

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
JUNE 5, 2007**

ITEM 7

SUBJECT

ADOPTION OF THE INTEGRATED REGIONAL WATER MANAGEMENT GRANT PROGRAM GUIDELINES AND PROPOSAL SOLICITATION PACKAGES, [ROUND 2](#)

DISCUSSION

Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, was passed by California voters in November 2002. It amended the California Water Code to add, among other articles, Section 79560 *et seq.*, authorizing the Legislature to appropriate funding for Integrated Regional Water Management (IRWM) projects. The Water Code requires that the IRWM Program be administered jointly by the State Water Resources Control Board (State Water Board) and the Department of Water Resources (DWR). The intent of the IRWM Grant Program is to provide funding via competitive grants for projects to protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water while encouraging water management on a regional level.

Approximately \$412 million was made available for IRWM grants split between the State Water Board and DWR. Currently, approximately \$64 million is available between the State Water Board and DWR. Of this amount, approximately \$31 million is available from the State Water Board's funding allocation.

At their March 20, 2007, meeting, the State Water Board directed staff to revise the IRWM Guidelines, as necessary, and work with DWR to implement an expedited Second Round of IRWM funding with the remaining \$64 million. The original IRWM Program Guidelines were adopted in November 2004. These revised IRWM Guidelines (Round 2 Guidelines) and Proposal Solicitation Packages (PSPs) will establish the process by which the State Water Board and DWR jointly solicit applications, evaluate proposals, and award grants for the Second Round of IRWM Funding. Grants will be provided to eligible grant recipients to implement projects that meet the requirements of the Round 2 Guidelines. The Round 2 Guidelines contain the IRWM Plan Standards and evaluation criteria for Implementation Grants.

The State Water Board and DWR conducted extensive public outreach to support the development of the original IRWM Grant Program Guidelines between the spring of 2003 and November 2004. Additional public outreach was conducted prior to finalizing the Round 2 Guidelines. The Round 2 Guidelines were finalized after consideration of input provided in the following venues:

- State Water Board workshop on February 20, 2007;
- State Water Board meeting on March 20, 2007;
- Public informational workshop on the Draft Round 2 Guidelines on April 25, 2007;
- Public meeting to accept comments on May 21, 2007 in Sacramento; and
- Public meeting to accept comments on May 23, 2007 in Riverside.

POLICY ISSUES

Should the State Water Board approve the IRWM Round 2 Guidelines and PSPs?

FISCAL IMPACT

The State Water Board has an allocation of \$183 million from Proposition 50 for local assistance grants. Of that amount, approximately \$77 million is currently in the State Water Board's budget. The remaining approximately \$106 million in funding is expected to be appropriated in State Fiscal Year (SFY) 2007-2008.

State Water Board Funding Appropriations	
State Fiscal Year	IRWM Appropriations
SFY 2003-04	\$26,000,000 ¹
SFY 2005-06	\$55,000,000
SFY 2006-07	\$20,000,000
SFY 2007-08	\$82,000,000 ²
Total Funding Allocation	\$183,000,000

Proposition 50 – IRWM Grant Program (State Water Board Funding Allocation)	
Available Grant Funds	\$183,000,000
Encumbered IRWM Planning Grant Funds	\$2,104,046
Approved IRWM Implementation Grant Funds (January 18, 2007)	\$75,000,000
Approved Additional IRWM Grant Funds (March 20, 2007)	\$75,000,000
Remaining IRWM Grant Funds	\$30,895,954
TOTAL	\$183,000,000

REGIONAL WATER BOARD IMPACT

Yes. All Regional Water Boards.

STAFF RECOMMENDATIONS

The State Water Board should approve the IRWM Round 2 Guidelines and PSPs.

¹ Of this amount, \$24 million is proposed for re-appropriation in SFY 2007-08

² Does not include proposed re-appropriation from SFY 2003-04

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2007 -**

**ADOPTION OF THE INTEGRATED REGIONAL WATER MANAGEMENT ROUND TWO
GRANT PROGRAM GUIDELINES AND PROPOSAL SOLICITATION PACKAGES**

WHEREAS:

1. Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 authorizes approximately \$412 million to implement projects that protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water while encouraging water management on a regional level;
2. The Integrated Regional Water Management (IRWM) Grant Program is administered jointly by the State Water Resources Control Board (State Water Board) and the Department of Water Resources (DWR);
3. The IRWM Round One Grant Program Guidelines were adopted by the State Water Board and approved by DWR in November 2004;
4. At their March 20, 2007, meeting, the State Water Board directed staff to revise the IRWM Guidelines, as necessary, and work with DWR to implement an expedited Second Round of IRWM funding;
5. In accordance with the requirements of Proposition 50, public participation in the development of the IRWM Round Two Grant Program Guidelines and Proposal Solicitation Packages was provided through public workshops and applicant assistance workshops; and
6. The IRWM Round Two Grant Program Guidelines and Proposal Solicitation Packages will be issued to solicit applications for Implementation Grants after adoption.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Adopts the Integrated Regional Water Management Round 2 Grant Program Guidelines and Proposal Solicitation Packages, and authorizes staff to issue grant agreements and amendments once funds are appropriated by the legislature.

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 June 5, 2007.

Song Her
Clerk to the Board