STATE WATER RESOURCES CONTROL BOARD BOARD MEETING SESSION--DIVISION OF WATER QUALITY JULY 19, 2006

ITEM 9

SUBJECT

CONSIDERATION OF A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR DESIGNEE TO APPLY FOR, ACCEPT, AND/OR AMEND A FEDERAL CLEAN WATER ACT SECTION 205(j) GRANT

DISCUSSION

Section 205(j) of the federal Clean Water Act (CWA) authorizes states to reserve up to one percent of their annual Title II Clean Water Construction Grant allocation for water quality management planning activities. Beginning in federal Fiscal Year (FFY) 1989, CWA section 604(b) supplemented CWA section 205(j)(2) to maintain such funding (State Revolving Fund). Funding is provided each year to the State Water Resources Control Board (State Water Board) by the U.S. Environmental Protection Agency (USEPA). These funds are administered by the Division of Water Quality (DWQ). Annual grants to the State Water Board are usually less than \$1 million, and the State Water Board has typically been required by CWA to pass through a minimum of 40 percent of these funds to local agencies for planning projects. Due to continuing reductions in the State Revolving Fund, the 205(j) grant funding continues to diminish each year.

The Phase 20 205(j) grant for FFY 2006 is for \$632,617. The State Water Board received a waiver from USEPA for FFY 2006, allowing use of the section 205(j) grant to support DWQ's overall water quality planning program rather than pass through 40 percent to local agencies. Full use of these funds for the State Water Board's core water quality planning program will significantly augment its highest priority activities and will represent the most effective use of these funds. Retention of the "pass-through" funds is necessary to supplement the statewide water quality planning effort at the State Water Board, and these funds potentially benefit the Regional Water Quality Control Boards (Regional Water Boards) as well. Priority activities include developing statewide water quality objectives for bacteria and nutrients and other important activities related to DWQ's workload associated with processing Total Maximum Daily Loads. These activities are accomplished through "in-kind" service agreements with USEPA.

POLICY ISSUE

Should the State Water Board accept the FFY 2006 Phase 20 205(j) grant?

FISCAL IMPACT

Acceptance of this grant will make available \$623,617 to augment DWQ's budget for State Fiscal Year 2006/07.

REGIONAL WATER BOARD IMPACT

Yes, all Regional Water Boards could potentially benefit from acceptance of this grant.

STAFF RECOMMENDATION

That the State Water Board:

- 1. Authorizes the Executive Director or designee to apply for, accept, and/or amend the FFY 2006 Phase 20 water quality management planning grant under CWA sections 205(j) and 604(b).
- 2. Authorizes the Executive Director or designee to approve the final Phase 20 water quality management planning workplan.

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2006 -

AUTHORIZING THE EXECUTIVE DIRECTOR OR DESIGNEE TO APPLY FOR, ACCEPT, AND/OR AMEND A FEDERAL CLEAN WATER ACT SECTION 205(j) GRANT

WHEREAS:

- Section 205(j) of the federal Clean Water Act (CWA) authorizes states to reserve up to one percent of their annual Title II Clean Water Construction Grant allocation for water quality management planning activities. Beginning in federal Fiscal Year (FFY) 1989, CWA section 604(b) supplemented CWA section 205(j)(2) to maintain such funding (State Revolving Fund).
- 2. A total of \$632,617 will be available in FFY 2006 for funding the water quality management planning program from CWA section 604(b), of which 40 percent is typically passed through to local agencies for projects.
- 3. Due to continuing reductions in the State Revolving Fund, the 205(j) grant funding continues to diminish each year.
- 4. The State Water Resources Control Board (State Water Board) has been granted a waiver from the pass-through requirement from the U.S. Environmental Protection Agency (USEPA), the federal granting agency, and will use the 205(j) grant to support its overall water quality planning program.
- 5. The core water quality planning activities managed by the State Water Board through the Division of Water Quality will significantly benefit from the supplemental funding provided by the annual section 205(j) grant. These include developing statewide water quality objectives for bacteria and nutrients and other important activities related to the workload associated with processing Total Maximum Daily Loads. Regional Water Quality Control Boards potentially benefit from acceptance of this grant.
- 6. In-kind services with USEPA, as well as staff resources from the 205(j) grant, will contribute significantly to meeting these needs.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

- 1. Authorizes the Executive Director or designee to apply for, accept, and/or amend the FFY 2006 Phase 20 water quality management planning grant under CWA sections 205(j) and 604(b).
- 2. Authorizes the Executive Director or designee to approve the final Phase 20 water quality management planning workplan.

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 July 19, 2006.

Song Her Clerk to the Board