

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
AUGUST 20, 2013**

ITEM 5

SUBJECT

CONSIDERATION OF A PROPOSED RESOLUTION TO AMEND THE PROPOSITION 84 STORMWATER GRANT PROGRAM (SWGPP) GUIDELINES (GUIDELINES)

DISCUSSION

The *Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006* (Public Resources Code (PRC) §75001 et seq.) (Proposition 84), was approved by California voters in 2006. Proposition 84 provided \$90 million to the State Water Resources Control Board (State Water Board) for matching grants to local public agencies for the reduction and prevention of storm water contamination of rivers, lakes, and streams (PRC § 75050[m]). After bond and program administration costs, approximately \$82 million was available for grants through the SWGP.

The State Water Board appointed a Storm Water Advisory Task Force (SWATF) to help develop SWGP project selection and evaluation Guidelines (Water Code §13383.8). The Guidelines establish the process and criteria that the Division of Financial Assistance (Division) uses to solicit applications, evaluate proposals, and award grants. The SWGP Guidelines were adopted by the State Water Board on February 17, 2009 ([Resolution No. 2009-0017](#)). In 2012, when funding became available, Division staff initiated the process of soliciting proposals, evaluating, and awarding the first round (Round 1) of SWGP projects ([Resolution Nos. 2012-0033](#) and [2012-0050](#)). Approximately \$48.7 million was awarded during Round 1, including \$39.8 million for implementation projects and \$8.9 million for planning and monitoring projects.

The remaining \$33.6 million in Proposition 84 SWGP funds will be awarded in a second round of funding (Round 2). In addition, \$4.8 million is available from unused or re-appropriated Proposition 40 (PRC § 5096.600 et seq.) Urban Stormwater Program funds, for a total of \$38.4 million available to award in Round 2 of the SWGP. In anticipation of the Round 2 funding cycle, Division staff is proposing revised Guidelines ([Attachment](#)) to address funding availability, update SWGP preferences, and update and clarify the scoring criteria and competitive selection process, as follows:

- 1) Only implementation projects will be eligible for Round 2 funds. PRC § 75072 allows up to ten percent of grant funds (\$9 million) to be used to finance planning and monitoring projects. Since \$8.9 million was awarded to planning and monitoring projects in Round 1, no additional planning and monitoring funding will be offered in Round 2.
- 2) In developing the 2009 Guidelines, the SWATF recommended that up to \$10 million be used for stormwater-related TMDL projects, where the TMDL could not be addressed through an LID approach. Since \$7.9 million was awarded to TMDL projects in Round 1, based upon input from the SWATF, no additional funds will be offered solely to TMDL projects in Round 2.
- 3) The application process and scoring criteria have been restructured and streamlined.

- 4) Eligible project types must implement requirements of a Municipal Separate Storm Sewer System (MS4) Permit.
- 5) The Guidelines include a provision that authorizes the State Water Board Executive Director or designee to approve the list of projects recommended for funding by Division staff.

Division staff provided a draft version of the revised Guidelines to the SWATF for review and comment. Following the SWATF review period, the revised Guidelines were circulated on July 17, 2013, through the SWGP Lyris email subscription list. Comments received have been taken into consideration by Division staff. A list of the comments and the Division staff's responses are posted on the SWGP website.

POLICY ISSUE

Should the State Water Board:

1. Adopt the amended SWGP Guidelines?
2. Authorize the State Water Board Executive Director or designee to approve proposed projects?
3. Authorize the Deputy Director of the Division to execute grant agreements and amendments to implement the proposed projects?
4. Authorize the Deputy Director of the Division to utilize money from projects which are withdrawn or completed under budget to fund additional projects recommended by the Division staff, or augment the scope of work and budget of projects previously awarded?
5. Authorize the Deputy Director of the Division to withdraw grant awards if applicants are non-responsive?

FISCAL IMPACT

Proposition 84 provided \$90 million to the State Water Board for matching grants to local public agencies for the reduction and prevention of storm water contamination of rivers, lakes, and streams. Approximately \$4.8 million is also available from unused or re-appropriated Proposition 40 Urban Stormwater Program funds. Staff costs will be funded by our administrative set-aside.

REGIONAL BOARD IMPACT

Yes, all Regional Water Boards.

STAFF RECOMMENDATION

That the State Water Board approve the proposed Resolution.

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. In particular, approval of this item will: (1) address Total Maximum Daily Loads (TMDLs) and (2) manage urban runoff to reduce pollutant loadings.

DRAFT

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2013-

AMEND THE PROPOSITION 84 STORMWATER GRANT PROGRAM (SWGP) GUIDELINES (GUIDELINES)

WHEREAS:

1. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Pub. Resources Code, §75001 et seq.) (Proposition 84) authorizes \$90 million to provide matching grants to local public agencies for the reduction and prevention of stormwater contamination of rivers, lakes, and streams, of which approximately \$33.6 million remains available for the SWGP;
2. Approximately \$4.8 million of unused or re-appropriated Proposition 40 (PRC § 5096.600 et seq.) Urban Stormwater Program funds are also available;
3. The Guidelines inform applicants of available funds and eligible project types, establish the SWGP criteria, and provide the review and selection process for awarding SWGP funds; and
4. The SWGP Guidelines were previously adopted by the State Water Board on February 17, 2009 (Resolution No. 2009-0017). Division staff (1) propose revised Guidelines to address the current availability of funds, update SWGP preferences, and update and clarify the scoring criteria and competitive selection process; (2) presented the proposed revisions to the Storm Water Advisory Task Force (SWATF); (3) circulated the revised document for comment; and (4) took comments into consideration in the proposed revisions to the Guidelines.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Adopts the amended [SWGP Guidelines](#).
2. Authorizes the State Water Board Executive Director or designee to approve proposed projects.
3. Authorizes the Deputy Director of the Division to execute grant agreements and amendments to implement the proposed projects.
4. Authorizes the Deputy Director of the Division to utilize funds from projects which are withdrawn or completed under budget to fund additional projects recommended by the Division staff, or augment the scope of work and budget of projects previously awarded.

D R A F T

5. Authorizes the Deputy Director of the Division to withdraw grant awards if applicants are non-responsive.

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 August 20, 2013.

Jeanine Townsend
Clerk to the Board