

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION — DIVISION OF FINANCIAL ASSISTANCE
APRIL 15, 2008**

ITEM 5

SUBJECT

CONSIDERATION OF A RESOLUTION APPROVING PROJECTS, AND AUTHORIZING ISSUANCE OF GRANTS FOR THE 2007-2008 319(h) NONPOINT SOURCE (NPS) GRANT PROGRAM

DISCUSSION

The Federal Clean Water Act (CWA) §319(h) provides grants to States to implement NPS Management Programs. A portion of the funds may be used for grants to implement watershed-based plans to restore impaired water bodies. The State Water Resources Control Board (State Water Board) has approximately \$4,050,000 from Federal Fiscal Year (FFY) 2008 and \$1,600,000 from FFY 2007 for CWA §319(h) Projects.

Projects for the 2007-2008 319(h) NPS Grant Program were solicited using the procedures and criteria established by the State Water Board in the 2005-06 Consolidated Grants Guidelines (Guidelines). On September 14, 2007, a solicitation notice for the 2007-2008 319(h) NPS Grant Program was released to initiate the solicitation process for 319(h) Projects.

The 2007-2008 319(h) NPS Grant Program solicitation consisted of a two-step process. In the first step, applicants submitted brief Concept Proposals (CP) using the State Water Board's on-line Financial Assistance Application Submittal Tool. Applicants with the highest-ranking CPs were invited to submit a Full Proposal by January 31, 2008.

Technical reviewers and a final selection panel consisting of staff from the State Water Board, the nine Regional Water Quality Control Boards (Regional Water Boards), and the U.S. Environmental Protection Agency reviewed and ranked proposals received in response to the solicitation notice. The Selection Panel convened and developed the Recommended Funding List, which is presented as [Exhibit 1](#).

The Projects in Exhibit 1 are listed in order of their funding preference and Projects above the funding line, are recommended for funding at this time. The Projects recommended for funding represent the most competitive proposals that address the criteria adopted in the Guidelines, including providing significant pollutant load reductions that contribute to the restoration of a nonpoint source impaired 303(d) listed water body, and providing adequate information for Grant Agreement preparation. Non-responsiveness to executing Grant Agreements has been an issue with a handful of past grant recipients. In several cases, non-responsiveness has resulted in grant funds being left unused for a substantial and unwarranted amount of time and has caused the termination of Grant Agreements. For this reason, the Guidelines state that lack of responsiveness prior to finalizing and executing a Grant Agreement may result in withdrawal of the grant award. If grant awards are withdrawn, the funds will be made available to other eligible proposals presented on the Recommended Funding List, which are below the funding line at the time of the State Water Board awards.

POLICY ISSUE

Should the State Water Board:

1. Approve the funding for Projects on the Recommended Funding List above the funding line for 2007-2008 319(h) NPS Grant Program?
2. Authorize the issuance of grants and amendments to implement the Projects?
3. Authorize the Deputy Director of the Division of Financial Assistance (Division) to withdraw Grant Agreements if applicants are non-responsive?
4. Authorize the Deputy Director of the Division to issue grants to Projects below the funding line, ranked in order, in the event that funds are withdrawn for non-responsiveness or terminated Projects?

FISCAL IMPACT

Local assistance appropriations authorized for Federal funding are sufficient to fund the recommended Projects.

REGIONAL WATER BOARD IMPACT

Yes. All Regional Water Boards.

STAFF RECOMMENDATION

The State Water Board should:

1. Approve the funding for Projects on the Recommended Funding Lists above the funding line for 2007-2008 319(h) NPS Grant Program;
2. Authorize the issuance of grants and amendments to implement the Projects;
3. Authorize the Deputy Director of the Division to withdraw Grant Agreements if applicants are non-responsive; and
4. Authorize the Deputy Director of the Division to issue grants to Projects below the funding line, ranked in order, in the event that funds are withdrawn for non-responsiveness or terminated Projects.

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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2008-

APPROVING PROJECTS, AND AUTHORIZING ISSUANCE OF GRANTS FOR THE 2007-2008 319(h) NONPOINT SOURCE (NPS) GRANT PROGRAM

WHEREAS:

1. The Clean Water Act (CWA) Section 319(h) provides grants to States to implement NPS Management Programs. A portion of the funds may be used for grants to implement watershed-based plans to restore impaired water bodies;
2. The State Water Resources Control Board (State Water Board) is authorized to administer approximately \$5.65 million in Federal funds pursuant to Section 319(h) of the Federal CWA for local nonpoint source pollution control activities from the remaining Federal 2007 budget and the enactment of the Federal 2008 budget;
3. The 2007-2008 319(h) NPS Grant Program used the procedures and criteria established by the State Water Board in the 2005-06 Consolidated Grants Guidelines (Guidelines) to solicit applications, evaluate proposals, and award grants;
4. The Guidelines allow withdrawal of the grant awards to non-responsive applicants, and issuance of grant awards to other competitive proposals that are below the funding line.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Approves the funding for Projects on the Recommended Funding List from the 2007-2008 319(h) NPS Grant Program;
2. Authorizes the issuance of grants and amendments to implement the Projects;
3. Authorizes the Deputy Director of the Division of Financial Assistance(Division) to withdraw grant awards if applicants are non-responsive; and
4. Authorizes the Deputy Director of the Division to issue grants to Projects below the funding line, ranked in order, in the event that funds are withdrawn for non-responsiveness or terminated Projects.

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 April 15, 2008.

Jeanine Townsend
Clerk to the Board