informative and updated project descriptions and associated information, as well as technical exchanges through conferences, organized site visits and publications. USEPA will continue to assist the State in organizing biennial NPS conferences.**

- 7. Program Coordination--The State will strengthen ties between the NPS program and related programs, particularly monitoring and TMDLs. Links to monitoring will be strengthened to help identify more accurately the extent of NPS-related water quality impairments and to improve efforts to track the extent of implementation and evaluate the effectiveness of project and program activities. This activity is dependent on the level of funding provided by USEPA and future State budgets.**

D. Total Maximum Daily Load (TMDL)

Category I

303(d) List - SWRCB will adopt revised section 303(d) lists and submit them to USEPA for approval according to the schedules identified by USEPA as required by federal regulation. The next revised 303(d) List will be completed in 2004. Before October 1, 2003, SWRCB Executive Director and USEPA Water Division Director will identify the mix of SWRCB and USEPA resources that will be budgeted for this effort as well as a schedule for completion in 2004.

2. TMDL Guidelines - As required by California Water Code section 13191.3, the SWRCB will prepare guidelines by January 1, 2004 to be used by the SWRCB and the Regional Boards for the purpose of listing and delisting waters and developing and implementing the TMDL program and TMDLs pursuant to section 303(d) of the federal CWA (33 U.S.C. Sec. 1313(d)).

Category II

1. 303(d) Policy - SWRCB will develop a listing/de-listing 303(d) Policy.
2. TMDL 2005-08 List - Based on the 303(d) list, the SWRCB, using the planner/tracker database, will associate all impaired water listings with TMDL projects by November 2003. SWRCB will submit to USEPA (by January 31, 2004) a list of TMDLs that will be adopted between October 1, 2005 and June 30, 2008, assuming a minimum annual program budget of \$15 million. (De-listed water bodies or waters that are addressed by other regulatory mechanisms will be identified as TMDL program deliverables / accomplishments).
3. Program Workplan - On March 31 of each year, SWRCB will submit to USEPA for approval a draft workplan for the next state fiscal year that demonstrates sufficient annual progress towards adopting TMDLs by June 30, 2008 identified under Category II, Item 1. Above.
4. Adopt TMDLs by 2005 - SWRCB will adopt, by September 30, 2005, all TMDLs identified in the 2002 303(d) List as high priorities assuming a minimum annual program budget of \$15 million.
5. TMDL Protocol - SWRCB will develop a protocol for the development of TMDLs that balances resource expenditure and quality of product. (Draft to be developed under USEPA contract).
6. USEPA Support - USEPA will continue to support the development and approval of TMDLs in California through significant investments of USEPA contract and personnel resources. USEPA TMDL Approval--USEPA will act on TMDLs and listing decisions adopted by the SWRCB within 60 days.

E. NPDES Storm Water Permits

1. Phase I Municipal Program activities will include:

Category I

- a. The SWRCB (through the RWQCBs) will reissue, in a timely fashion, all Phase I MS4 permits. The SWRCB and USEPA will review all draft Phase I MS4 permits, and provide comments as appropriate to the RWQCBs.
- b. The SWRCB will reissue the California Department of Transportation (Caltrans) Statewide storm water permit in a timely manner.

Category II

- c. The SWRCB will develop and implement standardized permit language and monitoring and reporting programs for Phase I Municipal Separate Storm Sewer System (MS4) permits.
- d. The SWRCB (through the RWQCBs) will review annual reports submitted by Phase I MS4 permittees.

2. Phase II Municipal Program Activities will include:

Category I

- a. The SWRCB will issue and implement a Phase II Small MS4 General Permit (contingent upon legal issue resolution).

Category II

- b. The SWRCB (through the RWQCBs) will review Phase II Storm Water Management Plans for compliance with the permit and regulatory requirements and require revisions as appropriate.
- c. The SWRCB will develop and implement a standardized annual report format for Phase II MS4 permits.
- d. The SWRCB (through the RWQCBs) will review annual reports submitted by Phase II MS4 permittees.

3. Industrial and Construction Storm Water Program activities will include:

Category I

- a. The SWRCB will reissue statewide general permits for discharges of storm water associated with industrial activities and discharges of storm water associated with construction activities. USEPA will review all drafts and provide comments, as appropriate, to the SWRCB.

