

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

STAFF REPORT FOR REGULAR MEETING OF FEBRUARY 8-9, 2018

Prepared on January 16, 2018

ITEM NUMBER: 10

SUBJECT: Salinas Basin Agriculture Stewardship Group – Status of Interim Replacement Water Agreement

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KEY INFORMATION:

Location:	Salinas Valley Groundwater Basins
Type of Discharge:	Irrigated Lands Runoff / Leaching to Groundwater
Type of Action:	Replacement Water

THIS ACTION: Informational

INTRODUCTION

This item provides an update on the Salinas Basin Agriculture Stewardship Group (Stewardship Group) replacement water agreement implementation status, including performance metrics, recent activities, coordination with local agencies and existing drinking water efforts, and public outreach. The Stewardship Group will also make a presentation to the Board to discuss the status of membership and assessments, services provided to members, implementation challenges and opportunities, and plans for future implementation.

On December 6, 2017, Ms. Pam Silkwood submitted a letter to the Central Coast Water Board, representing several agricultural landowners and growers in the Salinas Basin (Attachment 1). The letter commented on the December 2017 Board Meeting Executive Officer's Report (Item 18) regarding the status of the replacement water agreement and expressed many concerns about the structure of the Stewardship Group. Ms. Silkwood also provided verbal comments to the Board during public forum at the December 2017 Board Meeting. At that time, the Executive Officer explained that the significant majority of replacement water agreement discussions occurred between the State Water Board Office of Enforcement and a number of large landowners in the Salinas groundwater basin, prior to the Central Coast Water Board staff's engagement. As such, Central Coast Water Board staff have very limited information about the process prior to our involvement. Thus, the State Water Board's Office of Enforcement and Stewardship Group are best able to respond to the questions and concerns identified in Ms. Silkwood's letter. On December 8, 2017, the Stewardship Group provided a response to Ms. Silkwood's letter (Attachment 2).

DISCUSSION

In April 2017, the State Water Board's Chief Deputy Director, the Central Coast Water Board's Executive Officer, and the Salinas Basin Agricultural Stewardship Group signed an interim replacement water settlement agreement which enables farmers and landowners to avoid

replacement water-related enforcement for up to two years, in exchange for the provision of interim replacement drinking water to individuals and communities who rely on small water systems and domestic wells in the Salinas Basin that currently have unsafe drinking water due to groundwater nitrate pollution. A copy of the settlement agreement and map of the relevant groundwater basins is available at the Water Board's website:

https://www.waterboards.ca.gov/water_issues/programs/enforcement/salinas_valley_nitrate.shtml

Year 1 Performance Metrics

The performance metrics below provide a measure of the Stewardship Group's current progress to implement the replacement water agreement based on targets for Year 1 of the two year agreement. At a minimum, the agreement requires the Stewardship Group to use all commercially reasonable steps to provide replacement water to a minimum of 35 of the total 58 drinking water systems identified in the agreement (Exhibit A), as well as any domestic wells that meet specific criteria and request replacement water. The Stewardship Group must meet this minimum target to provide replacement water to 35 systems by April 2018, in order to extend the agreement to Year 2.

KEY PERFORMANCE METRICS	YEAR 1 TARGET	CURRENT*
# Water Systems Receiving Replacement Water (Total = 58)	35	21
# Domestic Wells Receiving Replacement Water (Opt-in)	---	2
# Water Systems Declining Replacement Water	0	10
# Missed Replacement Water Deliveries	0	0
# Replacement Water Complaints	0	0

*Reported by the Stewardship Group as of January 3, 2018

Year 2 Replacement Water Plan

Conditioned upon the Stewardship Group providing replacement water to the minimum 35 systems, the Stewardship Group has the option to extend the term of this Agreement for an additional year (Year 2). If the Stewardship Group chooses to implement the settlement agreement in Year 2, they must submit a water replacement plan to identify and provide replacement drinking water to all remaining impacted drinking water systems and well owners/users within the Salinas Basin, irrespective of financial need. Systems and well owners/users identified in Year 2 need not be financially disadvantaged to qualify for replacement water. The Water Replacement Plan must be of sufficient detail to be implemented within a reasonable time and contain:

1. A sampling and analysis plan to identify remaining drinking water wells in the Salinas Basin needing replacement water due to nitrate concentrations in excess of the safe drinking water standard or maximum contaminant level (MCL).

2. An outreach and education plan to inform residents about the potential for nitrate contaminated drinking water and associated health risks, the options and a process for applying for and receiving timely replacement drinking water at no cost to the users.
3. An implementation schedule for the two plans, including mechanisms to ensure that any nitrate-impacted systems and/or wells above the MCL identified in Year 1, which have not already received replacement water, receive replacement water in Year 2.

The Replacement Water Plan is subject to review and approval by the Water Boards Team, and must be submitted a minimum of 30 days in advance of SBASG's exercise of the option. At the time this staff report was written, the Stewardship Group had made preliminary efforts with Central Coast Water Board and State Water Board staff to set up a meeting as a start to Year 2 Work Plan discussions and scoping.

