

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
SEPTEMBER 1, 2015**

ITEM 3

SUBJECT

CONSIDERATION OF A PROPOSED RESOLUTION TO DELEGATE AUTHORITY TO THE DEPUTY DIRECTOR OF THE DIVISION OF FINANCIAL ASSISTANCE (DIVISION) OR DESIGNEE, OF THE STATE WATER RESOURCES CONTROL BOARD (STATE WATER BOARD) TO EXECUTE CERTAIN FINANCIAL ASSISTANCE AGREEMENTS, AMENDMENTS, AND RELATED SECURITY INSTRUMENTS AND DELEGATES AUTHORITY TO THE EXECUTIVE DIRECTOR, OR THE EXECUTIVE DIRECTOR'S DESIGNEE, TO RESOLVE CERTAIN DISPUTES

DISCUSSION

From time to time, the State Water Board delegates certain routine and non-controversial duties to the Executive Director, Deputy Directors, and designees. Under current authority, the Deputy Director for the Division, or a designee, is authorized to execute certain financial assistance agreements and amendments for financial assistance programs implemented pursuant to bond laws approved by voters in 1970, 1974, 1978, 1984, 1986, 1988, 1996, 2000, 2002, 2006, and 2014 (collectively referred to as the General Obligation Bond Programs); Section 319(h) of the Clean Water Act (the 319 Grant Program); the Clean Water State Revolving Fund (CWSRF); and the Drinking Water State Revolving Fund (DWSRF).

The State Water Board has been authorized to administer safe drinking water and water supply reliability programs under the 2014 Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Prop 1). It is anticipated that, as with many of the financing approvals for the State Water Board's financing programs, many of the financing approvals for Prop 1 will be routine and non-controversial. The State Water Board has already delegated approval of three of the programs that it will implement under Prop 1, but it is desirable to include all of the Prop 1 delegations in the master financial assistance delegation resolution.

The State Water Board also is authorized to implement a local oversight program for the abatement of, and oversight of the abatement of, unauthorized releases of hazardous substances from underground storage tanks. The State Water Board certifies qualified local agencies and is authorized to enter into agreements with certified agencies to provide financial assistance for the abatement of, and oversight of the abatement of, unauthorized releases from underground storage tanks.

For the orderly and efficient management of these safe drinking water, water supply reliability, and water quality protection programs, it would be appropriate and desirable to delegate to the Deputy Director of the Division, or a designee, the authority to approve all routine financial assistance agreements, amendments, and related security instruments that are consistent with internal policies and any applicable agreements with federal agencies, that do not exceed the funds available, and that do not raise significant issues requiring consideration at a State Water Board meeting.

For the orderly and efficient administration of these financial assistance agreements and programs, it is also desirable to designate appropriate staff to make a final agency determination concerning any dispute arising out of such agreements or relating to their performance. The Executive Director, or the Executive Director's designee, would be an appropriate authorized representative of the State Water Board for this purpose.

POLICY ISSUE

Should the State Water Board approve the Resolution delegating authority to execute certain financial assistance agreements, amendments, and related security instruments to the Deputy Director of the Division, or a designee, and designating the Executive Director, or the Executive Director's designee, as the 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 financial assistance agreement to which the State Water Board is a party?

FISCAL IMPACT

No fiscal impact.

REGIONAL BOARD IMPACT

None.

STAFF RECOMMENDATION

Staff recommends adopting the proposed Resolution delegating to the Deputy Director of the Division, or a designee, the authority to execute certain financial assistance agreements, amendments, and related security instruments, and designating the Executive Director, or the Executive Director's designee, as the 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 financial assistance agreement to which the State Water Board is a party.

State Water Board action on this item will assist the State Water Board in fulfilling the goals of the California Water Action Plan, specifically: #5 Manage and prepare for dry periods; #6 Expand water storage capacity and improve groundwater management; #7 Provide safe water for all communities; and #10 Identify sustainable and integrated financing opportunities. Also, action on this item will assist the State Water Board in fulfilling the priorities of the State Water Board's Strategic Plan: 2008-2012, In particular, approval of this item will help a) Implement strategies to fully support the beneficial uses for all 2006-listed water bodies by 2030; b) Improve and protect groundwater quality in high-use basins by 2030; c) Increase sustainable local water supplies available for meeting existing and future beneficial uses by 1,750,000 acre-feet per year, in excess of 2002 levels, by 2015; d) Address water quality protection and restoration; and e) Improve transparency and accountability.