Category II

- b. The SWRCB will develop and implement a reporting and tracking tool for No-Exposure Certificates.
The SWRCB will develop strategies for streamlining the review of annual reports submitted by industrial dischargers.
 - d. The SWRCB will develop and implement strategies for audit/review of group monitoring programs.
 - e. The SWRCB and USEPA will develop guidance on how strict compliance with water quality standards is determined in Industrial and Construction General Permits.
4. Other Storm Water Program activities will include:
- a. The SWRCB will develop and implement strategies for integrating and coordinating storm water program activities with other water quality programs (such as the Clean Beach initiative and TMDLs).
 - b. The SWRCB will develop and provide outreach and compliance assistance programs to storm water permittees. For MS4 permittees, such programs shall include training in industrial and construction inspections.
 - c. The SWRCB and USEPA will develop guidance on determining Maximum Extent Practicable (MEP), including performance standards for Best Management Practices (BMPs).
 - d. The SWRCB and USEPA will develop and implement staff training programs to promote compliance assurance and statewide consistency, focusing on: permit issuance, document review, inspections, audits, and review of monitoring data.
 - e. The SWRCB and USEPA will develop and implement procedures for conducting (as well as for the tracking and reporting of) inspections of industrial and construction permittees and program reviews/audits of MS4 programs and permittees. Templates will be developed for these purposes.
 - f. The SWRCB will develop and implement a storm water enforcement strategy, which is to appropriately address noncompliance by both permittees and non-filers. This strategy shall include a program by which to identify non-filers.
 - g. The USEPA will provide assistance to the SWRCB in defining "common plan of development or sale" and developing a list of acceptable non-stormwater discharges for construction activities.

F. NPDES Wastewater Permits

Category I

RWQCBs will reissue NPDES wastewater permits upon expiration. Exceptions will be allowed with the joint agreement of the SWRCB Executive Director and the USEPA Water Division Director. Exceptions will be for (1) intractable legal/technical issues; (2) equal distribution of the five-year issuance schedule; and (3) Director discretion.

G. Pretreatment

Category I - None

Category II

1. Every year, RWQCBs will complete Pretreatment Compliance Inspections (PCIs) on all pretreatment programs not receiving a Pretreatment Compliance Audit (PCA).
2. RWQCBs will complete PCAs three to six months before NPDES wastewater permit reissuance.
3. USEPA will assist the SWRCB in the conduct of planning and training activities for pretreatment.

H. Compliance/Enforcement Activities

Category I

- 1 Ensure data entry of all violations and enforcement actions into SWIM.
- 2 Issue mandatory minimum penalties (MMPs) on timely basis
- 3 Ensure recovery of economic benefit for ACLS issued pursuant to 13385 (except MMPs).

Category II

- 1 Develop an NPDES compliance/enforcement strategy, with input from the compliance task force comprised of representatives from SWRCB, RWQCBs, and USEPA. One outcome of this effort will be an updated Administrative Procedures Manual for NPDES inspections that will clearly define levels of inspections and their appropriate application.
- 2 RWQCBs will complete appropriate level of inspection for 100 percent of all NPDES major permittees annually and 100 percent of all minor permittees within three to six months prior to permit reissuance. Complete inspections of all minor permittees at least once every five years.
- 3 Take timely and appropriate enforcement actions against all facilities in significant non-compliance.
- 4 SWRCB will design measurements to determine rate of compliance.
- 5 SWRCB will develop an electronic tool that will automate review of all Self Monitoring Reports (SMRs) and generate Quarterly Noncompliance Reports by January 2005. This system should be designed to prevent, and help identify instances of fraudulent reporting. The system should include safeguards that will facilitate enforcement for misreported data.
- 6 SWRCB will develop a system to track SMR non-filers and other reporting violations
- 7 SWRCB and USEPA will evaluate the aggregate of pretreatment and NPDES wastewater inspections/audits completed by Tetra Tech. Based on the review, SWRCB and USEPA will devise a plan of action for appropriate compliance/enforcement follow-up to deficiencies and violations found during Tetra Tech inspections/audits.
- 8 Develop and implement a complaint tracking system
- 9 Develop and implement a strategy for improving compliance rates at federal facilities.

I. Concentrated Animal Feeding Operation (CAFO)

Category I - None

Category II

- 1. The SWRCB and USEPA will develop and implement a statewide implementation plan to ensure that all CAFOs are covered by NPDES permits and/or WDRs that incorporate the requirements of the newly issued CAFO NPDES regulations and effluent limitations guidelines, and be issued within the timeframes established in those regulations.**

- 2. SWRCB/RWQCBs issue the general and/or individual NPDES permits and WDRs in a timely manner. SWRCB/RWQCBs will ensure compliance with all permits through SMR reviews, compliance inspections, complaint response and enforcement as necessary.**

J. Data Management

Category I - None

Category II

1. Permit Compliance System (PCS)

SWRCB will take actions necessary to become entirely self sufficient for entering data and maintaining the accuracy of California NPDES data in PCS by January 2005. At a minimum, the following NPDES data will be entered and maintained by SWRCB:

Permit Facility Data, Permit Event Data, Inspection Data, Parameter Limits and Pipe Schedule Data, Significant Compliance Data, Compliance Schedule Data, DMR Measurement Data, Enforcement Actions (detailed list will be provided by USEPA), Enforcement Action/Administrative Penalty Order, Pretreatment Approval, Single Event Violation Data, PCI/PCA, and Pretreatment Performance Summary. USEPA and SWRCB will reach agreement, before December 31, 2003, on a schedule for taking the actions identified above.

