

EXECUTIVE OFFICER SUMMARY REPORT
March 12, 2008

ITEM: 9

SUBJECT: State Grant Projects: Report on the following four completed grant projects funded through Proposition 13:

- a. Upper Sulphur Creek Restoration Project, City of Laguna Niguel
- b. Restoration and Recharge Projects, Lakeside River Park Conservancy
- c. Restoration of Riparian / Wetlands Habitat in the Carlsbad Hydrologic Unit, San Elijo Lagoon Conservancy
- d. Famosa Slough Wetland Restoration/Fill Removal, Friends of Famosa Slough

Representatives for each project will provide a summary of the projects, accomplishments, and future work. (*David Gibson*).

PURPOSE: A status report on four completed grant funded projects.

PUBLIC NOTICE: None required.

DISCUSSION: Prior to 2000, grant funding for water quality protection and improvement projects were limited to federal Clean Water Act sections 319(h) and 205(j) grant programs. Annual funding available statewide under these grant programs was generally less than 10 million dollars. Since 2000, California voters approved four Bond Acts (Propositions 13, 40, 50, and 84) that authorized the State to sell approximately 13 billion dollars in general obligation bonds. Some of these funds are made available via competitive grants through the State Water Resources Control Board and Regional Boards. The three rounds of competitive Proposition 13 grants were awarded in 2001, 2002, and 2003.

While there are now a number of federal and state grant programs that provide financial support for watershed and water quality projects, these funding sources usually have varying objectives, requirements, and eligibility standards.

Project proponents and their partners must refine their projects to fit with the specifications of a funding program. Moreover, these projects are also shaped and directed in part by local watershed and other management plans, the San Diego Region Basin Plan and Watershed Management Initiative Chapter, and the California Non Point Source Pollution Control Plan. Thus, project proponents must frequently develop proposals over several years and iterations.

The Regional Board assists project proponents and their partners by identifying funding sources and providing technical support in the development and refinement of project ideas and formal proposals. For each of the Bond Act and federal 319(h) grant funded projects, the Regional Board performs an oversight role in managing the contracts. Since 2001, the Regional Board has managed 58 grant funded projects totaling \$74,760,357 in project costs. Thirty-one of these projects have been successfully completed by the grantees.

Since 2003, six applicants have been compelled to withdraw their projects from the funding lists because the project was no longer viable or they were unable to finalize a contract for the project. In addition, 5 contracted projects were terminated for cause by the State Water Board Division of Financial Assistance (DFA) at the recommendation of the San Diego Regional Board Executive Officer. Because of the problems that the Regional Board staff identified with these failed projects, the San Diego region Grant Coordinator developed a more formal Breach of Agreement process in 2004 that is now in use statewide by DFA and Regional Board grant managers to alert Projects Directors and their employers/partners to the problems with a project and the means by which to resolve those problems.

Presently, there are 22 projects worth approximately 39 million dollars in the San Diego Region funded through the Propositions 13, 40, and 50 and federal 319(h) grant programs (Supporting Document 1).

Four projects have been selected for a status report to the Board on the success and findings of their projects (Supporting Document 2)

LEGAL CONCERNS: None

SUPPORTING
DOCUMENTS:

1. Status of Active Proposition 13, 40, and 50 Grant Funded Projects.
2. Summary of Four Successful Grant Funded Projects.

RECOMMENDATION(S): None.