

**STATE WATER RESOURCES CONTROL BOARD  
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE  
OCTOBER 19, 2010**

**ITEM 3**

**SUBJECT**

CONSIDERATION OF A RESOLUTION APPROVING ADDITIONAL FUNDS TO SAN MATEO RESOURCE CONSERVATION DISTRICT'S (DISTRICT) PILLAR POINT HARBOR SOURCE IDENTIFICATION PROJECT (PROJECT)

**DISCUSSION**

The State Water Resources Control Board (State Water Board) is authorized to administer grants for projects that restore and protect the water quality and environment of coastal waters, estuaries, bays, and near shore waters using funding from Propositions 13 (Wat. Code, §79000 et seq.) and 50 (Wat. Code, §79500 et seq.) through the Clean Beaches Initiative (CBI) Grant Program.

On October 26, 2006, the State Water Board adopted CBI Grant Program Guidelines ([Resolution No. 2006-0074](#)) establishing the process and criteria to solicit applications, evaluate proposals, and award grants. Division of Financial Assistance (Division) staff solicited Concept Proposals (CPs) according to the process in the Guidelines. The Clean Beaches Task Force (CBTF) reviewed the CPs and developed a Recommended Project List (RPL) in February 2007.

The RPL was adopted by the State Water Board ([Resolution No. 2007-0014](#)) on April 18, 2007. Applicants with projects on the RPL were invited to submit detailed applications. Grant funding was awarded to projects on the adopted RPL in the order complete applications were received until the funding appropriation expired.

The District submitted a CP for the Project and was placed on the RPL. The District submitted a detailed application as outlined in the CBI Grant Program Guidelines. On July 27, 2007, the Division approved a CBI grant in the amount of \$845,611 for the District's Project. The District's Board of Directors adopted a Resolution on December 20, 2007, authorizing the District to enter into a Grant Agreement with the State Water Board. The CBI agreement between the State Water Board and the District was executed on January 2, 2008.

The District was implementing the Project when the Department of Finance (DOF) issued Budget Letter (BL) 08-33 on December 17, 2008, suspending the disbursement of bond proceeds. The DOF issued BLs 09-09 and 09-15 on April 3, 2009, and May 6, 2008, respectively, providing guidance to administering agencies on re-starting suspended projects using proceeds from up front bond sales. On April 27, 2010, DOF issued BL 10-09, authorizing new project awards.

The Division notified the District on January 21, 2010, that it was authorized to re-start its project if it could be completed within the original budget by March 1, 2010. The District sent a letter to the State Water Board, dated April 29, 2010, requesting additional time to complete the Project and additional funding to cover increased costs that would be incurred as a result of the bond suspension. This item would add funds in the amount of \$202,683 to the Project to cover cost

increases as requested by the District. Specifically, personnel costs have risen, quantitative polymerase chain reaction (PCR) reagents have expired and need to be repurchased, stream gauges must be reinstalled, and all field equipment must be re-calibrated. Additionally, the stop work order was issued partway through a wet season of monitoring, providing an incomplete and misleading data set that cannot be used. It is necessary to repeat much of the data collection that was done during that time in order to collect a full continuous season of data.

## **POLICY ISSUE**

Should the State Water Board:

1. Approve adding \$202,683 to the Project for increased costs resulting from the suspension of the Project during the bond freeze?
2. Authorize the Deputy Director of the Division to execute the amendment and add these funds to the Project, as they are available from the CBI Grant Program?

## **FISCAL IMPACT**

Local assistance funds authorized from the CBI Grant Program with funding from either Proposition 13 or 50 are sufficient to fund the recommended Project. Staff resources to manage the projects are available from the five percent administration allocation authorized by the bonds.

## **REGIONAL WATER BOARD IMPACT**

The San Francisco Regional Water Quality Control Board has reviewed the Project and determined that it is consistent with existing Water Quality Control Plans.

## **STAFF RECOMMENDATION**

The State Water Board should:

1. Approve adding \$202,683 to the Project from the CBI Grant Program for increased costs resulting from the suspension of the Project during the bond freeze; and
2. Authorize the Deputy Director of the Division to execute the amendment and add these funds to the Project, as they are available from the CBI Grant Program.

State Water Board action on this item will assist the Water Boards in reaching Goal 1 of the Strategic Plan Update: 2008-2012 to implement strategies to fully support the beneficial uses for all 2006 listed water bodies by 2030. Approval of this item will: (1) manage urban runoff volume to reduce pollutant loadings, (2) reduce wet weather beach postings, (3) eliminate dry weather beach closures and postings, and (4) use management techniques to promote sustainable water supplies.

# DRAFT

## STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2010-

### APPROVING ADDITIONAL FUNDS TO SAN MATEO RESOURCE CONSERVATION DISTRICT'S (DISTRICT) PILLAR POINT HARBOR SOURCE IDENTIFICATION PROJECT (PROJECT)

#### WHEREAS:

1. The State Water Resources Control Board (State Water Board) is authorized to administer the Clean Beaches Initiative (CBI) Grant Program with funding from Propositions 13 (Wat. Code, §79000 et seq.) and 50 (Wat. Code, §79500 et seq.);
2. The Clean Beaches Task Force (CBTF) was appointed by the State Water Board in Resolution No. 2006-0072 to review and recommend projects for Proposition 50 Clean Beaches funding;
3. Projects for the CBI Grant Program were solicited using the procedures and criteria established in the CBI Program Guidelines, adopted by the State Water Board on October 26, 2006 ([Resolution No. 2006-0074](#));
4. The CBTF reviewed all complete proposals and developed the Recommended Project List (RPL) for the Proposition 50 CBI funding;
5. The RPL was adopted by the State Water Board ([Resolution No. 2007-0014](#)) at the April 18, 2007 Meeting;
6. On July 27, 2007, the Division of Financial Assistance approved a CBI grant in the amount of \$845,611 for the District's Project;
7. The Department of Finance issued Budget Letter 08-33 on December 17, 2008, suspending the disbursement of bond proceeds; and
8. The District submitted a letter dated April 29, 2010, requesting additional funds in the amount of \$202,683 be added to the Project to cover increased costs that would be incurred as a result of the bond suspension.

#### THEREFORE BE IT RESOLVED THAT:

#### The State Water Board:

1. Approves adding \$202,683 to the Project from the CBI Grant Program for increased costs resulting from the suspension of the Project during the bond freeze; and

## **D R A F T**

2. Authorizes the Deputy Director of the Division to execute the amendment and add these funds to the Project, as they are available from the CBI Grant Program.

### **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 October 19, 2010.

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Jeanine Townsend  
Clerk to the Board