APPROVED
By the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held

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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

EXECUTIVE SECRETARY

December 23, 1994

To: Board of Directors (Committee on Legislation--Action) (Water Problems Committee--Action) (Special Committee on Water Quality and Environmental Compliance--Action)

From: General Manager

Subject: Legislative Policy Principles for Watershed Management

Report

At its December 13, 1994 meeting, the Committee on Legislation considered an issue paper on watershed management (attached), because watershed management had previously been identified as one of the issues of concern to Metropolitan for the upcoming legislative sessions. Metropolitan currently has no Board adopted policy principles in this area. This letter to your Board provides a summary of the watershed management issue, and presents staff recommendations for legislative policy principles and Metropolitan's implementation steps concerning the policy principles. The staff recommendations included in this letter address those comments made by the Committee on Legislation in discussion of the watershed management issue paper.

Watershed management is a comprehensive, fully integrated approach to water resources management, involving all potential stakeholders in a watershed, whereby all possible impacts to water quality in a target watershed are considered, and technically feasible and cost-effective water quality control solutions are developed and implemented to address the highest priority concerns in the watershed. A primary objective of watershed management planning is to achieve improvements in water quality and provide source water quality protection. Other water resource objectives that may be addressed through effective watershed management programs include protection of water supply availability, coordinated multi-species habitat planning to restore/protect aquatic ecosystems, enhanced water supply storage and groundwater recharge, enhanced riparian and wetland habitat, land-use planning consistent with protection of the watershed, and flood and erosion control. The value of watershed management is that it provides an umbrella for integrating existing programs, setting priorities, and selecting the most cost-effective methods for achieving water quality and water resources management objectives.

Effective watershed management planning requires the coordination of all stakeholders within a watershed, including dischargers, land owners, water users, all regulatory agencies with jurisdiction in the watershed, municipalities, interest groups (environmental, agricultural, recreational, business/development), and the public.

During the last several years, there has been increasing interest in the development and implementation of watershed management programs at the federal and State level, either through legislative or regulatory actions. Overall, the concept of watershed management enjoys broad support from a variety of interest groups, and it is widely believed that incorporation of watershed management under the federal Clean Water Act is inevitable.

The watershed management concept is strongly supported by wastewater organizations, and these groups actively lobbied for introduction of watershed management legislation during the previous legislative sessions. Conversely, the agricultural community has some concerns about the impact of watershed management legislation, due to the fact that such legislation would likely result in more regulatory attention on nonpoint sources of pollution, including agricultural discharges, but may not provide funding and technical assistance needed to meet the additional regulatory requirements. State regulatory agencies generally support watershed management approaches, but are concerned that watershed management legislation might create additional mandatory regulatory programs without sufficient federal or State funding for program implementation.

In August, 1994, your Board approved the implementation of the Lake Mathews Drainage Water Quality Management Plan (Plan), and authorized the expenditure of funds for the studies and design of Metropolitan's facilities included in the Plan. The Plan is an example of a watershed management project at the local level, and it is designed to provide protection for water quality in Lake Mathews by preventing heavy loads of nonpoint source pollutants originating in stormwater runoff from entering the lake without treatment and/or dilution.

Recommendations

Staff recommends that your Board adopt the following legislative policy principles concerning watershed management.

(1) Support federal and State legislative and regulatory proposals to establish watershed management programs that are consistent with the following principles:

- State-level implementation of watershed management laws and regulations;

- Development of watershed management programs which recognize local primacy in basin management and land-use controls, and which facilitate cooperative working relationships among all watershed stakeholders;

- Development of watershed management plans based on site-specific conditions, needs and objectives;

- Development of watershed management plans which consider all water resources management objectives for the watershed, including source water quality protection and/or improvement, water supply availability, water supply storage, flood and erosion control, and aquatic ecosystem protection objectives;

- Inclusion of public drinking water suppliers in the group of stakeholders involved in the development of watershed management plans;

- Development of watershed management plans which address all discharges within a particular watershed, and consider their relative impacts on the watershed in the implementation of control measures; and

- Development of watershed management plans which ensure no interference with the authority of the State to manage allocation of water supplies within their jurisdiction.

(2) Support Metropolitan's involvement as a stakeholder in watershed management planning efforts for imported sources of supply (i.e., the Bay-Delta watershed and the multi-State Colorado River watershed), in order to work in cooperation with other interests throughout the watersheds, and ensure consideration of drinking water quality and water supply availability objectives.

(3) Support Metropolitan's involvement as a stakeholder working cooperatively with others on watershed management planning efforts impacting the District's locally stored water supplies.

(4) Support Metropolitan's coordination with Member Agencies to cooperatively participate in watershed management planning efforts impacting local sources of water supply, and to provide assistance to local primacy agencies.

