

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
APRIL 19, 2016**

ITEM 3

SUBJECT

CONSIDERATION OF A PROPOSED RESOLUTION APPROVING THE ALLOCATION OF UP TO \$1,455,000 IN ADDITIONAL FUNDS, FOR A TOTAL AMOUNT OF \$3,430,000, FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO TULARE COUNTY (COUNTY) FOR THE COUNTY-WIDE INTERIM EMERGENCY BOTTLED WATER PROGRAM (CBWP)

DISCUSSION

Senate Bill (SB) 103 (Stats. 2014, Ch. 2) appropriated \$4 million from the CAA to provide interim emergency drinking water to disadvantaged communities with contaminated drinking water supplies. Pursuant to this appropriation and approval from the State Water Resources Control Board's (State Water Board) Executive Director, the County received a \$500,000 grant in July 2014 to establish the CBWP to provide interim emergency bottled drinking water to its residents whose drinking water supplies were contaminated.

In addition, pursuant to the SB 103 appropriation and the approval of the State Water Board's Executive Director, the County received a \$1,000,000 grant in August 2014 to establish a county-wide Schools Bottled Water Program (SBWP) to purchase and distribute emergency bottled water to schools within the County that have contaminated drinking water. As part of the scope of work, the County identified and approached all qualified schools and school districts in an attempt to include them in the SBWP.

Assembly Bill (AB) 91 (Stats. 2015, Ch. 1) appropriated \$15 million from the CAA to address drought-related drinking water emergencies or threatened emergencies and \$4 million to provide interim emergency drinking water to disadvantaged communities with contaminated drinking water supplies. On May 19, 2015, the State Water Board adopted [Resolution No. 2015-0035](#), which approved [Funding Guidelines](#) and delegated authority for administering the \$19 million in AB 91 emergency drinking water funding. The Funding Guidelines include a general \$500,000 limit on emergency funding per project but provide that the State Water Board may make project-specific exceptions.

The County fully expended the initial \$500,000 in funds for the CBWP by August 2015. The County received an additional \$750,000 through [Resolution No. 2015-0056](#) on August 18, 2015 from the CAA AB91 funding to allow the County to continue the CBWP and expand it to include residents who are experiencing drought related emergencies.

On January 20, 2016, the County notified CAA staff that it was unable to achieve the level of participation in the SBWP that was originally anticipated. Despite repeated outreach efforts, Lindsay Unified School District, one of the largest school districts with approximately 6,000 students, did not accept the assistance citing several reasons including the increase in administrative costs associated with distributing the bottled water throughout the schools and the expectation that might develop to continue the bottled water deliveries after the grant funds have been exhausted. The County anticipates spending about \$275,000 of the funds granted under the SBWP funding agreement through the SB 103 appropriation end date of

June 30, 2017, leaving approximately \$725,000 in funds to either be disencumbered or repurposed.

On January 28, 2016, the County notified CAA staff that the \$750,000 for the CBWP was expected to be fully exhausted within six (6) weeks. As a result, the County requested an additional \$2,180,000 from the CAA to provide up to twenty-five (25) months of uninterrupted bottled water service to over 1,500 households enrolled in the CBWP. As part of the additional funding request, the County proposed using the remaining \$725,000 from the SBWP funding agreement to offset the total requested amount.

On February 24, 2016, the State Water Board's Executive Director approved the County's request to use the remaining \$725,000 from the SBWP towards meeting the \$2,180,000 funding request, thereby allowing the County to continue the CBWP without interruption. However, the County still needs an additional \$1,455,000 in funds to meet the full anticipated demand for up to 25 months.

To date, the State Water Board has approved a total of \$1,975,000 to the County to administer the CBWP. The demand for the CBWP continues to be extremely high due to contaminated water supplies and the rise in number of dry wells in the area caused by the historic drought.

POLICY ISSUE

Should the State Water Board:

1. Approve the allocation of up to \$1,455,000 from the CAA AB 91 appropriation to fund the continuation of the County's CBWP for up to 25 months, as recommended by staff?
2. Make the requested funds available until June 30, 2018?
3. Authorize the Deputy Director of the Division of Financial Assistance to execute and amend funding agreements for this project?

FISCAL IMPACT

As of April 7, 2016, \$10,427,982 has been committed from the AB 91 emergency drinking water funding. In addition to this funding request, the Division of Financial Assistance is currently evaluating \$542,553 in pending projects. Assuming funds will be committed for these pending projects, the remaining emergency drinking water funding balance is approximately \$8 million. The remaining balance will be further reduced to approximately \$6.57 million if this funding request is approved by the State Water Board.