2. Planning/Tracking Tools

SWRCB and USEPA will develop data tools to aid in planning and tracking the following CWA program implementation activities in 2003:

- TMDL development and implementation;
- NPDES wastewater permit issuance/reissuance;
- Water quality standards and basin planning actions; and
- NPS management measures.

3. Geospacial Water Bodies System (GeoWBS)

SWRCB and USEPA will develop a Geospacial Water Bodies System (GeoWBS) to support the SWRCB's water quality programs including development of the 305(b) Report and 303(d) List and ability to deliver the report/list to USEPA in the newly prescribed format.

K. Quality Assurance/Quality Control (QA/QC)

Category I - None

Category II

The SWRCB will develop a strategy to address the findings in the USEPA QA summary report (see background below) evaluating the SWRCB's and RWQCB's QA systems. The summary report will describe specific findings related to problems noted with respect to RWQCB QA oversight by the SWRCB, documentation, training, and resources for QA activities.

(These findings were discussed in general terms at a QA review exit meeting with the SWRCB on August 15, 2002. During 2001-2002, USEPA's Quality Assurance Office conducted approximately six RWQCB QA evaluations. Written findings were mailed to each of those RWQCBs. USEPA conducted a QA evaluation of the SWRCB's oversight of RWQCB QA activities and of the SWRCB's internal QA process. Oral findings were presented to the SWRCB in an August 15, 2002 exit meeting. The USEPA's written report to the SWRCB will be submitted to the SWRCB in calendar 2003.)

The SWRCB and USEPA will jointly develop QA/QC procedures for data entry that assure that their respective electronic data bases contain data of known quality.

(QA/QC is a legal requirement; the action items above are not.)

L. State Revolving Fund (SRF)

Category I - None

Category II

- 1 The SWRCB will ensure that SRF transactions are accounted for according to Generally Accepted Accounting Principles.
2. Management of the SRF will include timely annual Financial Statement Audits.

An effective project management database will be developed and implemented during calendar year 2003 to track and reconcile accounting/loan data and support cash flow modeling efforts. Development of this database will be a collaborative effort between USEPA's contractor and SWRCB.

(Prudent management of the SRF is a legal requirement; some SRF action items are not.)

III

PROCESS IMPROVEMENTS

The program performance efficiency priority will be targeted for USEPA contractor support to analyze business processes and recommend process improvements. In order to monitor performance improvements in program areas, improvements are required in cost accounting to provide timely, useable information on expenditures and accomplishments, and to solidify data about the costs of performing programmatic activities (cost factors).

2. Accounting system improvements enabling time and resource measurement/expenditures will be developed. Cost reviews will target key program elements to determine how much time certain aspects of a process are taking and then focus improvement efforts in inefficient areas. This will require the integration of accounting and activity tracking systems so that meaningful information can be analyzed.
3. Process improvement initiatives, targeted at key surface water program activities, will investigate and refine staff activities to determine better, faster, cheaper ways of protecting water quality. The focus will include effective completion of program outputs and improved efficiency.
4. Public and legislative expectations will be addressed through announcement of this Agreement and regular publicly available performance tracking and reporting. Tracking and reporting will include water quality outcomes, where identifiable, and program outputs.
5. Third party resource support for surface water program activities will be utilized when use of third party resources is deemed legal and such support is initiated by those external stakeholders.
6. SWRCB will provide for significantly more efficient contract support in achieving surface water program objectives. USEPA and SWRCB will work jointly to provide the highest quality, most efficient, cost-effective contract support available, whether through State or federal contracts.
7. SWRCB and USEPA will work jointly, through staff and contractors, to identify and implement standardized process approaches that can bring greater efficiency to surface water programs.
8. SWRCB and USEPA will continue to work towards the joint goal of achieving a single uniform annual SFY workplan for all CWA program activities which will identify: (a) all work to be done during the year, (b) when it will be complete, (c) who will be responsible for completing the work, and d) complete budget detail, by CWA program, including accounting for all State/federal funds included, with a breakdown between personnel and contracts.

9. SWRCB and USEPA will continue to work towards the joint goal of selecting and administering projects in a fully integrated manner.
10. SWRCB will submit complete reports required by statute, regulations, guidance, grant conditions, and grant work plans in at timely manner.
11. SWRCB will develop permit templates to allow for efficient and effective permit issuance.
12. SWRCB and USEPA will jointly develop an NPDES program efficiency strategy to enhance effective permit issuance.

IV.

