

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
MAY 17, 2011**

ITEM 6

SUBJECT

CONSIDERATION OF A RESOLUTION FOR THE ADOPTION OF THE AMENDED 2010/2011 INTENDED USE PLAN (IUP)

DISCUSSION

Federal law and regulation require the State Water Resources Control Board (State Water Board) to submit an IUP at least annually to the U.S. Environmental Protection Agency (U.S. EPA). The IUP is a required element of the application to U.S. EPA for capitalization grants to the CWSRF.

The IUP explains how the Division of Financial Assistance (Division) intends to implement the CWSRF Program considering the availability of funds, the relative completeness of the applications in-house, and state and regional water quality priorities. The IUP includes activities planned for the year, and measurements to monitor the CWSRF Program's performance.

The State Water Board adopted the state fiscal year (SFY) 2010/2011 IUP consistent with federal requirements on August 3, 2010 ([Resolution No. 2010-0037](#)), and the Division submitted the approved IUP to U.S. EPA to complete its federal fiscal year (FFY) 2010 grant application. U.S. EPA awarded the State Water Board the FFY 2010 grant on August 27, 2010.

The 2010/2011 IUP included provisions affecting the award of principal forgiveness (grant) funds available from the FFY 2010 capitalization grant. Division staff believes the State Water Board should modify the conditions associated with the 2010 grant funds and make additional changes to achieve better water quality outcomes with the funds available to the program.

U.S. EPA has also advised Division staff to submit capitalization grant applications sooner than it has in the past. After the amended 2010/2011 IUP is approved by the Board, it will be submitted to U.S. EPA as part of the FFY 2011 capitalization grant application. Division staff plans to present future IUPs to the Board for consideration in September each year, to coincide with the FFY, so that the IUP and capitalization grant application can be submitted as soon as possible after the beginning of the federal fiscal year in October. Staff plans to present a new IUP to the Board in September 2011 for approval for the FFY 2012 grant application.

Division staff notified stakeholders and interested parties of their opportunity to comment on the draft amended SFY 2010/2011 IUP.

POLICY ISSUES

Should the State Water Board approve the amended SFY 2010/2011 IUP?

REGIONAL WATER BOARD IMPACT

The amended SFY 2010/2011 IUP will help municipalities and other eligible applicants carry out projects that comply with Regional Water Boards' discharge requirements, address Regional Water Board enforcement orders, or contribute to Basin Plan Goals.

FISCAL IMPACT

In the IUP, *Section III. Program Capabilities*, provides a complete analysis of the fiscal impact associated with adopting the amended SFY 2010/2011 IUP.

STAFF RECOMMENDATION

The State Water Board should approve the amended SFY 2010/2011 IUP.

State Water Board action on this item will assist the Water Boards in reaching the following Goals of the Strategic Plan Update 2008-2012: Goal 1: to implement strategies to fully support the beneficial uses for all 2006-listed water bodies by 2030. Goal 5: Improve transparency and accountability by ensuring that Water Board goals and actions are clear and accessible, by demonstrating and explaining results achieved with respect to the goals and resources available, by enhancing and improving accessibility of data and information, and by encouraging the creating of organizations or cooperative agreements that advance this goal, such as establishment of a statewide water data institute.

DRAFT

STATE WATER REOURCES CONTROL BOARD RESOLUTION NO. 2011-

AMEND THE 2010/2011 INTENDED USE PLAN (IUP)

WHEREAS:

1. The Division of Financial Assistance prepared a draft amended State Fiscal Year (SFY) 2010/2011 IUP in compliance with federal rules and solicited public comment on the document;
2. States must submit an IUP to United States Environmental Protection Agency (U.S. EPA) at least annually, and the IUP is a required element of the capitalization grant application; and
3. California may submit the Federal Fiscal Year (FFY) 2011 capitalization grant application.

THEREFORE BE IT RESOLVED THAT:

The State Water Resources Control Board (State Water Board) approves the [amended SFY 2010/2011 IUP](#).

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 May 17, 2011.

Jeanine Townsend
Clerk to the Board