

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

STAFF REPORT FOR REGULAR MEETING OF MAY 22-23, 2014

Prepared on April 10, 2014

ITEM NUMBER: 11

SUBJECT: Grants Program

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KEY INFORMATION:

Location: Salinas Valley
Type of Grant: PG&E Settlement Fund

THIS ACTION: Resolution to Allocate PG&E Settlement Funding for the Safe Drinking Water Grant Project

SUMMARY

This item recommends approval of Board Resolution No. R3-2014-0030, which allocates approximately \$118,000 from the PG&E settlement fund to the Safe Drinking Water Grant Project. In response to a recently released Request for Proposals (RFP), Central Coast Water Board staff has received numerous inquiries and expects to receive several proposals from prospective grantees on or before the May 1, 2014 due date.

DISCUSSION

Currently, the PG&E settlement fund has approximately \$118,000 remaining for allocation to projects and this recommended project will fully expend this settlement fund. Board approval is required for PG&E settlement fund grant project recommendations that exceed \$50,000. In coordination with the agricultural and environmental justice community, staff is prioritizing the remaining PG&E settlement funds to address the need to provide safe drinking water in agricultural areas affected by nitrate pollution.

The Safe Drinking Water grant project will award funds to provide interim safe drinking water to affected individuals and small communities, implement projects to reduce nitrate loading to groundwater, and conduct outreach to affected communities to ensure they are aware of risks of nitrate contamination. Assistance would be prioritized to providing interim safe drinking water for disadvantaged communities and limited resource growers in the greater Salinas Valley. The project is consistent with California's Human Right to Water, the Central Coast Water Board's priority to ensure safe drinking water, and is also consistent with the Central Coast Water Board's effort to prioritize assistance for limited resource farmers who may be unable to provide interim safe drinking water to well users.

On April 3, 2014, staff released a Request for Proposals (RFP) to implement the Safe Drinking Water grant project. The RFP is Attachment 1 to the Staff Report. Proposals are due by May 1, 2014. Water Board staff will provide grant project recommendations and a draft Resolution No. R3-2014-0030 to Board members in a Supplemental Sheet.

Background: In 2003, the Central Water Board and PG&E agreed to settle a dispute regarding alleged violations of the National Pollutant Discharge System Permits (NPDES permits) that were held by PG&E from 1974 through 1998 for the company's operation of the Moss Landing Power Plant in Monterey County. The primary focus for the PG&E settlement funds, as outlined in the consent judgment, is to address agricultural water quality issues in the greater Salinas Valley, focusing on the Elkhorn Slough or Moss Landing Harbor and watersheds tributary to the Slough and Harbor, including the Salinas River, Moro Cojo Slough and Tembladero Slough.

Over the past 10 years, the Central Coast Water Board has awarded approximately \$384,300 of PG&E settlement funds to grant projects that encourage on-farm management practices for source control (e.g. irrigation and nutrient management) and pollution control (e.g. sediment detention basins to prevent pollutants from entering public waterways). Water Board staff routinely coordinates with technical assistance providers and researchers to determine potential grant projects. A complete list of projects funded by PG&E settlement funds is available at: http://www.waterboards.ca.gov/centralcoast/water_issues/programs/grants/pge_grants.shtml

Additionally, thousands of homes in the Central Coast Region do not have safe drinking water available to them because of nitrate pollution in groundwater. This proposed project targets those at risk, understanding that this project amount is grossly inadequate to address all of those exposed to unsafe nitrate-impacted drinking water throughout the region.

Recommendation

Water Board staff recommends adoption of Resolution No. R3-2014-0030 to allocate approximately \$118,000 to fund the Safe Drinking Water Grant Project.

ATTACHMENT

1. Request for Proposals – Safe Drinking Water Project

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