



Alan C. Lloyd, Ph.D.
Agency Secretary

California Regional Water Quality Control Board

Central Coast Region



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Arnold Schwarzenegger
Governor

April 18, 2005

Mr. Dennis Dickerson, Executive Director
CCWQP, Inc.
P. O. Box 7506
Spreckles, CA 93962

Mr. Timothy Morgan
Attorney at Law
121 Jewell Street
Santa Cruz, CA 95060

Dear Mr. Dickerson and Mr. Morgan:

RE: ROLES AND RESPONSIBILITIES FOR IMPLEMENTING THE COOPERATIVE MONITORING PROGRAM

This letter is in response to your request for clarification of the roles and responsibilities of Central Coast Water Quality Preservation, Inc. (CCWQP) and the Agricultural Committee (and various subcommittees) as they relate to implementation of the Cooperative Monitoring Program established under Order No. R3-2004-0117, the Conditional Waiver of Waste Discharge Requirements for Discharges from Irrigated Lands. It is critical to understand that the Waiver Order allows for establishment of a Cooperative Monitoring Program (CMP) as an alternative means of satisfying the legal requirement for monitoring to demonstrate the effectiveness of the conditional waiver program. In the absence of the Cooperative Monitoring Program, each individual discharger would be required to perform individual monitoring in accordance with Monitoring and Reporting Program No. R3-2004-0117.

CCWQP, as a legal non-profit entity, has the ability to enter into grant contracts, receive funds and manage dues or fees. The responsibilities of CCWQP include ensuring that there will be adequate financial resources to conduct monitoring, provide required reports, and complete all required tasks associated with conducting the CMP. CCWQP is currently responsible for meeting the requirements of the existing grant contract to conduct Phase I of the CMP.

The Agricultural Committee was established to identify or establish a non-profit entity, establish a cost allocation process and ensure broad representation of the agricultural industry across the region. The Agricultural Committee and subcommittees make recommendations and provide diverse and geographically balanced input into the development and implementation of the Cooperative Monitoring Program.

We believe that although CCWQP has ultimate responsibility for ensuring the CMP is financially sound and able to meet its commitment to conduct regionwide monitoring, the input from the Agricultural Committee is crucial in providing a fair and balanced distribution of costs. Because the Agricultural Committee was formed to provide broad representation from the

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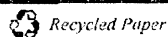
industry, we believe that CCWQP should view its recommendations as the "voice" of the CCWQP's constituents, and therefore should adhere to those recommendations wherever possible. If the Agricultural Committee's cost allocation recommendation will not generate sufficient funds to conduct the CMP, CCWQP should request that the Committee reconsider its recommendation rather than substitute a cost allocation of its own. In other words, the two entities have inter-related responsibilities and must work together to develop a successful program.

We further suggest that in the interest of determining cost allocations that are not only fair within areas, but also across the Region as a whole, the CMP consider combining the north and south cost allocation committees into one group. It is our understanding that that is the intent. In our opinion, a single approach to establishing dues, based on acreage and threat to water quality makes the most sense and is the most inherently fair; however, it is the responsibility of the agricultural industry as a whole to determine the most equitable approach to allocating costs. Ultimately, the CCWQP must generate enough funds to support the entire program. Any cost offsets coming from grant funds or outside monitoring programs should be applied across the entire region. For example, Guadalupe and PG&E settlement funds, geographically located in the northern and southern parts of the region, are providing a regionwide benefit to the CMP by covering costs associated with starting up the program and conducting Phase I monitoring at 25 sites.

Although individual, group and watershed-based monitoring are allowed under California Water Code Section 13269, Monitoring and Reporting Program No. R3-2004-0117 establishes only two options for meeting the legal monitoring requirement, group or individual monitoring. Watershed level monitoring was considered during the development of the conditional waiver; however, projected individual costs were significantly higher for watershed groups than for the regionwide program. The intent of the CMP is to provide a lower cost alternative that reduces monitoring costs by allowing growers to pool resources. The CMP may also incorporate additional monitoring efforts, including data from the Regional Board's Central Coast Ambient Monitoring Program, in order to provide broader coverage outside the main monitoring areas. In this way, all growers benefit from the program, even if they are not located near one of the 50 monitoring sites. It is also important to keep in mind that although current data may not indicate water quality problems in some areas, that does not mean that no discharges (for example to groundwater) are taking place. It may also mean that there has not been sufficient monitoring to reach such a conclusion.

We recognize that establishing a regionwide agricultural monitoring program is a complex process. We will be glad to provide drafts of cost schedules that were considered by the Agricultural Advisory Panel during the development of the conditional waiver. It is also important to recognize that this is an evolving program. It may be advisable to establish an interim cost structure and then revisit the structure once the program has completed a year or two of monitoring. The Guadalupe and PG&E grants are intended to allow time for the industry to establish the CMP while still meeting its legal responsibility for monitoring. Additional grant funds that may be received from the State of California's Agricultural Water Quality Grants program can further support the program while allowing additional time to determine the most fair and equitable long-term approach to allocating costs.

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To reiterate, in the absence of the Cooperative Monitoring Program, each individual discharger would be required to perform individual monitoring in accordance with Monitoring and Reporting Program No. R3-2004-0117. The Cooperative Program is an option that is allowed as part of the Conditional Waiver. Considerable public funds are being devoted to this program, as well as the time and effort of many people. It is a new and highly innovative approach and is being viewed with considerable interest well beyond this region. We believe it is in the interest of all parties to work cooperatively to ensure the success of this option; the alternative will be far more costly to all growers.

If you have questions about this letter, please call Alison Jones at (805) 542-4646.

Sincerely,



Roger W. Briggs
Executive Officer

Cc: Laura G. Mills, LGM Consulting
Kevin Merrill, CCWQP
Kay Mercer, SSLOSBC Ag Coalition