

## LOCAL PROJECT SPONSOR AGREEMENT AMENDMENT 1

THIS AMENDMENT is entered into force upon execution by and between the Regional Water Management Foundation, hereinafter called Grantee, and City of Watsonville hereinafter called the Local Project Sponsor (LPS) for work to be performed in the Santa Cruz Region. All deletions are noted by ~~red strikethrough~~ and all additions are noted by **blue text**.

Grantee is adding an additional \$35,713 from the outreach budget to provide funds for Project 4, Task 1: Community Outreach for Santa Cruz County. Based on past needs assessments, the LPS proposes an outreach project to engage community members located in areas that have high pollution generation to assist with improving water quality. The LPS would target known areas of both high runoff potential and trash generation. Within these block groups the LPS would work with a stakeholder group to identify a representative to be the community advocate to organize, identify and implement community based solutions for pollution prevention. Grant funds would support two LPS interns to implement this program and the costs for outreach materials.

In addition to the increase in funding, under amendment 1 the Grantee is also extending the end date of the project to correspond with the final report from the aforementioned outreach project to September 30, 2021.

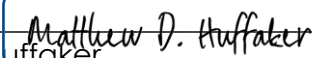
The signatures below indicate Regional Water Management Foundation and the LOCAL PROJECT SPONSOR agree to the terms set forth in this amendment.

### Regional Water Management Foundation (Grantee)

By:   
Tim Carson  
Program Director

Date: 12/2/2020 | 2:39 PM PST

### City of Watsonville (Local Project Sponsor)

By:   
Matthew D. Huffaker  
City Manager

Date: 12/2/2020 | 2:39 PM PST

**Proposition 1 Integrated Regional Water Management (IRWM)  
Disadvantaged Community Involvement Grant Agreement Between  
Regional Water Management Foundation  
(referred to herein as "Grantee")  
and City of Watsonville  
(referred to herein as "Local Project Sponsor")**

**Recitals**

- A.** Regional Water Management Foundation (referred to herein as Grantee), a subsidiary of Community Foundation Santa Cruz County, is to enter an agreement with the Department of Water Resources of the State of California (referred to herein as "DWR" or "State") to receive grant funding from the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1) pursuant to that certain Integrated Regional Water Management Disadvantaged Community Involvement Grant Agreement (#4600012296) (referred to herein as "Grant Agreement"). The State funding will assist in financing the projects identified in the Grant Agreement associated with the Integrated Regional Water Management (IRWM) Plans of the six Regional Water Management Groups in the Central Coast Funding Area. The Grant Agreement (Attachment A), and any subsequent amendments thereto, are incorporated herein by reference.
- B.** The term Local Project Sponsor refers to the proponent of the Project specific Task(s) in the IRWM Grant Agreement. Local Project Sponsor is one of multiple local project sponsors intended to receive grant funding from Grantee pursuant to said Grant Agreement for work to be completed by Local Project Sponsor as set forth in said Grant Agreement. Local Project Sponsors shall be assigned in accordance with the participating agencies identified in the Grant Agreement. All of the work to be completed by Local Project Sponsor is referred to in this Agreement as "Project" and is defined as a group of activities as set forth in the Grant Agreement Exhibit A (Work Plan).
- C.** The parties acknowledge that Grantee will administer the distribution of grant funds to each local project sponsor pursuant to the Grant Agreement. The Local Project Sponsor agrees to act on behalf of Grantee for the purposes of its individual Project management, oversight, compliance, and operations and maintenance. Local Project Sponsor is responsible for all other aspects of its Project in a manner to ensure Grantee's compliance with the Grant Agreement. Local Project Sponsor is solely responsible for design, construction, and operation and maintenance of projects within Exhibit A, Work Plan. Review or approval of plans, specifications, bid documents, or other construction documents by the Grantee and the State is solely for the purpose of proper administration of funds by the Grantee or the State and shall not be deemed to relieve or restrict responsibilities of the Local Project Sponsor under this Agreement.
- D.** The term of the Grant Agreement begins on February 13, 2018 and terminates on ~~April 30, 2021~~ **September 30, 2021** (including any subsequent amendment), or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement.
- E.** The parties desire to set forth the terms and conditions under which Local Project Sponsor is to receive grant funds from Grantee.

**Agreement**

1. The above recitals are incorporated herein by reference.
2. Local Project Sponsor agrees to:
  - a) Faithfully and expeditiously perform or cause to be performed all work associated with the following project(s) as described in the Grant Agreement Exhibit A (Work Plan) in accordance with Exhibit B (Budget) and Exhibit C (Schedule): Project ~~8~~ 10, Task 1.1.
  - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Water Quality, Supply and Infrastructure Improvement, Act of 2014 financing.
  - c) Comply with all applicable California laws and regulations.
  - d) Implement its specific project(s) in accordance with applicable provisions of the law.
  - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of its specific project(s).
3. Local Project Sponsor shall perform the work and provide the documentation required of Grantee or Local Project Sponsors pertinent to Local Project Sponsor's Project in a timely manner as set forth, without limitation, in the Grant Agreement. Notwithstanding the foregoing, any documents or information required to be submitted to the State, Department of Water Resources, agents of the Department of Water Resources, agents of the State, shall be submitted to Grantee for submittal by Grantee to the appropriate party designated in the Grant Agreement.
4. Local Project Sponsor acknowledges that Grant Agreement Item 5 (Basic Conditions) establishes the State shall have no obligation to disburse money for project(s) under this Grant Agreement until Grantee, and as applicable the Local Project Sponsor, has satisfied all the applicable conditions specified in Item 5.
5. Subject to receipt of grant funds from the Department of Water Resources as a result of a particular request for disbursement of grant funds by Local Project Sponsor and subject to the other terms and conditions set forth herein, Grantee shall remit to Local Project Sponsor such disbursement it receives from Department of Water Resources as a result of such request, up to a total amount not to exceed ~~\$105,000~~ \$140,713 for Local Project Sponsor's Project 8, Task 1.1 as specified in the Work Plan in the Grant Agreement and referenced in the table below.

