STATE OF CALIFORNIA

CALIFORNIA NATURAL RESOURCES AGENCY

CALIFORNIA WATER COMMISSION

RESOLUTION NUMBER: 2020-03

RESOLUTION TO ADOPT EMERGENCY REGULATIONS TO PROVIDE AN EARLY FUNDING OPPORTUNITY

WHEREAS, the California Water Commission (Commission) adopted regulations governing the Water Storage Investment Program (Program) in December 2016;

WHEREAS, Title 23, California Code of Regulations, section 6010 allowed applicants to request early funding to complete environmental permitting and documentation, pursuant to California Water Code section 79755(c);

WHEREAS, four project applicants requested early funding in applications submitted in August 2017;

WHEREAS, the Commission evaluated the requests and granted early funding to three applicants in July 2018;

WHEREAS, several of the remaining applicants who did not apply for early funding have contacted the Commission, either independently or through a letter submitted to the Commission in May 2020, to request another opportunity to apply for early funding based on impacts from COVID-19;

WHEREAS, applicants to the Program indicated that COVID-19 has impacted their financial status because of the decreased property tax revenue and overall economic downturn;

WHEREAS, in light of the COVID-19 pandemic and the requests from applicants, the Commission is increasingly concerned about the short-term financial toll the pandemic will have on Program applicants who do not already have an early funding award and that, absent such an award, may not move forward with their projects;

WHEREAS, the Commission also recognizes the ongoing efforts of other agencies to address COVID-19 related impacts and understands that actions taken to mitigate those impacts must be coordinated across agencies;

WHEREAS, at its meeting on July 15, 2020, the Commission directed staff to draft regulations and a finding of emergency to be presented as soon as possible to address the applicants' concerns;

WHEREAS, staff drafted emergency regulations and a finding of emergency and published them to the Commission's website and sent on its subscriber listserv on

August 7, 2020, to every person who requested and indicated an interest in Commission business in compliance with Government Code 11346.1(a)(2); and

WHEREAS, the Commission met on August 19, 2020, and adopted the proposed emergency regulations with a minor change to the proposed regulations, specifically to require applicants to submit all presentation materials at least eleven (11) days in advance of the meeting instead of ten (10) in response to a comment received from the public;

NOW, THEREFORE, BE IT RESOLVED that the California Water Commission hereby adopts the proposed emergency regulations, pursuant to Government Code section 11346.1; and

BE IT FURTHER RESOLVED that the Commission directs staff to finalize the emergency regulation filing and file with the Office of Administrative Law as early as possible.

Signed:

| armando Quintero | 8/19/2020 |
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| Armando Quintero, Chair California Water Commission | Date |
| Attest: | |
| Joseph Yun | 8/19/2020 |
| Joseph R. Yun, Executive Officer California Water Commission | Date |