

**STATE WATER RESOURCES CONTROL BOARD  
BOARD MEETING SESSION — DIVISION OF FINANCIAL ASSISTANCE  
JUNE 17, 2008**

**ITEM 6**

**SUBJECT**

CONSIDERATION OF A RESOLUTION APPROVING CONCEPTUAL PROJECT PROPOSALS AND AUTHORIZING ISSUANCE OF GRANTS FOR THE PROPOSITION 84 AGRICULTURAL WATER QUALITY GRANT PROGRAM (AWQGP)

**DISCUSSION**

The State Water Resources Control Board (State Water Board) is authorized to administer approximately \$13.7 million in bond funds from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) for the Agricultural Water Quality Grant Program (AWQGP). The AWQGP provides grants to public agencies and nonprofit organizations for projects that reduce the discharge of pollutants from agricultural operations into surface waters of the State.

On January 4, 2007, the Governor issued [Executive Order S-02-07](#) to increase accountability and ensure State Government spends bond funds efficiently. The Executive Order required each administering agency to implement a three-part accountability plan for its bond programs. The approved agency plans to implement the Executive Order, including those submitted by the State Water Board for its Proposition 84 programs, are available on the Strategic Growth Plan Bond Accountability website.

In order to focus the funds on the highest priority water quality issues, Regional Water Quality Control Board (Regional Water Board) staff submitted Conceptual Project Proposals to the Division of Financial Assistance (Division) to address the identified needs. The amount of funding identified for the projects exceeded the amount available. The Regional Water Board Executive Officers and State Water Board management reviewed and approved a pared-down list of Recommended Conceptual Proposals (RCP) at the April 22, 2008 meeting of the Management Coordinating Committee. The RCP list is in Exhibit 1.

The Recommended Conceptual Proposals do not have adequate detail or an identified grantee at this time in order for the Division to execute a grant agreement. Upon approval of the Recommended Conceptual Proposals by the State Water Board, the Division will work with each Regional Water Board with an identified Concept Proposal to conduct a competitive public process to develop a detailed work scope and identify a grantee to implement the Project. The Deputy Director of the Division will issue funding commitments and execute grant agreements with the selected grantee following the competitive process. The Deputy Director of the Division will be authorized to commit additional funds to other Recommended Conceptual Proposals on the RCP in Exhibit 1 in the event that a Regional Water Board does not complete their competitive process within six months from the date of State Water Board approval of the Recommended Conceptual Proposals.

Non-responsiveness to executing grant agreements after the funding commitment is completed has been an issue with a handful of past grant recipients. In several cases, non-responsiveness has resulted in grant funds being left unused for a substantial and unwarranted amount of time and has caused the termination of grant agreements. For this reason, the Deputy Director of

the Division is authorized to withdraw the grant award for non-responsiveness. If grant awards are withdrawn, the funds will be made available to other Conceptual Proposals presented on the RCP.

## **POLICY ISSUE**

Should the State Water Board:

1. Approve funding for the Recommended Conceptual Proposals in Exhibit 1 for the Proposition 84 AWQGP and authorize staff to conduct a competitive process to identify grantees and develop detailed work scopes for the projects?
2. Authorize the Deputy Director of the Division to issue funding commitments?
3. Authorize the issuance of grants and amendments to implement the Recommended Conceptual Proposals?
4. Authorize the Deputy Director of the Division to commit funds to other Recommended Conceptual Proposals in Exhibit 1 in the event that a Regional Water Board does not complete its competitive process within six months?
5. Authorize the Deputy Director of the Division to withdraw grant agreements if applicants are non-responsive?

## **FISCAL IMPACT**

Existing local assistance appropriations and those included in the Fiscal Year 2008-2009 Budget are sufficient to fund the recommended projects.

## **REGIONAL WATER BOARD IMPACT**

Yes. Regional Water Boards 1, 3, 4, 5, 6, 7, and 9.

## **STAFF RECOMMENDATION**

The State Water Board should:

1. Approve funding for the Recommended Conceptual Proposals in Exhibit 1 for the Proposition 84 AWQGP and authorize staff to conduct a competitive process to identify grantees and develop detailed work scopes for the projects;
2. Authorize the Deputy Director of the Division to issue grants and amendments to implement the Recommended Conceptual Proposals;
3. Authorize the Deputy Director of the Division to commit funds to other Recommended Conceptual Proposals in Exhibit 1 in the event that a Regional Water Board does not complete its competitive process within six months;
4. Authorize the Deputy Director of the Division to withdraw grant agreements if applicants are non-responsive.

# D R A F T

## STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2008-

### APPROVING CONCEPTUAL PROJECT PROPOSALS AND AUTHORIZING ISSUANCE OF GRANTS FOR THE PROPOSITION 84 AGRICULTURAL WATER QUALITY GRANT PROGRAM (AWQGP)

#### WHEREAS:

1. The State Water Resources Control Board (State Water Board) is authorized to administer approximately \$13.7 million in bond funds from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) for the Agricultural Water Quality Grant Program (AWQGP);
2. The Proposition 84 AWQGP provides grant funds to public agencies and nonprofit organizations for projects that reduce the discharge of pollutants from agricultural operations into waters of the State;
3. On January 4, 2007, the Governor issued [Executive Order S-02-07](#) to increase accountability and ensure State Government spends bond funds efficiently; and
4. The Regional Water Board Executive Officers and State Water Board management reviewed and approved a list of Recommended Conceptual Proposals at the April 22, 2008 meeting of the Management Coordinating Committee that address the highest priority needs identified by Regional Water Board staff.

#### THEREFORE BE IT RESOLVED THAT:

##### The State Water Board:

1. Approves funding for the Recommended Conceptual Proposals in Exhibit 1 for the Proposition 84 AWQGP and authorizes staff to conduct a competitive process to identify grantees and develop detailed work scopes for the projects;
2. Authorizes the Deputy Director the Division to issue grants and amendments to implement the Proposals;
3. Authorizes the Deputy Director of the Division to withdraw grant awards if applicants are non-responsive; and

## **D R A F T**

4. Authorize the Deputy Director of the Division to commit funds to other Recommended Conceptual Proposals in Exhibit 1 in the event that a Regional Water Board does not complete its competitive process within six months.

### **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 Board held on June 17, 2008.

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Jeanine Townsend  
Clerk to the Board

**Exhibit 1  
Agricultural Water Quality Grant Program (AWQGP)  
Proposition 84**

**RECOMMENDED  
CONCEPTUAL PROPOSALS**

<b>REGION</b>	<b>TITLE</b>	<b>PROPOSED GRANT FUNDS</b>
1	Moffett Creek Exclusionary Fencing Project	\$463,320
3	Central Coast Region Irrigation And Nutrient Management Program	\$3,000,000
4	Implementation of a Mobile Irrigation Laboratory for the Improvement of Irrigation Distribution Uniformity and Irrigation Efficiency to Reduce Irrigation Runoff	\$660,000
5	Implementation of Agricultural Management Practices to Address Impaired Central Valley Waterways	\$8,027,158
6	Grazing Management Practice Implementation and Assessment in One or More Targeted Watersheds in the Lahontan Region (Walker River, Carson River, Susan River, and Owens River)	\$1,000,000
7	Imperial Valley Agricultural Drainage Network Improvement and Sediment Reduction Project	\$173,222
9	Implementation of Tail Water Recovery Best Management Practice (BMP) and Effectiveness Evaluation	\$401,300
<b>TOTAL</b>		<b>\$13,725,000</b>