Project Name	Project #	Task #	Budgeted
Community Outreach Activities	4	1	\$35,713
Project Construction Activities: Middle Struve Slough Water Quality and Habitat Improvement Project	<del>8</del> 10	1.1	\$105,000

6. In order to receive disbursement of grant funds, Local Project Sponsor shall submit to the Grantee quarterly invoices for eligible project costs as defined in the Grant Agreement Item 7 (Eligible Project Cost) in a form required by Grantee. Supporting documentation as described in the Grant Agreement Item 8 (Method of Payment) shall accompany each invoice. The documentation required by this paragraph shall be sent to:

Tim Carson, Program Director  
Regional Water Management Foundation (RWMF)  
c/o Community Foundation of Santa Cruz County  
7807 Soquel Drive  
Aptos, CA 95003

7. The Local Project Sponsor shall apply State funds only to Eligible Project Costs in accordance with applicable provisions of the law. Work performed on the project(s) after January 22, 2016 shall be eligible for reimbursement. Local Project Sponsor acknowledges that Eligible Project Costs related to its Project(s) are limited to those set forth in Item 7 of the Grant Agreement.
8. Notwithstanding any other provision of this Agreement, no disbursement shall be required to be made by Grantee at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the Federal Government, or any loss of tax-free status on state bonds, pursuant to any Federal statute or regulation.
9. Local Project Sponsor acknowledges the requirements and processes defined in the Grant Agreement Item 8 (Method of Payment) pertaining to reimbursement requests for costs incurred for work performed. If the Local Project Sponsor requests advanced payment, the required information must be provided as set forth in Grant Agreement Item 8b (b) Advanced Payment).
10. Local Project Sponsor acknowledges its responsibility to comply with the applicable the provisions of the Grant Agreement Exhibit D. Standard Conditions.
11. Local Project Sponsor shall not be entitled to, and Grantee shall have no obligation to make any, disbursement of grant funds as set forth herein if Grantee does not receive grant funds from the Department of Water Resources in connection with Local Project Sponsor's request for disbursement. Further, if Grantee is required to refund any disbursement made to Local Project Sponsor to the Department of Water Resources due to a violation of the Grant Agreement by Local Project Sponsor, Local Project Sponsor shall refund to Grantee such disbursement amount plus any interest or penalties required to be paid by Grantee to the Department of Water Resources, as well as for any expenses incurred by the Grantee (e.g., personnel time, postage) due in connection with the coordination of such refund.
12. Local Project Sponsor agrees to provide all required reports as specified in Grant Agreement Item 16 (Submission of Reports) and Exhibit F, according to a format and schedule as specified by the Grantee. This pertains to the quarterly Progress Report, quarterly Accountability Report (applicable to advance funds), Final Report, and Post-Performance Reports. The Local Project Sponsor agrees to prepare and submit Post-Performance Reports, if applicable to its project. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 10 years after the completed project(s) begins operation. The Local Project Sponsor shall provide annual written notification to the Grantee of the Post-Performance Report submittal.



13. Grantee is to provide administrative services for the benefit of Local Project Sponsor and other local project sponsors, in the administration of the Agreement. Grantee is to receive compensation via grant reimbursement for these services as set forth in the Grant Agreement Exhibits A and B (Work Plan and Budget). Local Project Sponsor shall be liable and agrees to reimburse Grantee for administrative costs incurred by Grantee that are not reimbursed under the Agreement and that are attributable to the Local Project Sponsor project(s) or actions.
14. The Grantee agrees to provide grant administrative services for the term specified in the Grant Agreement. In the event the term of the Grant Agreement is extended by the Grantee to accommodate the Local Project Sponsor, the Grantee shall be reimbursed for any additional administrative costs that are solely attributable to grant administration occurring beyond the end date of the initial term. Any such costs, beyond those reimbursable by the grant, shall be shared with the other remaining local project sponsors that have not completed their respective project-specific requirements and reporting. In the event a specific local project sponsor has completed its project-specific requirements and completed its final reporting and invoicing prior to the end date of the initial term, that specific local project sponsor would not be responsible for any administrative costs incurred as a result of extending the Grant Agreement beyond the end date of the initial term.
15. Local Project Sponsor acknowledges the provisions of Grant Agreement Exhibit D. Item 35 (Retention) of the Grant Agreement and that disbursement of grant funds may be withheld by Grantee to satisfy the retention requirements set forth therein. Notwithstanding any other provision of this Grant Agreement, State may, for each project, withhold five percent (5.0%) of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 16 "Submissions of Reports", except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Final Report" is submitted to and approved by State. State shall disburse retained funds to the Grantee.
16. Local Project Sponsor agrees to be bound, perform and abide by all of the provisions applicable to Grantee or any Local Project Sponsor set forth in the Grant Agreement as if Local Project Sponsor had signed the IRWM Agreement in the place and stead of Grantee, and with respect to Local Project Sponsor, Grantee shall have all rights of the Department of Water Resources, "State," or "Division" conferred thereunder.
17. Local Project Sponsor acknowledges that Grantee is relying on Local Project Sponsor's performance hereunder in entering into the Grant Agreement and undertaking its obligations as set forth in the Grant Agreement. Accordingly, in the event Local Project Sponsor fails to perform any of its obligations hereunder, Local Project Sponsor agrees to indemnify, defend, and hold harmless Grantee and Grantee's officers, directors, agents, and employees (each, an "Indemnified Person") from and against any and all judgments, losses, claims, damages or liabilities, joint or several, to which any Indemnified Person may become subject which relate to or arise out of any such failure by Local Project Sponsor.
18. In the event Local Project Sponsor violates any provision of this Agreement that, in Grantee's judgment, could result in a violation of the Grant Agreement, Grantee may

take any and all appropriate measures to attempt to prevent any such violation or to mitigate any damages Grantee would incur as a result thereof, including but not limited to performing any work required of Local Project Sponsor hereunder, and in such case, Local Project Sponsor shall be liable for any costs of Grantee incurred in connection with such measures.