IMPLEMENTATION STATUS

Membership –

- As of November 1, 2017, the Stewardship Group membership includes approximately 102 Salinas Basin growers, landowners, and shippers, and represents approximately 177,433 acres (95%) of the total 186,000 acres for the Salinas Basin (including the 180/400, East Side, Forebay, and Upper Valley groundwater subbasins)

Replacement Water –

- As of January 3, 2018, the Stewardship Group has provided replacement water to 21 of the minimum 35 water systems targeted for Year 1. For these 21 systems, the Stewardship Group has provided 14,494 gallons of replacement water to 537 individuals.
- Of the 58 systems included in the agreement, nine are currently operated by Stewardship Group members and are receiving replacement water provided by the individual members (as per membership requirements of SBASG). Some of the nine water systems are on property enrolled in the Irrigated Lands Regulatory Program and/or are members of the Stewardship Group which is in the process of confirming if well users are receiving replacement water from responsible parties. The performance metric totals do not reflect these water systems, gallons delivered and individuals receiving water.
- The Stewardship Group reports that ten water system managers have declined replacement water; one system has reverse osmosis treatment and the others have indicated that they are not interested in participating in the program. The Water Boards Team plans to contact these systems to confirm the reason for their non-participation.
- Three residences, served by one domestic well, are currently receiving replacement water. The Stewardship Group is also covering the service and maintenance costs for an additional domestic well that relies on an under-sink reverse osmosis unit; the initial equipment costs for this treatment system were provided through a previous grant.

Drinking Water System and Domestic Well Outreach-

- The Stewardship Group's contractor, the Center for Urban Rural Environmental Stewardship (CURES), is continuing to contact drinking water systems and domestic well owners to provide testing and identify potential replacement water recipients. Each system operator included in the original list (58 listings) has been contacted by mail and phone on multiple occasions and/or visited in person.
- As of August 2017, the Water Board and CURES transitioned systems served by existing drinking water grant projects implemented by Environmental Justice Coalition for Water (EJCW) and University of California, Los Angeles (UCLA) to avoid any disruption of bottled water service to the recipients.

- The State Board's Office of Public Participation (OPP) provided assistance to develop bilingual outreach materials for distribution at public events and to schools, churches (in coordination with the Catholic Diocese of Monterey County), and local health clinics in Monterey County. Water Board staff have also attended local events including: Day of the Farmworker event in Greenfield on August 27, WIC (Women, Infants, and Children) Clinic presentations in Salinas and King City, Day of Love Fair in Salinas on September 28, church sign-up events in King City on October 22, 2017, and Women's Health Conference in Salinas on December 2, 2017.
- On September 1, 2017, the Regional Board established a \$25,000 contract with EJCW to inform Salinas Basin communities of opportunities for drinking water well testing and replacement water programs, focusing on domestic well owners and disadvantaged communities in the Salinas Basin.
- The Water Board continues to coordinate closely with local agencies, including Monterey County Environmental Health and the Division of Drinking Water.

Investigative Orders-

- In July 2017, the State Water Board's Deputy Director and the Central Coast Water Board's Assistant Executive Officer jointly issued six investigative orders to landowners who did not join the Stewardship Group's efforts to provide interim replacement water. All six landowners have since joined the Stewardship Group and the orders were rescinded on October 4, 2017.
- In August 2017, the Deputy Director and the Assistant Executive Officer jointly issued three additional draft investigative orders, providing the parties two weeks to join the Stewardship group. One of the three joined the Stewardship Group. The other two have been were issued investigative orders on October 30, 2017 (see below).
- In September 2017, the Deputy Director and the Assistant Executive Officer jointly issued 15 draft investigative orders, providing parties two weeks to join the Stewardship group. Twelve joined the Stewardship group, one was covered by an existing cleanup and abatement order and two were issued final investigative orders on October 30, 2017.
- On October 30, 2017 the Deputy Director and the Assistant Executive Officer jointly issued an investigative order to 61 owners/operators with more than 40 acres in production. As of December 28, 2017, 36 of the 61 have joined the Stewardship Group in lieu of complying with the order. Office of Enforcement (OE) has rescinded 18 orders out of the 36, and the remaining 18 are pending confirmation of their enrollment in the Stewardship Group before the orders can be rescinded. Three parties have opted to comply with the order. Ten have not joined the Stewardship Group nor responded to the order. The remaining 12 received extensions or have other issues that OE is in the process of resolving.

Reducing Nitrate Loading to Groundwater -

- Central Coast Water Board staff continue to work with growers to implement Agricultural Order 3.0 and are in the process of working with stakeholders to develop the future Agricultural Order 4.0 to effectively control the sources of nitrate pollution in groundwater to improve water quality and protect future drinking water supplies.

CONCLUSION

A significant number of farmers and land owners in the Salinas groundwater basin participate in the Replacement Water Agreement and the Stewardship Group has continued bottled water deliveries to the water systems enrolled in the Replacement Water program. The Water Board's

Team will continue to coordinate with the Stewardship Group to monitor and advance implementation of the Replacement Water agreement to maximize participation and provision of replacement water, especially to disadvantaged communities. The Water Board's Team will also evaluate the Stewardship Group's progress to meet the Year 1 performance metric of a minimum of 35 drinking water systems, as well as the Stewardship Group's Replacement Water Plan for Year 2. The Replacement Water agreement provides a significant step forward on the interim replacement water portion of the Central Coast Water Board's two-part strategy (replacement water and nitrate-loading reductions) for dealing with nitrate discharges from agriculture while not restricting efforts by the Irrigated Lands Regulatory Program's efforts to reduce excess nitrate loading to groundwater.

ATTACHMENTS

1. December 6, 2017 Letter from Pamela H. Silkwood
2. December 8, 2017 Letter from the Salinas Basin Agriculture Stewardship Group, LLC