In order to ensure implementation of these policy principles, staff recommends that Metropolitan closely monitor the development of State and federal legislation and regulations concerning watershed management, and actively participate in the formation and refinement of such proposals to ensure incorporation of language that is compatible with the District's watershed management policy principles. Specifically, staff recommends an active participatory role in the development of watershed management legislation and regulations, rather than a lead-role, to ensure development of watershed management programs consistent with the above policy principles. In addition, staff recommends that Metropolitan communicate the recommended policy principles to the Regional

Water Quality Control Boards within our service area and to the State of California Assembly and Senate committees which have jurisdiction over water resources issues.

John R. Wodraska
General Manager

Submitted by:

Debra C. Man

Debra C. Man
Chief of Planning and Resources

Concur:

John R. Wodraska
General Manager

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Attachment

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WATERSHED MANAGEMENT

Issue

Watershed management is a comprehensive, fully integrated approach to water resource management whereby all possible impacts to water quality in a target watershed are considered, and technically feasible and cost-effective water quality control solutions are implemented to address the highest priority concerns in the watershed. A watershed is a topographically defined drainage area including all surface water flow in streams, rivers and lakes discharged through a single outlet, and hydrologically connected groundwater flow. As a result, watersheds constitute the most sensible hydrologic unit within which actions should be taken to improve and protect water quality and address other water resources objectives.

During the last several years, there has been increasing interest in the development and implementation of watershed management programs at the federal and State level, either through legislative or regulatory actions. The watershed management concept enjoys broad support from a variety of interest groups, and there are currently a number of pilot watershed management studies underway (e.g., San Francisco Bay Estuary Project, Santa Monica Bay Restoration Project, and Santa Ana Watershed Project).

A primary objective of watershed management planning is to achieve improvements in water quality by addressing all activities which impact water quality within a watershed, and developing and implementing water quality control measures. Other watershed objectives that can be addressed through watershed management planning include land-use planning consistent with protection of the watershed, protection of water supply availability, and restoration/protection of aquatic and aquatic-dependent ecosystems. The value of watershed management is that it provides an umbrella for integrating existing programs, setting priorities, and selecting the most cost-effective methods for achieving water quality and water resources management goals.

The watershed management issue is closely related to both the source water quality protection and the groundwater management issues. This close relationship is due to the fact that a primary goal of watershed management planning is to provide water quality protection, and source water quality protection programs could be developed as part of watershed management planning activities. Further, watershed management efforts need to be closely coordinated with any groundwater management activities in the watershed, in order to ensure that implementation of watershed management plans is consistent with groundwater management and does not adversely impact the groundwater resource.

Existing Legal Situation

Comprehensive watershed management programs are not specifically provided for or mandated in federal or State water quality control legislation; however existing legislation does

not prohibit watershed approaches either. Legal, institutional, political, and fiscal barriers exist which hinder implementation of the watershed management approach. Existing federal and State water quality control legislation provides for limited application of watershed-like approaches to water quality control.

Federal legislation. The 1972 Federal Water Pollution Control Act, commonly referred to as the Clean Water Act (CWA), introduced the concept of watershed management, with the incorporation of section 208, which called for development of areawide waste treatment management plans. Section 208 of the CWA encouraged the U.S. Environmental Protection Agency (EPA) and the States to develop and implement a system of comprehensive water quality planning and management. In this CWA program, EPA provides guidance and the States identify all sources of pollution and develop a coordinated approach to address these forms of pollution simultaneously. The section 208 planning process has never been fully implemented, because during the 1970s and 80s emphasis was placed on point source discharge controls which have resulted in significant water quality improvements. In recent years, with efforts to reauthorize the CWA, there has been renewed interest in watershed management programs.

State legislation. The California Porter-Cologne Water Quality Control Act, enacted in 1969, established the State Water Resources Control Board (SWRCB) and the nine Regional Water Quality Control Boards (RWQCBs). The RWQCBs are required to adopt water quality control plans or basin plans, which establish water quality objectives for individual water bodies within the region to ensure protection of beneficial uses, and establish a program of implementation for achieving water quality objectives. The states must implement regulations which are as stringent as EPA requirements if they are a primacy state. As a result, regulatory programs in the Porter-Cologne Act are as stringent or more stringent than CWA and EPA regulatory requirements. The RWQCB basin plans are a small step toward watershed management; however, legal, institutional, political, and fiscal barriers would need to be removed to allow full implementation of comprehensive watershed management.

Legislative History

During the past several years, with Congress considering legislation to reauthorize the CWA, there has been increased interest in legislatively establishing watershed management programs; however, to date, no federal legislation has passed establishing such programs. The watershed management approach has been strongly supported and lobbied by wastewater organizations. Overall, the concept of watershed management is supported by a wide variety of interests, and it is thought that incorporation of watershed management under the CWA is inevitable.

Two CWA reauthorization bills which were introduced during the 1993-1994 Congressional session contained provisions establishing watershed management programs:

- S.2093 (Baucus-Chafee). Section 303 of the bill added a new section to the CWA establishing a comprehensive watershed planning and management program. S.2093

was reported out of the Senate Environment and Public Works Committee, but was not considered on the floor of the Senate.

- H.R.3948 (Mineta-Boehlert). Section 315 of the bill added a new section to the CWA establishing State watershed management programs. H.R.3948 died in the House of Representatives Public Works and Transportation Committee.