- 19.** To enable Grantee to confirm Local Project Sponsor's compliance with this Agreement, upon request by Grantee, Local Project Sponsor shall provide Grantee with: (i) any requested documentation; and (ii) access to any work sites or other areas associated with Local Project Sponsor's Project for the purpose of making observations or conducting any necessary tests or studies.
- 20.** The State reserves the right to conduct an audit during the term of the grant and for a period of three years after final payment with respect to all matters connected with this Grant Agreement as specified in the Grant Agreement Exhibit D 7 (Audits). All records of Grantee, Local Project Sponsor, or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after project completion or final billing, whichever comes later. The Local Project Sponsor agrees to compensate the Grantee for any costs incurred in complying with this provision related to the Local Project Sponsor's Project.
- 21.** The parties may, pursuant to mutual agreement, expand the scope of work to be performed by Local Project Sponsor hereunder, but in any event modifications to the terms of this Agreement shall be valid only if made in writing and executed by Grantee and Local Project Sponsor.
- 22.** Local Project Sponsor shall not assign, delegate or otherwise transfer any of its duties, obligations, rights or interest under this Agreement without prior written consent of Grantee, which consent may be given or withheld by Grantee in its reasonable discretion. Any attempted assignment or transfer without such consent shall be void.
- 23.** Subject to the provisions of paragraph immediately below, all terms and conditions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, Grantee and Local Project Sponsor and their respective legal representatives, successors and permitted assigns.
- 24.** A waiver of any provision of this Agreement in any given instance shall not constitute a waiver of (i) such provision in future instances or (ii) any other provision of this Agreement.
- 25.** This Agreement, together with the other agreement specifically referred to herein, constitutes the entire understanding of Grantee and Local Project Sponsor concerning the subject matter hereof and supersedes all prior and contemporaneous agreements, correspondence, representations or understandings between Grantee and Local Project Sponsor relating to the subject matter hereof, whether written or oral.
- 26.** This Agreement may be executed in counterparts, each of which when taken together shall constitute the entire Agreement.
- 27.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event any dispute arises between the parties to this agreement concerning the matters contained in this agreement, the parties agree to pursue mediation as a means to settle the dispute.

- 28. INSURANCE:** Throughout the duration of this agreement, the Local Project Sponsor will maintain insurance in conformance with the requirements set forth below. The Local Project Sponsor will insure the Regional Water Management Foundation against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Local Project Sponsor, his agents, representatives, employees or subcontractors.

#### CERTIFICATE REQUIREMENTS

The Regional Water Management Foundation will be issued a Certificate of Insurance with the following minimum requirements:

- ☐ Certificate(s) will show current policy number(s) and effective dates,
- ☐ Coverage and policy limits will meet, or exceed, requirements below,
- ☐ The Certificate Holder will be Regional Water Management Foundation, 7807 Soquel Drive, Aptos, CA 95003,
- ☐ Certificate will be signed by an authorized representative,
- ☐ An endorsement will be provided to show the Regional Water Management Foundation, its officers, officials and employees as additional insured.

#### Minimum Scope and Limits of Insurance

The Local Project Sponsor acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. The Regional Water Management Foundation will be entitled to coverage for the highest limits maintained by the Local Project Sponsor. Coverage will be at least as broad as:

- ☐ PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS): \$1,000,000 PER OCCURRENCE OR CLAIM, \$2,000,000 AGGREGATE. The Local Project Sponsor will maintain insurance with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate. Insurance must be maintained and evidence of insurance must be provided for at least one year after date of completion of its projects specified in the Grant Agreement. The Local Project Sponsor agrees to purchase an extended period coverage for a minimum of one year after completion its projects specified in the Grant Agreement.
- ☐ COMMERCIAL GENERAL LIABILITY (CGL): \$1,000,000 (Including products and completed operations) Proof of coverage for \$1 Million per occurrence for bodily injury, personal injury and property damage will be provided on Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL. If a general aggregate limit applies, either the general aggregate limit will apply separately to this project/location or the general aggregate limit will be twice the required occurrence limit.
- ☐ AUTOMOBILE LIABILITY: \$1,000,000  
Proof of coverage for \$1 Million will be provided on ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), per accident for bodily injury and property damage.
- ☐ WORKERS' COMPENSATION AS REQUIRED BY THE STATE OF CALIFORNIA, WITH STATUTORY LIMITS, AND EMPLOYER'S LIABILITY INSURANCE: \$1,000,000 per accident for bodily injury or disease. Must include a waiver of subrogation.

#### Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

☐ ADDITIONAL INSURED STATUS

The Regional Water Management Foundation, its officers, officials and employees are to be covered as insured on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Local Project Sponsor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage will be provided in the form of an endorsement to the Local Project Sponsor's insurance at least as broad as ISO Form CG 20 10 11 85, or if not available, through the addition of both CG 20 10 and CG 20 37 (if a later edition is used).

☐ PRIMARY COVERAGE

For any claims related to this agreement, the Local Project Sponsor's insurance coverage will be primary insurance as respects the Regional Water Management Foundation, its officers, officials, and employees. Any insurance or self-insurance maintained by the Regional Water Management Foundation, its officers, officials, or employees will be excess of the Local Project Sponsor's insurance and will not contribute with it.

☐ NOTICE OF CANCELLATION

Each insurance policy required above will provide that the Regional Water Management Foundation will be notified of any coverage canceled with 30 days' prior written notice (10 days for non-payment).