ACCOUNTABILITY

1. Beginning in September 2004, the SWRCB and USEPA will prepare a joint annual self-assessment report for presentation at a public meeting of the State Water Board by December 31, 2004. The report will review the actions of each Agency in carrying out this agreement, review progress in achieving the objectives of this Strategy and propose revisions to this Strategy or to the Partnership Agreement as necessary to direct actions for the coming year.
2. The work identified in this Strategy will be accounted for in five annual workplans. Each annual workplan will include all CWA program work that will be completed during that SFY. The aggregate of those five SFY workplans will identify the level of effort expected for all work activities identified in this Strategy.
3. The schedule for completing the annual SFY CWA program workplans is:

Workplan Preparation Kickoff Meeting	January 10
Draft CWA Program Workplan(s) Complete	March 1
Final CWA Program Workplan(s) Approved by USEPA	March 31
All CWA Program Grant Applications to USEPA	May 1
USEPA CWA Program Grant Awards	June 15
4. The SWRCB, RWQCBs, and USEPA will keep the CWA program planner/tracker data systems current at all times.
5. The SWRCB CWA program managers will submit performance reports to USEPA twice each SFY. The report covering the first half of the SFY will be due by January 31. The report covering the second half of the SFY will be due by July 31.
6. USEPA will prepare a written performance evaluation based on these reports by March 1 and August 31, each year. These written reports and evaluations will be the basis for mid-year and end-of-year review meetings with USEPA, SWRCB, and RWQCB managers to be held before March 31 and September 30 each year. Prior to the two annual managers' meetings, CWA program managers from those agencies should meet to identify the issues requiring the attention of the chief managers.
7. Based on these periodic performance reports, the SWRCB and USEPA will evaluate whether or not to modify the annual plan to:
 - a. Shift resource allocations within a given CWA program (upon SWRCB/USEPA agreement)
 - b. Shift resources between CWA programs (upon SWRCB/USEPA agreement)

- c. Shift resources between RWQCBs or between RWQCBs and SWRCB (upon SWRCB/USEPA agreement)
 - d. Shift resources between personnel support and contract support (upon SWRCB/USEPA agreement)
8. USEPA will periodically review overall CWA program performance by the SWRCB and RWQCBs and provide written reports to the SWRCB on its findings.

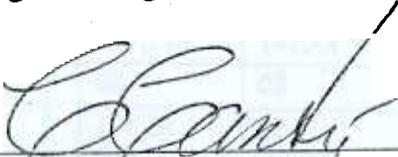
TERM OF THE STRATEGY AGREEMENT

This strategy agreement will become effective upon the date of signature of the Executive Director of the California State Water Resources Control Board and the Director of the Water Division at the United States Environmental Protection Agency, Region 9.

This strategy agreement addresses Clean Water Act program performance during State Fiscal Years 2003-2008 and is effective, upon signature, for the period beginning on July 1, 2003 and ending on June 30, 2008.

The strategy agreement should be reviewed by the SWRCB and the USEPA and revised, as appropriate, within five years of its effective date to address the five year period from 2008-2013

Either the SWRCB or the USEPA may initiate action to change the agreement at any time, but no change to the agreement will become effective without the concurrence of both Agencies.



Celeste Cantu
Executive Director
California State Water Resources Control Board



Alexis Strauss
Director, Water Division
U.S. Environmental Protection Agency Region 9

Dated: 10-10-03

Dated: 10 October 2003

Appendix A

Chart of current year budget allocations:

COMPARISON – USEPA AND SWRCB PROGRAM LEVELS (DOLLARS IN THOUSANDS) FY 03-04

Surface Water Program Budgets (Dollars In Thousands)	Federal Grants to State	State Funding
1. WQ Standards/Basin Planning	\$163	\$7,788
2. Monitoring and Assessment	\$50	\$3,029
3. Nonpoint Source	\$11,298	\$3,979
4. TMDL	\$2,938	\$11,746
5. NPDES Stormwater Permits	\$585	\$14,737
6. NPDES Wastewater Permits	\$5,541	\$15,177
7. Pretreatment	\$0	\$0
8. Compliance/Enforcement	\$0	\$2,501
9. CAFO	\$0	\$874
10. Data	\$0	\$1,810
11. Quality Assurance/ Quality Control	\$0	\$135
12. State Revolving Fund	\$105	\$4,926
TOTALS	\$20,680	\$66,702

FUND SOURCES

Fund Sources (Dollars in Thousands)	Federal Grants to State	State Funding
General Fund		\$26,820
Fees (WDPF/IWMA)		\$31,169
SRF		\$4,778
96 Bond		\$63
TBT		\$1,604
Prop 40		\$2,268
Total State Funding		\$66,702
F(104)	\$816	
F(106)	\$6,958	
F(205j)	\$953	
F(319h)	\$11,635	
SRF	\$105	
Other	\$153	
Total Federal Funding	\$20,620	

Note: Does not include Prop.50