REGIONAL WATER BOARD/DISTRICT OFFICE IMPACT

Yes. The Division of Drinking Water District Offices and Regional Boards are supportive of the funding request and will assist in coordinating with impacted communities that are potentially eligible for emergency drinking water funding.

HUMAN RIGHT TO WATER

The projects/activities proposed under this funding request are consistent with preserving the State Water Board's core value of the Human Right to Water as adopted in [Resolution No. 2016-0010](#) and therefore directly support the human right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

STAFF RECOMMENDATION

Staff recommends that the State Water Board adopt the proposed Resolution.

State Water Board action on this item will assist the Water Boards in reaching Goal 4 of the Strategic Plan Update: 2008-2012, to comprehensively address water quality protection and restoration, and the relationship between water supply and water quality, and describe the connections between water quality, water quantity, and climate change, throughout California's water planning processes.

DRAFT

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2016-

APPROVING THE ALLOCATION OF UP TO \$1,455,000 IN ADDITIONAL FUNDS, FOR A TOTAL AMOUNT OF \$3,430,000, FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO TULARE COUNTY (COUNTY) FOR THE COUNTY-WIDE INTERIM EMERGENCY BOTTLED WATER PROGRAM (CBWP)

WHEREAS:

1. Senate Bill (SB)103 (Stats. 2014, Ch. 2) appropriated \$4 million from the CAA to provide interim emergency drinking water to disadvantaged communities with contaminated drinking water supplies;
2. The County received a \$500,000 grant through the SB 103 appropriation in July 2014 to establish the CBWP to provide bottled water to its residents whose drinking water supplies were contaminated;
3. The County also received a \$1,000,000 grant through the SB 103 appropriation in August 2014 to establish a countywide Schools Bottled Water Program (SBWP) to provide bottled water to schools that have contaminated drinking water supplies;
4. Assembly Bill (AB) 91 (Stats. 2015, Ch. 1) appropriated \$15 million from the CAA to address drought-related drinking water emergencies or threatened emergencies and \$4 million to provide interim emergency drinking water to disadvantaged communities with contaminated drinking water supplies;
5. On May 19, 2015, the State Water Resources Control Board (State Water Board) adopted [Resolution No. 2015-0035](#), which approved [Funding Guidelines](#) and delegated authority for administering the \$19 million in AB 91 emergency drinking water funding;
6. On August 18, 2015 the State Water Board adopted [Resolution No. 2015-0056](#), which approved an additional \$750,000 through the AB91 appropriation to allow the County to continue the CBWP and expand it to include residents who are experiencing drought related emergencies;
7. On January 20, 2016, the County notified CAA staff that it was unable to achieve the level of participation in the SBWP that was originally anticipated and as a result the County is anticipating to spend about \$275,000 through the SB 103 appropriation end date of June 30, 2017;
8. On January 28, 2016, the County notified CAA staff that the \$750,000 for the CBWP was expected to be fully exhausted within six (6) weeks. As a result, the County requested an additional \$2,180,000 from the CAA to serve over 1500 households under the CBWP and to allow the use of the remaining \$725,000 from the SBWP to cover a portion of the additional funding request;
9. On February 24, 2016, the State Water Board's Executive Director approved the County's request to use the remaining \$725,000 from the SBWP funding agreement towards meeting a portion of the \$2,180,000 total funding request;

D R A F T

10. The County will need approximately \$1,455,000 in additional funds to continue the CBWP, uninterrupted, for up to 25 months;
11. To date, the State Water Board has provided a total of \$1,975,000 to the County to administer the CBWP. The demand for the CBWP continues to be extremely high due to the number of dry wells in the area caused by the historic drought; and
12. The projects/activities proposed under this funding request are consistent with preserving the State Water Board's core value of the Human Right to Water as adopted in [Resolution No. 2016-0010](#) and therefore directly support the human right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Approves the allocation of up to \$1,455,000 in additional funds from the CAA AB91 appropriation to fund the continuation of the CBWP for up to 25 months, for a total project amount of \$3,430,000, as recommended by staff;
2. Makes the requested funds available until June 30, 2018; and
3. Authorizes the Deputy Director of the Division of Financial Assistance to execute and amend funding agreements for this project.

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 April 19, 2016.

Jeanine Townsend
Clerk to the Board