☐ WAIVER OF SUBROGATION

Local Project Sponsor hereby grants to the Regional Water Management Foundation a waiver of any right to subrogation which any insurer of said Local Project Sponsor may acquire against the Regional Water Management Foundation by virtue of the payment of any loss under such insurance. Local Project Sponsor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the Regional Water Management Foundation has received a waiver of subrogation endorsement from the insurer.

The Worker's Compensation policy will be endorsed with a waiver of subrogation in favor of the Regional Water Management Foundation for all work performed by the Local Project Sponsor, its employees, agents and subcontractors.

☐ DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the Regional Water Management Foundation. The Regional Water Management Foundation may at its option allow the Contractor to purchase coverage with a lower deductible or retention, or require the Contractor to provide a financial guarantee satisfactory to the Regional Water Management Foundation guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

☐ ACCEPTABILITY OF INSURERS

Insurance is to be placed with California admitted insurers (licensed to do business in California) with a current A.M. Best's rating of no less than A-(A-minus):VII, unless otherwise acceptable to the Entity.

☐ VERIFICATION OF COVERAGE

Local Project Sponsor will furnish the Regional Water Management Foundation with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All

certificates and endorsements are to be received and approved by the Regional Water Management Foundation ten days after the execution of this Agreement. However, failure to obtain the required documents prior to the work beginning will not waive the Local Project Sponsor's obligation to provide them. The Regional Water Management Foundation reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

29. Whenever it is provided in this Agreement that Grantee or Local Project Sponsor shall give notice to the other, said notice shall be given by delivering a copy of said notice to the other party personally, or by mailing first class mail, postage prepaid, through the U.S. Postal Service, or by a nationally-recognized overnight courier, a copy of said notice at the following addresses:

- A. Address for Local Project Sponsor:  
City of Watsonville  
275 Main St, Suite 400,  
Watsonville, CA 95076
- B. Address for Grantee:  
Regional Water Management Foundation  
c/o Community Foundation of Santa Cruz County  
7807 Soquel Drive  
Aptos, CA 95003

IN WITNESS WHEREOF Grantee and Local Project Sponsor have executed this Agreement the day and year first written below by their duly authorized representatives, having full authority to so act for and on behalf of the parties hereto.

**Regional Water Management Foundation (Grantee)**

By: \_\_\_\_\_  
Tim Carson  
Program Director

Date: \_\_\_\_\_

**City of Watsonville (Local Project Sponsor)**

By: \_\_\_\_\_  
Charles Montoya  
City Manager

Date: \_\_\_\_\_

- VERIFICATION OF COVERAGE

Local Project Sponsor will furnish the Regional Water Management Foundation with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Regional Water Management Foundation ten days after the execution of this Agreement. However, failure to obtain the required documents prior to the work beginning will not waive the Local Project Sponsor's obligation to provide them. The Regional Water Management Foundation reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

29. Whenever it is provided in this Agreement that Grantee or Local Project Sponsor shall give notice to the other, said notice shall be given by delivering a copy of said notice to the other party personally, or by mailing first class mail, postage prepaid, through the U.S. Postal Service, or by a nationally-recognized overnight courier, a copy of said notice at the following addresses:

A. Address for Local Project Sponsor:

City of Watsonville  
275 Main St, Suite 400,  
Watsonville, CA 95076

B. Address for Grantee:

Regional Water Management Foundation  
c/o Community Foundation of Santa Cruz County  
7807 Soquel Drive  
Aptos, CA 95003

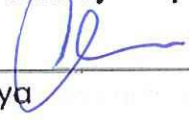
IN WITNESS WHEREOF Grantee and Local Project Sponsor have executed this Agreement the day and year first written below by their duly authorized representatives, having full authority to so act for and on behalf of the parties hereto.

**Regional Water Management Foundation (Grantee)**

By:   
Tim Carson  
Program Director

Date: 3-1-2018

**City of Watsonville (Local Project Sponsor)**

By:   
Charles Montoya  
City Manager

Date: 4/24/18

Attachment A  
*DWR GRANT AGREEMENT*



**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND  
REGIONAL WATER MANAGEMENT FOUNDATION  
AGREEMENT NUMBER 4600012296  
2016 PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) DISADVANTAGED  
COMMUNITY INVOLVEMENT GRANT  
CALIFORNIA WATER CODE § 79740 ET SEQ.**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and Regional Water Management Foundation, a non-profit, in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee", which parties do hereby agree as follows:

1. PURPOSE. State shall provide funding from the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1) to Grantee to assist in financing projects associated with the Central Coast pursuant to Chapter 7 (commencing with §79740) of Division 26.7 of the California Water Code, hereinafter collectively referred to as "IRWM Program." A "project" is defined as a group of activities as set forth in Exhibit A (Work Plan).
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on April 30, 2021 or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement.
3. GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed \$4,300,000.
4. GRANTEE'S RESPONSIBILITY. Grantee and its representatives shall:
  - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
  - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Water Quality, Supply and Infrastructure Improvement, Act of 2014 financing.
  - c) Comply with all applicable California laws and regulations.
  - d) Implement the projects in accordance with applicable provisions of the law.
  - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the projects.
5. BASIC CONDITIONS. State shall have no obligation to disburse money for projects under this Grant Agreement until Grantee has satisfied the following conditions (if applicable):
  - a) Grantee must demonstrate the groundwater compliance options set forth on pages 11 and 12 of the IRWM Program Guidelines, dated July 2016 are met.
  - b) Grantee submits deliverables as specified in Paragraph 16 of this Grant Agreement and in Exhibit A.
  - c) Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State for each project:
    - ☐ Final plans and specifications certified by a California Registered Professional (Civil Engineer or Geologist, as appropriate) for the approved projects as listed in Exhibit A of this Grant Agreement.
    - ☐ Environmental Documentation:

- i) Grantee submits to the State all applicable environmental permits,
- ii) Documents that satisfy the CEQA process are received by the State,
- iii) State has completed its CEQA compliance review as a Responsible Agency, and
- iv) Grantee receives written concurrence from the State of Lead Agency's CEQA documents and State notice of verification of environmental permit submittal.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the projects or to require changes, alterations or other mitigation. Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, and mitigation monitoring programs as may be required prior to beginning construction/implementation.

