

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

RESOLUTION NO. R3-2007-0064

CCAMP ENDOWMENT FUND AUGMENTATION

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

1. The Water Board has utilized funds from various sources since 1998 to help build a Central Coast Ambient Monitoring Program ("CCAMP") to conduct water quality monitoring in the Central Coast.
2. CCAMP has operated as a "public-private partnership" with the Bay Foundation of Morro Bay ("Bay Foundation") and other non-profit organizations since its inception.
3. The Water Board established a vision and tangible goals for the Central Coast Region, and CCAMP is a main tool for measuring the Water Board's performance in achieving it vision and goals. CCAMP must be capable of tracking key parameters, such as water quality, flow, and biological and physical parameters.
4. The existing CCAMP endowment, and highly variable State Water Board funding, are not adequate to cover the costs of a basic regional water quality monitoring program, or the additional biological and physical parameters that must be added to the program.
5. The CCAMP endowment must be augmented by \$5 million to help provide a reliable funding source and to conduct the necessary region wide performance monitoring.

Guadalupe Fund

6. In 1998, approximately \$15.6 million from the UNOCAL settlement associated with pollution at the Guadalupe Oil Field was deposited into a settlement trust (the "NFWF Trust") held by the National Fish and Wildlife Foundation (NFWF).
7. The Water Board selected the first round of Guadalupe projects in 1999 through a general Request for Proposals. The Water Board approved the projects in Water Board Resolution No. 99-02 "Guadalupe Oil Field Settlement Water Quality Projects." One of the nine competitively funded initial projects established a \$2 million endowment for CCAMP. The Water Board did not limit the geographical area that could be monitored using the endowment funds.
8. Water Board staff, and not a separate organization, was the grant proponent. NFWF maintained the funds and paid invoices upon approval by Water Board staff. Staff has established the amount of NFWF expenditures for each year since 2000, to support contract sampling staff, data management support, laboratory analytical costs, and purchase of monitoring equipment. Other than paying invoices, NFWF does not participate in management of CCAMP or its other funding sources.

Item No. 23 Attachment 2
July 6, 2007 Meeting
Proposal to Fund Low Impact Dev
Institute & Increase CCAMP
Endowment Fund

Bay Foundation of Morro Bay

9. On March 23, 2007, the Water Board transferred the existing \$2 million CCAMP endowment to the Bay Foundation of Morro Bay ("Bay Foundation") via Resolution No. R3-2007-0042. The Bay Foundation manages the endowment and performs additional services for CCAMP.
10. The Bay Foundation provides CCAMP with field staff who are Foundation employees, and as such have worker's compensation and health care coverage. The proposed Grant Agreement and Memorandum of Understanding do not require the Foundation to use its employees in carrying out CCAMP-related functions.
11. The Bay Foundation's mission is directly related to support of water quality in the Central Coast Region: "Provide leadership in restoring, enhancing, and protecting the marine resources and watersheds of Morro Bay, Estero Bay, and the Central Coast of California."

THEREFORE, the Water Board hereby resolves that:

1. \$5 million shall be transferred from the NFWF Trust to the CCAMP Endowment to be established at the Bay Foundation.
2. Leveraging of the CCAMP endowment is one of the Water Board's top priorities, with a goal of achieving a total endowment of \$20 million. The Bay Foundation and Water Board staff shall diligently pursue additional funding for the CCAMP endowment to achieve this goal.
3. Only interest earnings from the CCAMP endowment may be spent for CCAMP activities. Under no circumstances shall the principal amount be spent unless authorized by the Water Board at a public meeting.
4. Water Board staff is directed to finalize the necessary agreements with NFWF and the Bay Foundation.

I, Roger W. Briggs, 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 July 6, 2007.

Executive Officer

Date