

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
FEBRUARY 22, 2017**

ITEM 11

SUBJECT

UPDATE ON IMPLEMENTATION OF PROPOSITION 1 FUNDING PROGRAMS

DISCUSSION

Proposition 1 (Assembly Bill 1471, Rendon) authorized \$7.545 billion in general obligation bonds for water projects including surface and groundwater storage, ecosystem and watershed protection and restoration, and drinking water protection. The State Water Resources Control Board (State Water Board) is administering \$2.145 billion of that funding, including groundwater, storm water, wastewater, drinking water, water recycling and technical assistance. The funding provides loans and grants throughout the state to improve water quality and protect public health. The programs are all in various stages of implementation, from adopting guidelines and soliciting applications to disbursing funds to projects with executed agreements.

State Water Board staff in the Division of Financial Assistance (Division) are administering the following programs under Proposition 1:

- Up to \$800 million* for Groundwater Sustainability
- Up to \$200 million for Stormwater
- Up to \$260 million for Small Community Wastewater
- Up to \$260 million for Drinking Water, and
- Up to \$625 million** for Water Recycling

* Proposition 1 authorized \$900 million; Department of Water Resources (DWR) will administer the remaining \$100 million to fund projects that develop groundwater management plans.

** Proposition 1 authorized \$725 million; DWR will administer the remaining \$100 million for desalination projects.

Proposition 1 requires the State Water Board to operate a multidisciplinary technical assistance program for small, disadvantaged communities (DAC). The maximum amounts authorized for Proposition 1 technical assistance are as follows: \$10 million for groundwater, \$1 million for stormwater, \$74 million for drinking water and wastewater. With these resources, non-profits and educational institutions are already beginning to help small systems and communities pursue Proposition 1 funding.

The presentation portion of this informational item will detail the progress of each Proposition 1 program in calendar year 2016 and provide a preview of activities planned for the year ahead. Managers for each program will also describe the successes and challenges of implementing Proposition 1, and what activities are underway to address those challenges. The collective progress the Division has made in implementing the Proposition 1 programs is a result of dedicated technical, environmental, financial and legal staff, as well as unprecedented coordination with technical assistance providers, stakeholders and funding partners.

POLICY ISSUE

None at this time; informational item.

FISCAL IMPACT

None at this time; informational item.

REGIONAL BOARD IMPACT

None at this time; informational item.

STAFF RECOMMENDATION

None at this time; informational item.

State Water Board action on this item will assist the Water Boards in reaching Goal 5 of the *Strategic Plan Update: 2008-2012* to improve transparency and accountability by ensuring that the Water Boards' goals and actions are clear and accessible, by demonstrating and explaining results achieved with respect to the goals and resources available, by enhancing and improving accessibility of data and information, and by encouraging the creation of organizations or cooperative agreements that advance this goal.