- 6. DISBURSEMENT OF FUNDS. State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation.
- 7. ELIGIBLE PROJECT COST. Grantee shall apply State funds only to Eligible Project Costs in accordance with applicable provisions of the law. Work performed on the projects after January 22, 2016 shall be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to the following items:

- a) Operation and maintenance costs.
- b) Purchase of equipment that is not an integral part of a project.
- c) Establishing a reserve fund.
- d) Purchase of water supply.
- e) Replacement of existing funding sources for ongoing programs.
- f) Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- g) Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
- h) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs. However, this will only be allowed as Grantee Cost Share (i.e., Funding Match).
- i) Payment of stipends
- j) Application preparation costs for other funding opportunities not consistent with IRWM.
- k) Meals not directly related to travel.
- l) Acquisition of real property (land or easements).
- m) Overhead not directly related to the project.

8. METHOD OF PAYMENT.

- a) **Reimbursement** – Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager via Grant Review and Tracking System (GRanTS). Additionally, the original invoice form with signature and date (in ink) of Grantee's Project Representative, as indicated in Paragraph 22 of this Grant Agreement, must be sent to the DWR Project Manager for approval. Invoices submitted via GRanTS shall include the following information:
- ☐ Costs incurred for work performed during the period identified in the particular invoice.
  - ☐ Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
    - i) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
    - ii) Invoices must be itemized based on the projects (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
    - iii) Sufficient evidence (e.g., receipts, copies of checks, time sheets) as determined by the State must be provided for all costs included in the invoice.
    - iv) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). After the disbursement requirements in Paragraph 5 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via U.S. mail or Express mail delivery of a "wet signature" invoice for costs incurred, and timely Quarterly Progress Reports as required by Paragraph 16 "Submission of Reports." Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number.
- b) **Advanced Payment** – Water Code §10551 authorizes advanced payment by the State for projects which are sponsored by a nonprofit organization; a disadvantaged community (DAC); or, the proponent of a project that benefits a DAC. If these projects are awarded less than \$1,000,000 in grant funds, the project proponent may receive an advanced payment of 50% of the grant award; the remaining 50% of the grant award will be reimbursed in arrears. Water Code §10551 further authorizes DWR to adopt additional requirements regarding the use of the advanced payment to ensure that the funds are used properly. Within 90 calendar days of execution of the Grant Agreement, the Grantee shall provide DWR an Advanced Payment Request. The Advanced Payment Request must contain the following:
- ☐ Documentation, signed by the Project Representative, demonstrating that each Local Project Sponsor was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not, if applicable.
  - ☐ If the Grantee or Local Project Sponsor is requesting the advanced payment, the request must also include:
    - i) Specification of those projects listed in Exhibit B for which Advanced Payment will be requested and how those projects are consistent with the adopted IRWM Plan.

- ii) A funding plan which shows by project: the budget and anticipated schedule, the amount of advanced funding requested, and how the advanced funds will be expended within 18 months of this Grant Agreement's execution. (i.e., for what, how much, and when)
  - iii) A discussion of the Grantee or Local Project Sponsor's financial capacity to complete the project once the advance funds have been expended.
- If a Grantee or Local Project Sponsor is requesting advanced payment, Grantee shall also submit a single Advance Payment invoice, itemized for each qualified project, to the DWR Project Manager with signature and date (in ink) of Grantee's Project Representative, as indicated in Paragraph 22 of this Agreement. The Grantee shall be responsible for the timely distribution of the advanced funds to the individual Local Project Sponsors. Within 60 calendar days of receiving the Advanced Payment invoice and subject to the availability of funds, State will authorize payment of the advanced funds sought of 50% of the grant award for the qualified project(s).

The Advance Payment Invoice shall be submitted on forms provided by State and shall meet the following format requirements:

- i) Invoice must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
  - ii) Invoice must be itemized based on the projects (i.e., tasks) specified in Exhibit B.
  - iii) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). After the disbursement requirements in Paragraph 5 "Basic Conditions" (5a and 5b) only are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via US mail or Express mail delivery of a "wet signature" invoice for costs incurred, including Cost Share, and timely Progress Reports as required by Paragraph 16 "Submission of Reports."
- On a quarterly basis, the Grantee will submit an Accountability Report to DWR that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
- i) An itemization of how advanced funds have been expended to date (Expenditure Summary), including documentation that supports the expenditures (e.g., contractor invoices, receipts, personnel hours, etc.). Invoices must be itemized based on the projects (i.e., tasks) specified in Exhibit B.
  - ii) A funding plan, itemized by project, which shows how the remaining advanced funds will be expended.
  - iii) Documentation that the funds were placed in a non-interest-bearing account, including the dates of deposits and withdrawals from that account.

DWR Project Manager will notify Grantee, in a timely manner, when, upon review of the Expenditure Summary, the State determines that any portion or portions of the expenditures claimed are not eligible costs. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit B, the State will reject the claim and remove them from the Expenditure Summary.

Once Grantee has expended all advanced funds, then the method of payment will revert to the reimbursement process specified in Paragraph 8a) and any remaining requirements of Paragraph 5.

9. REPAYMENT OF ADVANCES. State may demand repayment from Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by State and take any other action that it deems necessary to protect its interests for the following conditions:
- a) A project is not being implemented in accordance with the provisions of this Grant Agreement.
  - b) Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction.

Repayment amounts may also include:

- c) Advance funds which have not been expended within 18 months of the Grant Agreement's execution by the Local Project Sponsor.
- d) Actual costs incurred are not consistent with the Exhibit A (Work Plan) activities, not supported, or are ineligible.
- e) At the completion of the project, the funds have not been expended.

