

STATE WATER RESOURCES CONTROL BOARD  
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE  
APRIL 21, 2005

**ITEM 1**

**SUBJECT**

CONSIDERATION OF A RESOLUTION AUTHORIZING ISSUANCE OF CLEAN WATER ACT (CWA) SECTION 319(h) GRANTS TO IMPLEMENT THE AGRICULTURAL WATER QUALITY PROGRAM (AWQGP)

**DISCUSSION**

Non-point source (NPS) pollution is the leading cause of water quality impairments in California and the nation. CWA Section 319(h) provides grants to states to implement NPS Management Programs. Approximately \$11,000,000 is expected to be available to California under CWA section 319(h) for Federal Fiscal Year (FFY) 2005. The State Water Resources Control Board (State Water Board) has already received a grant for FFY 2004. Funds from FFY 2005 will be used to implement NPS projects and to support NPS contracts and activities managed and performed by the Regional Water Quality Control Boards (Regional Water Boards), the State Water Board, and the California Coastal Commission staffs.

The State Water Board was also appropriated \$11.4 million from the *California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002* (Proposition 40) and \$29.5 million from the *Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002* (Proposition 50) to address water pollution caused by runoff from irrigated agricultural land.

These three fund sources were combined into a consolidated solicitation package based on the AWQGP Guidelines (Guidelines) adopted by the State Water Board on August 26, 2004. On September 8, 2004, public agencies and non-profit organizations were invited to submit proposals for the AWQGP and the CWA Section 319(h) NPS Implementation Grant Program; the deadline to submit proposals was November 10, 2004. Staff held five workshops during the solicitation period around the State to assist applicants in developing their project proposals. Seventy-one grant applications were submitted electronically, and 69 project proposals were found eligible. The total amount of funding requested by grant applicants under the consolidated solicitation was \$39,368,580.

The Guidelines identify two types of projects eligible for grant funding.

- Implementation Projects propose to implement management measures and practices to reduce or eliminate polluted runoff from irrigated agricultural land. Implementation projects to reduce other NPS pollution sources may be considered for the CWA Section 319 program. Implementation projects may be funded up to a maximum of \$1 million from Proposition 50 funds or CWA Section 319 funds. Applicants must provide at least 20 percent of the total project costs with their own funds unless they qualify as a disadvantaged community.

- [Project Planning Monitoring Projects](#) propose to monitor surface water to further define and identify sources of polluted runoff from irrigated agricultural land and develop specific projects that can be implemented to reduce or eliminate this runoff. Monitoring projects may be funded up to a maximum of \$500,000 from Proposition 40 funds. Applicants must provide at least 50 percent of the total project cost with their own funds unless they qualify as a disadvantaged community.

Each proposal received by November 10, 2004, was assigned to at least three independent technical reviewers from a pool of eight Regional Water Quality Control Boards (Regional Water Boards) and nine outside organizations (United States Environmental Protection Agency [USEPA] – Region 9, CA Bay-Delta Authority, CA Department of Food and Agriculture, US Geologic Survey, CA Association of Resource Conservation Districts, CA Department of Pesticide Regulation, Wetlands Subcommittee of the Interagency Coordination Committee, UC Davis Department of Entomology, and UC Sustainable Agriculture Research and Education Program). For consistency, CA Department of Food and Agriculture staff reviewed all 69 eligible proposals.

The AWQGP Selection Panel was comprised of liaisons from the 17 technical reviewers/organizations listed above as well as staff from the Division of Financial Assistance (Division). The Selection Panel met on January 26-27, 2005, and developed a proposed Recommended Projects List (RPL). The State Water Board adopted on March 16, 2005, an RPL that identified projects totaling \$1,999,893 for Proposition 40 funding and projects totaling \$11,337,903 for Proposition 50 funding. At that time, it was acknowledged that the State Water Board would need to amend the RPL to include additional projects, including projects to be funding by CWA section 319.

The amended RPL adopted by this Resolution includes all of the projects currently recommended by the Selection Panel for funding from CWA Section 319. The RPL amendment also changes the funding source for two projects that were identified on the RPL adopted on March 16, 2005. The funding source for those two projects is being changed from Proposition 50 to CWA Section 319. As amended by this Resolution, the RPL identifies projects totaling \$1,999,893 for Proposition 40 funding, \$9,347,758 for Proposition 50 funding, and \$ 3,765,718 for CWA Section 319 funding.

The Selection Panel also identified projects that should be funded if the applicant makes specific changes to the proposal or provides information to answer specific questions. The Division expects to ask the State Water Board to amend the RPL once the modified proposals are deemed fundable by the Selection Panel.

