

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2014-0014**

DELEGATION OF AUTHORITY TO APPROVE REPLACING, REMOVING , OR UPGRADING UNDERGROUND STORAGE TANKS (RUST) LOANS AND GRANTS AND TO EXECUTE LOAN AGREEMENTS, GRANT AGREEMENTS, AND AMENDMENTS TO DISBURSE LOAN AND GRANT FUNDS FROM THE PETROLEUM UNDERGROUND STORAGE TANK FINANCING ACCOUNT (PUSTFA) AND TO REFER ACTIONS TO THE ATTORNEY GENERAL TO RECOVER MONEYS DUE TO THE PUSTFA

WHEREAS:

1. Chapter 6.76 of Division 20 of the Health and Safety Code establishes the PUSTFA and authorizes the State Water Resources Control Board (State Water Board) to administer the account to conduct the RUST program to provide low-interest loans and grants to small businesses to replace, remove, and repair underground storage tanks to meet required standards;
2. To implement Chapter 6.76, the State Water Board adopted regulations. These regulations became effective on December 3, 2004, and are contained in title 23 of the California Code of Regulations, division 3, chapter 24, article 2 (RUST Regulations);
3. Chapter 6.76 and the RUST Regulations require the State Water Board to approve RUST program loans and grants only for applicants who meet specified eligibility requirements, for specified purposes, upon certain specified terms, and with specific limitations;
4. The State Water Board is authorized to approve RUST program loans for amounts between \$10,000 and \$750,000, and to approve RUST program grants for amounts between \$3,000 and \$50,000;
5. Approval of RUST program loans and grants is routine and does not raise significant issues requiring consideration at State Water Board meetings;
6. For efficient administration of the RUST program, it is appropriate and desirable to delegate to the Deputy Director of the Division of Financial Assistance (DFA) the authority to approve or deny RUST program loans and grants. It likewise is appropriate and desirable to delegate to the Deputy Director of the DFA the authority to execute loan agreements, grant agreements, and amendments with approved recipients of RUST program loans and grants; and
7. The State Water Board has authority to pursue any cost recovery action or any other collection process to recover defaulted RUST loan moneys due to the State Water Board or to recover RUST grant moneys paid but to which the grantee is not entitled, including, but not limited to, referring such matter to the California Attorney General. It is desirable to delegate to designated staff the authority to refer any such matter to the California Attorney General.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. The State Water Board authorizes the Deputy Director of the DFA, or designee, to approve or deny, consistent with statutory and regulatory requirements, loan agreements up to \$750,000 and grant agreements up to \$50,000 for eligible applicants to the RUST program, and to do all things necessary and convenient to implement such agreements;
2. The State Water Board authorizes the Deputy Director of the DFA, or designee, to execute, for and on behalf of the State Water Board, loan agreements, grant agreements, and amendments to disburse funds for the PUSTFA for approved RUST program loans and grants;
3. The State Water Board authorizes the Deputy Director of the DFA, with the concurrence of the Chief Counsel, to refer any cost recovery action to the Attorney General to recover defaulted RUST loan moneys due to the State Water Board or to recover RUST grant moneys paid but to which the grantee is not entitled;
4. Except as otherwise specifically provided by the State Water Board, the Executive Director, or the Executive Director's designee, shall be the duly authorized representative of the State Water Board for the purpose of making a final determination of any dispute arising under or relating to the performance of any loan agreements and grant agreements to which the State Water Board is a party;
5. The Executive Director and the Deputy Director of the DFA are directed in exercising the authority vested in them by this resolution, without restricting the authority specified, to bring to the attention of the Board Members at a board meeting or by other appropriate communication, any matters that are of a unique, controversial, or unusual nature or that appear to depart from the policies of the State Water Board; and
6. This resolution supersedes and rescinds [Resolution 2004-0074](#).

#### CERTIFICATION


The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on March 4, 2014.

AYE: Vice Chair Frances Spivy-Weber  
Board Member Tam M. Doduc  
Board Member Steven Moore  
Board Member Dorene D'Adamo

NAY: None

ABSENT: Chair Felicia Marcus

ABSTAIN: None

  
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Jeanine Townsend  
Clerk to the Board