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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2015-

DELEGATE AUTHORITY TO THE DEPUTY DIRECTOR OF THE DIVISION OF FINANCIAL ASSISTANCE (DIVISION) OR DESIGNEE, OF THE STATE WATER RESOURCES CONTROL BOARD (STATE WATER BOARD) TO EXECUTE CERTAIN FINANCIAL ASSISTANCE AGREEMENTS, AMENDMENTS, AND RELATED SECURITY INSTRUMENTS AND DELEGATES AUTHORITY TO THE EXECUTIVE DIRECTOR, OR THE EXECUTIVE DIRECTOR'S DESIGNEE, TO RESOLVE CERTAIN DISPUTES

WHEREAS:

1. The State Water Resources Control Board (State Water Board) has been authorized to administer safe drinking water and water supply reliability programs under the 2014 Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Prop 1) passed by voters on November 4, 2014;
2. The State Water Board has previously delegated authority to execute financial assistance agreements and amendments for financial assistance programs implemented pursuant to the bond acts approved in 1970, 1974, 1978, 1984, 1978, 1986, 1988, 1996, 2000, 2002, and 2006 (Prior Bond Act Programs); Section 319(h) of the Clean Water Act (the 319 Grant Program); and the Clean Water State Revolving Fund (CWSRF); the Drinking Water State Revolving Fund (DWSRF); and three of the programs authorized by Prop 1;
3. The State Water Board is authorized by section 25297.1 of the Health and Safety Code to enter into agreements to provide financial assistance to certified local agencies to implement a local oversight program for the abatement of, and oversight of the abatement of, unauthorized releases of hazardous substances from underground storage tanks (UST).
4. In State Water Board [Resolution No. 2013-0001](#), the Board adopted the UST Local Oversight Program (LOP) Procedures and Criteria for Certification, and directed the Executive Director, or designee, to certify qualified local agencies and periodically review local agency certification.
3. For the orderly and efficient management of the financial assistance programs, it is appropriate and desirable to delegate to the Deputy Director of the Division the authority to execute routine loans, grants, installment sales agreements, and other such financial assistance agreements that are consistent with internal policies and any applicable agreements with federal agencies, that do not exceed the funds available, and that do not raise significant issues requiring consideration at a State Water Board meeting; and

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4. For the orderly and efficient administration of the State Water Board's financial assistance agreements, it is desirable to designate appropriate staff to make a final agency determination concerning any dispute arising out of such agreements or relating to the performance thereof.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Authorizes the Deputy Director of the Division, or designee, to enter into financing agreements and amendments thereof for loans, grants, installment sales agreements, and other such financial assistance for routine, non-controversial projects that are consistent with those policies and agreements that the State Water Board has adopted or will adopt governing the internal management of the Prior Bond Act Programs and Prop 1 (collectively, the Bond Act Programs), the 319 Grant Program, the CWSRF, the DWSRF, and the UST LOP;
2. The Deputy Director of the Division may delegate his or her responsibilities herein to an Assistant Division Deputy Director authorized to act as a designee in the Division Deputy Director's absence or as otherwise set forth in an adopted policy handbook or guidelines;
3. The Deputy Director of the Division, or designee, is directed in exercising this vested authority, without restricting the authority specified, to bring to the attention of the State Water Board members at State Water Board meetings, 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;
4. Except as otherwise specifically provided by the State Water Board, the Executive Director, or 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 financing agreements to which the State Water Board is a party;
5. This authorization shall not be construed to eliminate the necessity of required approval or concurrence of any other state agency;
6. To the extent this resolution is inconsistent with [Resolution No. 2015-0022](#), this resolution supersedes Resolution No. 2015-0022; and
7. This resolution shall become operative and supersede Board [Resolution Nos. 2008-0037](#) and [2014-0027](#) upon its effective date; and

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8. This authorization shall remain in full force and effect until modified or revoked by the State Water Board, whether directly or indirectly through the adoption of a financial assistance policy or guidance that may contain a modification or modifications specific to any or all of the financial assistance programs addressed hereunder.

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 September 1, 2015.

Jeanine Townsend
Clerk to the Board