For conditions 9 c) and 9 d), repayment may consist of deducting the amount from future reimbursement invoices.

State may consider Grantee's refusal to repay the requested advanced amount a substantial breach of this Grant Agreement subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Grantee of its decision to demand repayment or withhold the entire funding amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

10. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 11, the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

11. DEFAULT PROVISIONS. Grantee and any Local Project Sponsor receiving grant funding through this Grant Agreement will be in default under this Grant Agreement if any of the following occur:

- a) Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
- b) Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
- c) Failure to operate or maintain project(s) in accordance with this Grant Agreement (Paragraph 17).
- d) Failure to make any remittance required by this Grant Agreement.
- e) Failure to comply with Labor Compliance Program requirements (Paragraph 15).
- f) Failure to submit timely progress reports.
- g) Failure to routinely invoice State.
- h) Failure to meet any of the requirements set forth in Paragraph 12, "Continuing Eligibility."

Should an event of default occur, State shall provide a notice of default to the Grantee and shall give Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, State may do any of the following:

- ☐ Declare the funding be immediately repaid, with interest, at the California general obligation bond interest rate at the time the State notifies the Grantee of the default.
- ☐ Terminate any obligation to make future payments to Grantee.
- ☐ Terminate the Grant Agreement.
- ☐ Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

12. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:

- a) An urban water supplier that receives grant funds governed by this Grant Agreement shall maintain compliance with the Urban Water Management Planning (UWMP) Act (Water Code §10610 et seq.) and Sustainable Water Use and Demand Reduction, Part 2.55 of Division 6 (Water Code §10608 et seq.) by doing the following:
  - ☐ Have submitted their 2015 UWMP and had it deemed consistent by DWR. For more information, visit the following website:  
<http://www.water.ca.gov/urbanwatermanagement>.
  - ☐ By July 1, 2016, all urban water suppliers must have submitted documentation that demonstrates they are meeting the 2015 interim GPCD target. If not meeting the interim target, also include a schedule, financing plan, and budget for achieving the gallons per capita per day (GPCD) target, as required pursuant to Water Code §10608.24. Starting June 30, 2017, those urban water suppliers that did not meet their 2015 GPCD target must also submit, by June 30, annual reports that include a schedule, financing plan, and budget for achieving the GPCD target (Water Code §10608.24).
- b) An agricultural water supplier receiving grant funding must:

- ☐ Comply with Sustainable Water Use and Demand Reduction requirements outlined in Part 2.55 (commencing with § 10608) of Division 6 of the Water Code.
  - ☐ Have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. For more information, visit the following website:  
<http://www.water.ca.gov/wateruseefficiency/agricultural/agmgmt.cfm>.
- c) Grantees diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the Water Code.
- d) Grantee and Local Project Sponsors must demonstrate compliance with the groundwater compliance options set forth on pages 11 and 12 of the 2016 IRWM Program Guidelines, dated July 2016.
- e) Grantee and Local Project Sponsors that have been designated as monitoring entities under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program must maintain reporting compliance, as required by Water Code § 10920 and the CASGEM Program.
13. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS. Grantee shall be responsible for obtaining any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Projects. Grantee shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental, procurement, and safety laws, rules, regulations, and ordinances. Grantee shall provide copies of permits and approvals to State.
14. RELATIONSHIP OF PARTIES. Grantee is solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Grant Agreement.
15. LABOR COMPLIANCE. The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's Public Works Manual at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>.
16. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Final Report is a requirement for the release of any funds retained for such projects.
- a) Progress Reports: Grantee shall submit progress reports quarterly to meet the State's requirement for disbursement of funds. The progress reports shall be sent via e-mail to the State's Project Manager and shall be uploaded into GRanTS at the frequency specified in Exhibit C (Schedule). The progress reports shall provide a brief description of the work performed during the reporting period including: Grantee's activities, milestones achieved,



any accomplishments, and any problems encountered in the performance of the work under this Agreement.

- b) Accountability Report: Grantee shall submit, on a quarterly basis, an Accountability Report by individual Local Project Sponsor (if applicable) that at a minimum:
- ☐ Includes an itemization of how advanced funds have been expended to date (Expenditure Summary), including documentation that supports the expenditures (e.g. contractor invoices, receipts, personnel hours, etc.). Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B.
  - ☐ Includes a funding plan which shows how the remaining advanced funds will be expended.
  - ☐ Provides an accounting of distribution of the advanced funds to the appropriate Local Project Sponsor (if applicable).
  - ☐ Documents that the funds were spent on eligible reimbursable costs.
  - ☐ Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
- c) Final Report: Upon completion of the projects included in Exhibit A, Grantee shall submit to State a Final Grant Completion Report. The Final Completion Report shall be submitted within ninety (90) calendar days of completion of the projects. The Final Grant Completion Report shall include a stakeholder summary; description of involvement activities and the projects developed from those activities; discussion of findings from the needs assessment, identification of ongoing barriers, and recommendations for future activities. Retention will not be disbursed until the Final Grant Completion Report is submitted to and approved by the State.
- d) Post-Performance Reports: Grantee shall submit Post-Performance Reports, if applicable. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of a construction and implementation project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 10 years after the completed project(s) begins operation.

17. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of each project, and shall ensure or cause each project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of State, be

considered a breach of this Grant Agreement and may be treated as default under Paragraph 11, "Default Provisions."

