

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2024-0008**

AUTHORIZING THE DEPUTY DIRECTOR OF THE DIVISION OF FINANCIAL ASSISTANCE (DFA) TO PROVIDE ONE HUNDRED PERCENT GRANT FUNDING (SUBSIDY) FOR THE EAST OROSI COMMUNITY SERVICES DISTRICT WATER SUPPLY AND INFRASTRUCTURE PROJECT (PROJECT), EXPEDITED DRINKING WATER GRANT (EDWG) PROJECT NO. EDWG-5401003-001C

WHEREAS:

1. The State Water Resources Control Board (State Water Board) adopted the “Policy for Implementing the Drinking Water State Revolving Fund” (DWSRF Policy) on December 3, 2019;
2. On July 18, 2023, the State Water Board adopted the State Fiscal Year (SFY) 2023-24 (Federal Fiscal Year 2023) Intended Use Plan (IUP) for the DWSRF, which sets forth the plan for how DWSRF and related funding sources will be used during SFY 2023-24;
3. The DWSRF IUP authorizes the Division of Financial Assistance (DFA) to provide funding for public water system infrastructure improvements to achieve or maintain compliance with safe drinking water standards;
4. On March 8, 2023, the State Water Board adopted the Expedited Drinking Water Grant (EDWG) Program Guidelines which sets forth the eligibility and an expedited process by which public agency applicants with qualifying high priority projects can receive State grant funding;
5. The Project is needed so the East Orosi Community Services District (East Orosi) drinking water system can comply with a Mandatory Consolidation Order and is an EDWG Program eligible project;
6. On September 15, 2023, the State Water Board issued a Preliminary Funding Award Notification Letter notifying the County of Tulare (County), as Administrator on behalf of East Orosi, that the Project application has been transferred to the EDWG Program contingent upon submittal of requested information and the development and execution of a grant agreement;
7. The Project will serve approximately 697 people via 102 residential service connections. The Project will also benefit two commercial connections currently served by East Orosi;

8. The Project is a Category A project that will address East Oroshi's compliance issues, aging infrastructure and storage issues by making significant improvements to East Oroshi and Oroshi Public Utility District's water system;
9. The Project and funding agreement will be managed by the County, either as the administrator of East Oroshi or as direct recipient of the funding agreement;
10. The County is the Lead Agency under the California Environmental Quality Act (CEQA), and has complied with CEQA Guidelines by preparing an Initial Study/Mitigated Negative Declaration (MND) for the Project;
11. The MND was circulated through the State Clearinghouse (No. 2023100252) from October 10, 2023 through November 8, 2023 and from December 6, 2023 through January 4, 2024 for public review and comment;
12. The County adopted the IS/MND and a Mitigation Monitoring and Reporting Program (MMRP), and approved the Project on February 6, 2024;
13. The County filed a Notice of Determination for the IS/MND with the Governor's Office of Planning and Research and the Tulare County Clerk on February 7, 2024;
14. The State Water Board is a Responsible Agency under CEQA. A Responsible Agency complies with CEQA by considering the IS/MND and the MMRP prepared by the Lead Agency and by reaching its own conclusions on whether and how to approve the Project involved. The State Water Board has independently considered the IS/MND and MMRP, and is making the following determinations regarding the Project:
  - The IS/MND identified potentially significant environmental effects of the Project related to hydrology/water quality. Mitigation measures HAZ-1, HYD-1, HYD-2, and HYD-3 have been incorporated into the Project to reduce the potential water quality impacts of the Project to less than significant levels as described in the final IS/MND and MMRP. Because of mitigation measures identified herein, in the IS/MND, and the MMRP, the Project will not result in any significant adverse water quality impacts.
  - The IS/MND also identified potentially significant environmental effects of the Project related to aesthetics, biological resources, cultural resources, and geology and soils. The IS/MND and MMRP include mitigation measures that mitigate potential environmental impacts to

less than significant levels for these impact categories. Changes or alterations to the Project based on these mitigation measures are within the responsibility and jurisdiction of other public agencies and are not within the jurisdiction of the State Water Board. Such changes either have been adopted by other relevant agencies or can and should be adopted by other agencies.

15. A final copy of the IS/MND, MMRP, and comments and responses are available to the public at the State Water Board, Division of Financial Assistance at 1001 I Street, 16th Floor, Sacramento CA 95814.
16. The total Project cost is estimated to be \$13,521,607. This funding would equate to an estimated \$15,901,562 (\$152,900 per connection) in subsidy funding for the community in a five-year period; and
17. The Project is considered non-routine because it exceeds the maximum cost per connection threshold of \$100,000 in the SFY 2023-24 DWSRF IUP for a Category A-D and/or consolidation project under Mandatory Consolidation order or with an appointed Administrator. The maximum subsidy is based on all funding the community receives in a five-year period. This includes planning, technical assistance, interim solutions, and construction funding for the community.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Authorizes the Deputy Director of DFA to enter into an agreement with the County or East Oroshi to provide Project subsidy of \$13,521,607, which equates to an estimated \$15,901,562 or \$152,900 per connection for the Project, conditioned upon compliance with the EDWG Program Guidelines, DWSRF Policy, the SFY 2023-24 DWSRF IUP, and other applicable state and federal requirements;
2. Authorizes the Deputy Director of DFA to award subsidy funding for approximately two non-residential (commercial) connections in East Oroshi; and
3. Authorizes the Deputy Director of DFA to increase the amount in Resolved 1 for good cause and directs the Deputy Director to update the Board via the Executive Director's report if the Deputy Director uses the authority provided by this paragraph. In addition, the Deputy Director of DFA may use this authority to increase other funding agreements for East Oroshi above the combined cost per connection amount of \$152,900 as needed to ensure successful completion of the Project.

4. Conditions this approval, as determined by the County's environmental review, with the following environmental conditions:
- Compliance with the applicable mitigation measures of the February 6, 2024 adopted Mitigation Monitoring and Reporting Program, including, but not limited to, the following mitigation measures related to water quality:
    - HAZ-1 for hazardous materials, and
    - HYD-1 through HYD-3 for hydrology and water quality

### **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 February 21, 2024.

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

NAY: None

ABSENT: None

ABSTAIN: None

  
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Courtney Tyler  
Clerk to the Board