

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2023-0013**

AMENDING THE PROPOSITION 1 GROUNDWATER GRANT PROGRAM GUIDELINES

WHEREAS:

1. The *Water Quality, Supply, and Infrastructure Improvement Act of 2014* (Prop 1) authorizes \$720 million to the State Water Resources Control Board (State Water Board) to provide competitive grants for projects that prevent or clean up contamination of groundwater that serves or has served as a source of drinking water (California Water Code § 79771);
2. The State Water Board set aside \$144 million for projects serving disadvantaged communities (DACs) and economically distressed areas, and will ensure that at least \$72 million of those funds go to projects that serve severely disadvantaged communities (SDACs) (Water Code section 79774(d));
3. The [Prop 1 Groundwater Grant Program Guidelines](#) (Guidelines) were adopted on May 18, 2016 ([Resolution No. 2016-0028](#)) and amended on December 19, 2017 ([Resolution No. 2017-0075](#)) and February 2, 2021 ([Resolution No. 2021-0003](#));
4. The Prop 1 Groundwater Grant Program has completed two funding solicitations (Round 1 and Round 2) and is currently negotiating funding agreements with the grant recipients of the third solicitation (Round 3);
5. Execution of the Round 3 funding agreements will leave approximately \$21.8 million for projects that serve SDACs, in addition to \$27.5 million for all Groundwater Grant Program projects regardless of the service area's economic status;
6. Division of Financial Assistance (DFA) staff have proposed amendments to allow for the Deputy Director of DFA to completely waive the local cost share (match) requirements for certain funding awards that benefit DACs and SDACs, to the extent authorized by statute; clarify the language regarding Drinking Water Treatment and Wastewater projects; update the technical assistance set-aside section; and provide minor status updates throughout the document;
7. Draft amendments were posted for public review and comment on March 23, 2023. Written public comments were due at noon on April 25, 2023; and

8. DFA staff have considered all comments in preparing the amended Guidelines for the State Water Board's consideration.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Adopts the attached amended Guidelines;
2. Authorizes the Deputy Director of DFA to make non-substantive changes to the Guidelines;
3. Authorizes the Deputy Director of DFA, or designee, to award grants and execute grant agreements and amendments for routine, non-controversial projects consistent with the Guidelines;
4. Authorizes the Deputy Director of DFA to utilize funds from projects which are withdrawn or completed under budget to fund additional projects, or to utilize available funds to augment the scope of work and budget of projects previously awarded, consistent with the Guidelines;
5. Authorizes the Deputy Director of DFA to withdraw a grant award if the applicant is non-responsive or DFA has exhausted reasonable efforts to resolve issues that prevent the execution of a grant agreement; and
6. Authorizes the Deputy Director of DFA to terminate a grant agreement where there is a violation of a material provision of the agreement by the recipient.

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 May 2, 2023.

AYE: Chair E. Joaquin Esquivel
Vice Chair Dorene D'Adamo
Board Member Sean Maguire
Board Member Laurel Firestone

NAY: None

ABSENT: Board Member Nichole Morgan

ABSTAIN: None



Courtney Tyler
Clerk to the Board