During the 1993-1994 session in the California State Legislature there was some interest in introducing a watershed management bill. The California Association of Sanitation Agencies (CASA) prepared a draft watershed management bill, and worked with Assemblyman Byron Sher's staff and other interested groups in an attempt to obtain support for the proposed legislation. The proposed watershed management legislation was not introduced.

Metropolitan Position

Metropolitan does not currently have any legislative policy principles concerning watershed management. It has, however, taken a position with regard to the following issue related to watershed management:

- Metropolitan's Board of Directors supports the drainage water quality management plan for the Lake Mathews watershed. This plan is designed to protect water quality in Lake Mathews by preventing heavy loads of pollutants originating in stormwater runoff from entering the lake without treatment and/or dilution.

Technical Analysis

Effective watershed management planning requires the coordination of all stakeholders within a watershed, including dischargers, land owners, water users, all regulatory agencies with jurisdiction in the watershed, municipalities, interest groups (environmental, agricultural, recreational, business/development), and the public.

Implementation of the watershed management approach would provide the opportunity for drinking water suppliers to coordinate with other stakeholders in watersheds that are sources of drinking water supply, to promote the development and implementation of source water quality protection programs, to coordinate on water resources management decisions, and to implement cost-effective water quality controls. Participation in the development of watershed management plans would also help ensure the development of watershed management programs which are consistent with the drinking water objectives for the watershed; including, source water quality protection, protection of the availability of water supplies, and multi-species habitat planning.

Implementation of the watershed management approach focuses regulatory attention on the water quality issues of most concern, rather than focusing regulatory attention on permitted discharges to surface waters. This focus will most likely result in more regulatory

attention on nonpoint sources of pollution. Regulatory focus on nonpoint sources of pollution will benefit Metropolitan for two reasons:

- In Metropolitan's source waters, nonpoint source discharges are thought to be a significant contributor of pollutants which may impact drinking water quality; and

- In Metropolitan's source waters (e.g., State Water Project water diverted from the Bay/Delta), nonpoint source discharges may be contributing to habitat degradation in the watershed, which in turn may result in regulatory actions impacting availability of water supply.

The benefits associated with implementing a watershed management program for local sources of water supply and local storage reservoirs (e.g., Lake Mathews drainage water quality management plan) may include:

- Improved water quality;
- Enhanced local water storage and groundwater recharge; and
- Enhanced riparian and wetland habitat.

Metropolitan staff have developed and are in the beginning phase of implementing the Copper External Issues Management Plan. This plan was developed to set up a program for extensive coordination with external groups on copper sulfate issues, and to facilitate taking the necessary steps to ensure that copper sulfate continues to be available for use in drinking water reservoirs for the control of taste-and-odor producing algae. The external coordination efforts that are part of the plan may include coordinating with interested parties in the watersheds for Metropolitan's locally stored water supplies (i.e., coordination with Member Agencies and regulatory agencies).

Watershed management programs can be set up to be implemented at the State or federal level. State implementation of watershed management programs would allow more flexibility and consideration of local and site-specific needs, which is necessary for successful implementation of these programs.

The watershed management concept is strongly supported by wastewater organizations, and these groups have actively lobbied for introduction of watershed management legislation. Due to the fact that watershed management programs will likely focus more regulatory attention on nonpoint sources of pollution, the agricultural community is concerned about the impact of watershed management legislation. The agricultural community is likely to oppose watershed management legislation that does not also provide incentives, funding, and technical assistance for addressing nonpoint sources of pollution.

State regulatory agencies generally support watershed management approaches, but are concerned that watershed management legislation might create another layer of bureaucracy, and create mandatory programs without sufficient funding for the States. State and local regulatory agencies would likely support watershed management programs that are designed

to fit with existing water pollution control programs, provide adequate funding, and allow local control of watershed management planning efforts.

Recommended Policy Principles

Staff recommends that:

1. Metropolitan support federal and State legislative and regulatory proposals to establish watershed management programs that are consistent with the following principles:

- State-level implementation of watershed management programs;
- Development of watershed management plans based on site-specific conditions and needs;
- Development of watershed management plans which consider all water resources objectives for the watershed, including water quality, water supply availability, water resources management, and ecosystem protection objectives;
- Inclusion of public drinking water suppliers in the group of stakeholders involved in the development of watershed management plans;
- Development of watershed management plans which build upon existing and enforceable water quality control measures for discharges within the watershed; and
- Development of watershed management plans which ensure no interference with the authority of the State to manage allocation of water supplies within their jurisdiction.

2. Metropolitan support the District's involvement as a stakeholder in watershed management planning efforts for imported sources of supply, in order to ensure consideration of water quality and drinking water supply objectives and protection for both drinking water quality and water supply availability.

3. Metropolitan support the District's involvement as a stakeholder in watershed management planning efforts for our locally stored water supplies.

4. Metropolitan support the District's coordination with Member Agencies for cooperative participation in watershed management planning efforts for local sources of water supply.

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