18. STATEWIDE MONITORING REQUIREMENTS. Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with § 10780) of Division 6 of California Water Code) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G (Requirements for Statewide Monitoring and Data Submittal), for web links and information regarding other State monitoring and data reporting requirements.
19. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:
- a) Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change.
  - b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.
  - c) Final inspection of the completed work on a project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), in accordance with Standard Condition D.19 in Exhibit D. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
20. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:
- d) By delivery in person.
  - e) By certified U.S. mail, return receipt requested, postage prepaid.
  - f) By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
  - g) By electronic means.
- Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses set forth in Paragraph 22. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
21. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

22. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources  
Arthur Hinojosa  
Chief, Division of IRWM  
P.O. Box 942836  
Sacramento CA 94236-0001  
(916) 653-4736  
[Arthur.Hinojosa@water.ca.gov](mailto:Arthur.Hinojosa@water.ca.gov)

Regional Water Management Foundation  
Tim Carson  
Program Director  
7807 Sequel Drive  
Aptos, CA 95003  
(831) 662-2050  
[tcarson@cfsc.org](mailto:tcarson@cfsc.org)

Direct all inquiries to the Project Manager:

Department of Water Resources  
Cory Saltsman  
Division of IRWM  
P.O. Box 942836  
Sacramento, CA 94236-0001  
(916) 651-9665  
[Cory.Saltsman@water.ca.gov](mailto:Cory.Saltsman@water.ca.gov)

Regional Water Management Foundation  
Tim Carson  
Program Director  
7807 Sequel Drive  
Aptos, CA 95003  
(831) 662-2050  
[tcarson@cfsc.org](mailto:tcarson@cfsc.org)

Either party may change its Project Representative or Project Manager upon written notice to the other party.

23. STANDARD PROVISIONS. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan  
Exhibit B – Budget  
Exhibit C – Schedule  
Exhibit D – Standard Conditions  
Exhibit E – Authorizing Resolution  
Exhibit F – Report Formats and Requirements  
Exhibit G – Requirements for Statewide Monitoring and Data Submittal  
Exhibit H – State Audit Document Requirements for Grantees

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

  
\_\_\_\_\_  
Arthur Hinojosa, P.E., Chief  
Division of Integrated Regional Water  
Management

Date 2/13/18

Regional Water Management Foundation

  
\_\_\_\_\_  
Tim Carson, Program Director

Date 2/6/2018

Approved as to Legal Form and Sufficiency

  
\_\_\_\_\_  
Robin Brewer, Assistant Chief Counsel  
Office of Chief Counsel

Date 2-12-18

## **EXHIBIT A**

### **WORK PLAN**

This Work Plan describes the work to be performed (including deliverables) by The Regional Water Management Foundation ("Grantee") on behalf of the Central Coast Funding Area (CCFA) for the Proposition 1 Integrated Regional Water Management (IRWM) Disadvantaged Community (DAC) Involvement Grant Program.

The associated general budget and schedule for this work are presented in Exhibits B and C, respectively. Within 30 days of the execution of the Grant Agreement with DWR, to assist DWR in tracking the work and reviewing and processing invoices, the Grantee will submit to DWR a detailed budget and graphical schedule for each project described herein.

Representatives from the six IRWM regions in the CCFA collaborated to jointly develop the projects listed below. The representatives coordinated with their respective regional water management groups and IRWM planning processes to inform this work. The projects tie to each region, they are informed by years of prior work and planning in the respective IRWM regions, and collectively address the water management needs in the funding area. The projects aim to achieve the intended purposes of the DAC Involvement Program by working collaboratively to involve DACs in planning efforts, improving the understanding of the water management needs of DACs, and developing strategies and solutions that appropriately address the identified DAC water management needs.

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#### **Project 1: Administration**

The Regional Water Management Water Management Foundation (RWMF) will administer the grant acting in coordination with the designated CCFA project representatives. The RWMF will serve as the central hub for grant reporting and the administrative point of contact for DWR and the participating CCFA entities responsible for implementing the projects described herein.

Administrative duties will include: negotiation, development and execution of the grant agreement with DWR and the sub-grantee agreements between the RWMF and the respective IRWM regional entity or the local project sponsor, as applicable; managing contracts; disseminating grant compliance information; obtaining and submitting evidence of compliance with the grant conditions to DWR; soliciting quarterly progress reports and invoices from CCFA regional representatives for review, compilation and submittal to DWR; tracking grant budget and payments; coordinating payment of grant reimbursements to local project sponsors; participating in meetings and/or conference calls with CCFA representatives and DAC Involvement IRWM funding area representatives to exchange information; liaising with DWR, CCFA participants, and consultants; compiling content from CCFA regional representatives for inclusion in the final report; organizing project financial and report records for audit purposes; and, as applicable, coordinating agreement amendments with DWR and sub-grantee amendments.

##### Deliverables

- ☐ Quarterly progress reports
- ☐ Invoices with supporting documentation
- ☐ Final Report, including a Funding Area-wide Needs Assessment as specified in Appendix A of the DAC Involvement RFP

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## Project 2: Needs Assessments

Needs assessments will be conducted in all six IRWM Regions. The outcome will be a needs assessment document completed for the CCFA. The needs assessments will provide a better understanding of water management needs in the CCFA and help direct resources and funding.

**Task 1 – Needs Assessment for Santa Cruz Region:** The Santa Cruz IRWM Region will build upon prior efforts and utilize newly available data to document and further characterize the water management needs of DACs, EDAs and, where identified, underrepresented communities. Using DWR's DAC mapping tool, related prior mapping efforts, and other applicable data the Region will identify, validate, catalog, and map DACs. This will include compiling existing information and collecting new information to characterize and assess the needs consistent with DWR's July 2016 DAC Request for Proposals. This task will also involve outreach and engagement activities which will be both informed by, and well as, informing further assessment, which will result in identifying and prioritizing project development activities.

**Task 2 – Needs Assessment for Pajaro River Watershed Region:** Consultant(s) will conduct needs assessments, consistent with DWR's requirements, as well as comprehensive Technical, Managerial and Financial (TMF) capacity assessments throughout the Pajaro Region. The work will focus on the drinking water and wastewater needs of rural and unincorporated areas that meet the DAC definition, including community water systems, wastewater systems, farmworker housing, schools that provide their own drinking water, and rural communities with a high density of contaminated private wells. In addition to completing DWR's required needs assessment table, consultant(s) will gather more detailed information on technical, managerial, and financial capacities.