## **POLICY ISSUE**

Should the State Water Board adopt a resolution to:

1. Approve funding for project as recommended on the attached Recommended Projects List.
2. Approve funding for CWA Section 319(h) projects as recommended in the attached Recommended Projects List contingent on grant agreements for the projects being executed after the State Water Board receives CWA Section 319(h) funds from USEPA?
3. Authorize the Executive Director, or her designee, or the Chief of the Division of Financial Assistance to issue grants, contracts, and amendments to implement the projects on the attached Recommended Projects List?

## **FISCAL IMPACT**

The State Water Board was appropriated \$11.4 million from Proposition 40 and \$29.5 million from Proposition 50. The Amended RPL commits \$1,999,893 from Proposition 40 and \$9,347,758 from Proposition 50 to projects. The State Water Board and Regional Water Boards have been provided with state operations funds from Propositions 40 and 50 to administer these programs.

The State Water Board expects that approximately \$11,000,000 will be available in FFY 2005 to support the CWA Section 319 program. The RPL commits \$3,765,718 from CWA Section 319 to specific projects.

Staffing levels approved for the Division and the Regional Water Boards will be sufficient to review, process, and administer grants approved for Proposition 40, Proposition 50, and CWA Section 319 grant funding.

## **RWQCB IMPACT**

Yes. Recommended Projects are in Regions 1, 2, 3, 4, 5, and 7.

## **STAFF RECOMMENDATION**

That the State Water Board:

1. Approve funding for projects as recommended on the attached Recommended Projects List.
2. Approve CWA Section 319(h) funding for projects as recommended in the attached Recommended Projects List contingent on grant agreement being executed after the State Water Board receives the CWA Section 319(h) funds from USEPA.
3. Authorize the Executive Director, or her designee, or the Chief of the Division of Financial Assistance to issue grants, contracts, and amendments to implement the projects on the attached Recommended Projects List.

STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2005 -

CONSIDERATION OF A RESOLUTION AUTHORIZING ISSUANCE OF CLEAN WATER ACT  
(CWA) SECTION 319(h) GRANTS TO IMPLEMENT THE AGRICULTURAL  
WATER QUALITY PROGRAM (AWQGP)

WHEREAS:

1. The CWA Section 319(h) provides grant funds for states to implement Non-Point Source management programs;
2. The State Water Resources Control Board (State Water Board) is the designated State agency in California to administer the NPS Program;
3. The United States Environmental Protection Agency (USEPA) has notified the State Water Board that the expected Federal Fiscal Year (FFY) 2005 CWA Section 319(h) grant allocation of approximately \$11,000,000 will be available to the State;
4. In September 2004, the SWRCB's Division of Financial Assistance (Division) solicited grant proposals to implement the AWQGP and the CWA Section 319(h) NPS Implementation program;
5. The State Water Board approved a Recommended Projects List (RPL) to implement the AWQGP on March 16, 2005;
6. The proposals on the amended RPL were reviewed according to criteria in the AWQCP Guidelines, adopted by the State Water Board on August 26, 2004, by a review panel made up of staff from the State Water Board, eight Regional Water Quality Control Boards, US Environmental Protection Agency, US Geologic Survey, CA Bay-Delta Authority, CA Department of Food and Agriculture, CA Department of Pesticide Regulation, CA Association of Resource Conservation Districts, Wetlands Subcommittee of the Interagency Coordination Committee, UC Davis Department of Entomology, and UC Sustainable Agriculture Research and Education Program. The proposals were also reviewed for administrative readiness by Division staff; and
7. The amended RPL was prepared by the Selection Panel, composed of liaisons from the review panel, in accordance with the adopted AWQGP Guidelines. The projects recommended for funding are those judged by the Selection Panel most likely to reduce or eliminate NPS pollution.

THEREFORE BE IT RESOLVED THAT:

The State Water Resources Control Board:

1. Approves funding for project as recommended on the attached Recommended Projects List;
2. Approves CWA Section 319(h) funding for projects as recommended on the attached Recommended Projects List contingent on grant agreements being executed after the State Water Board receives CWA Section 319(h) funds from USEPA; and

DRAFT  
April 12, 2005

3. Authorizes the Executive Director, or her designee, or the Chief of the Division of Financial Assistance to issue grants, contracts, and amendments to implement the projects on the attached Recommended Projects List.

### **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 April 21, 2005.

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Debbie Irvin  
Clerk to the Board