

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

RESOLUTION NO. R3-2014-0030

**ALLOCATION OF PG&E SETTLEMENT FUNDS TO IMPLEMENT
THE SAFE DRINKING WATER GRANT PROJECT**

The California Regional Water Quality Control Board, Central Coast Region (hereafter “Water Board”), finds that:

Safe Drinking Water Grant Project

1. The Water Board’s Vision for the Central Coast is “Healthy Watersheds,” and one of the Board’s highest priorities is preventing and correcting threats to human health.
2. Individuals and communities in agricultural areas with groundwater affected by nitrate from fertilizers must risk drinking contaminated water, purchase bottled water, or pay for treatment. These individuals and communities are in need of alternative drinking water supplies.
3. The Safe Drinking Water Grant Project will award funds to provide interim safe drinking water to affected individuals and small communities, conduct outreach to affected communities to ensure they are aware of risks of nitrate contamination, and implement projects to reduce nitrate loading to groundwater. Replacement water costs (for both interim and permanent solutions) for affected communities and individuals, as well as costs for necessary outreach and needs evaluation, are far greater than the amount provided for by this grant program.
4. The project is consistent with California’s Human Right to Water, the Central Coast Water Board’s priority to ensure safe drinking water, and is also consistent with the Central Coast Water Board’s intention to prioritize assistance for limited resource farmers who may be unable to provide interim safe drinking water to well users.
5. In the coming fiscal year (2014-15), Water Board staff will initiate the Safe Drinking Water Grant Projects to attain the goals of safe drinking water.
6. The Water Board will prioritize additional funding for interim safe drinking water for limited resource growers and disadvantaged communities in the Greater Salinas Valley and other parts of the Central Coast region affected by nitrate in groundwater, as funds are available.

PG&E Settlement Fund

7. The primary focus for the PG&E settlement funds is to address agricultural water quality issues in the Greater Salinas Valley, focusing on the Elkhorn Slough or Moss Landing Harbor and watersheds tributary to the Slough and Harbor, including the Salinas River, Moro Cojo Slough and Tembladero Slough.

8. Over the past 10 years, the Central Coast Water Board has awarded approximately \$384,300 of PG&E settlement funds to grant projects that encourage on-farm management practices. The PG&E settlement fund has approximately \$118,000 remaining for allocation to projects and approval of this resolution will fully expend this settlement fund. Board approval is required for PG&E settlement fund grant project recommendations that exceed \$50,000.
9. In coordination with the agricultural and environmental justice community, staff is prioritizing the remaining PG&E settlement funds to address the need to provide safe drinking water in agricultural areas affected by nitrate pollution from fertilizers.
10. This project meets the requirements of the PG&E Settlement fund because it addresses agricultural water quality and supports under-served populations. The watersheds covered by these grant agreements drain to the Salinas River, which is a 303(d) listed water body with approved Nutrient Total Maximum Daily Loads requiring protection.

THEREFORE, the Water Board hereby resolves that:

1. The Executive Officer will allocate the remaining PG&E Settlement funds to the Safe Drinking Water Grant Project and approve grant agreements to provide interim safe drinking water to affected individuals and small communities affected by nitrate contamination in groundwater.
2. Project implementation is prioritized to limited resource growers and disadvantaged communities in the Greater Salinas Valley.
3. The Executive Officer will ensure grant agreements are implemented by grantees to provide the services in the most effective manner and will make any necessary adjustments to grant agreements based on local needs for interim safe drinking water and grant performance. The Executive Officer will provide progress reports to the Water Board, including recommendations to augment the Safe Drinking Water Grant Project with additional funding.

I, Kenneth A. Harris, Executive Officer of the California Regional Water Quality Control Board, Central Coast Region, do hereby certify the foregoing is a full, true, and correct copy of a Resolution adopted by the California Regional Water Quality Control Board, Central Coast Region, on May 22, 2014.

Executive Officer

Date

P:\NPS\Grants + Mitig Funds\PGE_Fund\Safe Drinking Water\Staff Report\Supplemental\Item11 Att 2 Safe Drinking Water Resolution_050914forSecMngr.doc