STATE WATER RESOURCES CONTROL BOARD BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE JANUARY 4, 2006

ITEM 2

SUBJECT

AMENDING THE CLEAN BEACHES INITIATIVES (CBI) GRANT PROGRAM COMPETITIVE LOCATION LIST

DISCUSSION

The CBI Grant Program was established in the 2001-2002 Budget act, which appropriated \$32.298 million from the Costa-Machado Water Act of 2000 (Proposition 13) to implement 38 specific projects to restore and protect water quality at California's public beaches.

The *Watershed, Clean Beaches, and Water Quality Act* (AB 2534) was signed into law on September 20, 2002. This continued the CBI Grant Program with the appropriation of an additional \$43.7 million in local assistance funds from Proposition 40 to the State Water Resources Control Board (State Water Board) to help public agencies and non-profit organizations implement projects that improve, protect, or restore California's coastal water quality. CBI grants, of up to \$5 million per project, can be used for projects that:

- improve water quality at public beaches to meet current ocean water bacterial standards;
- improve, upgrade, or convert existing sewer collection systems and septic systems for the restoration and protection of coastal water quality;
- implement storm water and runoff pollution reduction and prevention programs for the restoration and protection of coastal water quality; or
- implement best management practices for the restoration and protection of coastal water quality.

On July 16, 2003, the State Water Board, in Resolution No. 2003-050, approved the Division of Financial Assistance's (Division) recommendation that the available CBI grant funds from be released in two rounds of funding and adopted a Priority List for the first round of funding. Priority was given to projects based on the need for bacterial reduction at the identified beach and the likelihood of the project successfully reducing bacteria at the beach. Projects were reviewed and ranked by the Clean Beach Task Force (CBTF) and coastal Regional Water Quality Control Board (Regional Water Board) staff. Twenty-eight projects totaling \$21.5 million have been committed for funding in the first phase.

To determine projects eligible for the second round, the CBTF recommended that the State Water Board adopt a Competitive Location List (CLL). The CLL was developed using beach water quality data available as of the summer of 2004, and was designed to target specific beaches that are known to have persistent bacterial water quality problems. Some beaches are persistently posted with signs warning beachgoers of the risks associated with exposure to beach waters. By targeting beaches with chronic postings, the remaining CBI funds would be used for projects that reduce bacteria at the most critically impaired beaches. The State Water Board adopted the CLL in Resolution No. 2005-0028 on April 21, 2005.

After adoption of the CLL, Division staff, members of the CBTF, and staff from the Regional Water Boards helped eligible local organizations develop and implement projects at beaches identified on the CLL. As of October 2005, approximately \$10 million of the \$22 million available was recommended for projects.

On October 12, 2005, the CBTF recommended that the State Water Board amend the CLL to add Paradise Cove due to exceedences of bacterial standards in recent sampling events. The CBTF also recommended that the Chief of the Division be authorized to add beaches to the CLL that meet the following criteria:

- 1. High frequency (>4 percent) of bacterial standard exceedences during weekly monitoring of coastal waters (as specified in Health and Safety Code, Section 115880 (AB 411, Statutes of 1997, Chapter 765);
- 2. A known public health threat or source of human sewage discharge to ocean waters adjacent to a beach;
- 3. The beach received a grade of "C", "D", or "F" on Heal the Bay's report card at least once during the previous three AB 411 time periods (April 1 to October 31);
- 4. Demonstrated bacterial contamination problems.

POLICY ISSUE

Should the State Water Board amend the CLL to add Paradise Cove and authorize the Chief of the Division to add other beaches that meet the above mentioned criteria to the CLL?

FISCAL IMPACT

This Resolution increases the potential number of eligible projects applying for CBI grants. There is a remaining balance of \$11,626,868 available for CBI projects. At the time of the last solicitation, only ten projects were approved by the CBTF amounting to \$10,076,120. Increasing the number of eligible projects will aid in getting the remaining funds disbursed to projects that will reduce bacterial pollution at coastal beach waters and reduce posting and closures at the beaches.

REGIONAL WATER BOARD IMPACT

Yes, Regional Water Boards 1, 2, 3, 4, 8, and 9.

STAFF RECOMMENDATION

That the State Water Board amend the CLL to add Paradise Cove and authorize the Chief of the Division to add other beaches to the CLL that meet the specified criteria for the CBI Grant program funded by AB 2534.

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2006 -

AMENDING THE CLEAN BEACHES INITIATIVES (CBI) GRANT PROGRAM COMPETITIVE LOCATION LIST

WHEREAS:

- 1. The State Water Resources Control Board (State Water Board) adopted Resolution No. 2005-028 establishing the CBI Grant Program Competitive Location List (CLL) based on input from the Clean Beaches Task Force (CBTF), and the coastal Regional Water Quality Control Boards;
- 2. The CBTF recommended that the CLL be amended to add Paradise Cove; and
- 3. The CBTF recommended additional beaches be added to the CLL by the Chief of the Division of Financial Assistance (Division) if it meets the following criteria:
 - a) High frequency (>4 percent) of bacterial standard exceedences during AB 411 time periods [as specified in Health and Safety Code, Section 115880 (AB 411, Statutes of 1997, Chapter 765)];
 - b) A known public health threat or source of human sewage discharge to ocean waters adjacent to a beach;
 - c) The beach received a grade of "C", "D", or "F" on Heal the Bay's report card at least once during the previous three AB 411 time periods; and
 - d) Demonstrated bacterial contamination problems.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

- 1. Amends the CLL to add Paradise Cove; and
- 2. Authorizes the Chief of the Division to add beaches to the CLL for eligible projects under the CBI Grant program funded by AB 2534 that meet the following criteria:
 - a) High frequency (>4 percent) of bacterial standard exceedences during weekly monitoring of coastal waters;
 - b) A known public health threat or source of human sewage discharge to ocean waters adjacent to a beach;
 - c) The beach received a grade of "C", "D", or "F" on Heal the Bay's report card at least once during the previous three AB 411 time periods (April 1 to October 31); and
 - d) Demonstrated bacterial contamination problems.

CERTIFICATION

The undersigned, Acting 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 January 4, 2006.

Selica Potter
Acting Clerk to the Board