**Task 3 – Needs Assessment for Greater Monterey County Region:** Consultant(s) will incorporate the needs assessment information that was identified in the Salinas Valley Pilot Project into the spreadsheet provided by DWR, and will update that information based on annual ACS data. Consultant(s) will continue work to broaden the community assessment effort by conducting water quality testing, preliminary income surveys, and preliminary assessment of problems and potential solutions for communities not identified in the current Salinas Valley DAC Pilot project.

**Task 4 – Needs Assessment for Monterey Peninsula Region:** Consultant(s) will conduct needs assessments throughout the Monterey Peninsula Region to determine the current TMF capacities of local DACs and recommend improvements.

**Task 5 – Needs Assessment for San Luis Obispo Region:** A comprehensive needs assessment of DACs will be conducted in the San Luis Obispo County IRWM Region. The needs assessment will include an evaluation of TMF capacity; recommendations such as strategies for further outreach, education and engagement activities; capacity building programs; funding opportunities and financial assistance programs; and project planning and implementation guidance.

**Task 6 – Needs Assessment for Santa Barbara Region:** The Santa Barbara IRWM Region has conducted an extensive outreach and engagement program and has identified several DACs in the Region, with the most underserved communities being the City of Guadalupe and the residents of the Cuyama Valley. A needs assessment will be conducted by the University of California Santa Barbara (UCSB) to identify other "hidden" DACs and/or SDACs as well as under-represented communities and EDAs within the larger isolated geographic area of the Cuyama Valley.

### Deliverables

- ☐ Needs Assessment summary for CCFA
- ☐ Copy of reports/outreach materials
- ☐ Needs Assessment template table for CCFA

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### Project 3: Educational Activities

Education of DACs and of water managers alike will occur generally throughout the CCFA as a result of DAC Involvement activities. The educational activities described in the tasks below will help community members understand and respond to water management needs in the respective IRWM regions. A focused educational effort will be specifically undertaken by the following IRWM Regions:

**Task 1 – Educational Activities for Pajaro River Watershed Region:** Consultant(s) will conduct education activities that include developing community outreach and education materials, well testing education, and septic system operation and maintenance training.

#### Deliverables

- ☐ Copy of Educational Activity materials

**Task 2 – Educational Activities for Greater Monterey County Region:** Consultant(s) will conduct up to three leadership training courses based on Water Justice Leadership curriculum developed with support from the California Environmental Protection Agency's Environmental Justice Small Grants Program and piloted in three Salinas Valley communities in 2015 and 2016 and any additional training topics, as highlighted by community partners. The leadership training courses will target community partners in areas currently advancing to project readiness through the Salinas Valley DAC Drinking Water and Wastewater Pilot Project.

#### Deliverables

- ☐ Copies of materials from up to three Water Leadership courses
- 

### Project 4: Community Outreach

Outreach to DACs will occur generally throughout the CCFA as part of the Needs Assessment project (Project 2) as well as other DAC Involvement activities. General information sharing and outreach will involve community members to increase interest in, awareness of, and demand for long-term water solutions in DACs throughout the CCFA. Agencies will be engaged to ensure appropriate data dissemination, coordination, and appropriate buy-in for recommended solutions. A focused educational effort will be specifically undertaken by the following IRWM Regions:

**Task 1 – Community Outreach for Santa Cruz Region:** This task will be informed by the Needs Assessment (Project 2) and will involve developing a targeted DAC outreach plan, conducting outreach meetings on water management and water resource related issues facing the region and specific DACs and potential near-term and long-term solutions.

#### Deliverables

- ☐ Memorandum presenting community outreach and engagement approach
- ☐ Community outreach meeting materials
- ☐ A document summarizing outreach results

**Task 2 – Community Outreach for Greater Monterey County Region:** The Greater Monterey County Region will pursue several levels of outreach beginning with general community information sharing to increase awareness and determine interest in potential water projects. In addition, agencies will be engaged to ensure they are part of the solutions. Consultant(s) will then develop a multi-pronged community engagement plan and outreach strategy to reach all residents and owners in the geographic area of several high priority communities identified for project development. Example activities in the community engagement will include:



- ☐ Conduct leadership trainings, environmental health education awareness, and other capacity building activities to increase interest and demand in long-term water solutions and ability to advance them
- ☐ Determine community boundaries
- ☐ Assist residents in understanding financial, legal, and engineering aspects of proposed projects
- ☐ Facilitate community-driven processes to determine long-term solutions for water and wastewater supplies
- ☐ Collect community information needed for project development, engineering and project implementation
- ☐ Develop educational materials to make technical information accessible for community members.

#### Deliverables

- ☐ Copies of up to four high priority community specific engagement plans
- ☐ A document summarizing outreach results
- ☐ Copies of outreach materials
- ☐ Agency Plan of Action

**Task 3 – Outreach Activities for Monterey Peninsula Region:** Community outreach activities will involve direct outreach to the City of Seaside DAC community with the desired outcome of increasing participation in the Monterey Peninsula Water Management District (MPWMD) conservation programs and IRWM Planning. Outreach activities will include education and outreach to DAC property owners and managers to obtain participation in an appliance retrofit program. Outreach and education will continue with DAC residents through the site assessments of DAC properties and appliance retrofit. Participation will result in engaging City of Sea Side community members through this new retrofit program conducted by the MPWMD to help DAC awareness of existing water resource issues, need for conservation, and cost saving opportunities.

#### Deliverables

- ☐ Community outreach materials
- ☐ Site assessments document(s)
- ☐ Implementation data document(s)

**Task 4 – Community Outreach for Santa Barbara Region:** The Cuyama Community Services District (CCSD) currently has very limited means to inform and educate the community regarding issues facing the District and the overall Cuyama Valley. The CCSD will work with the Cuyama Joint Unified School District to provide education about the IRWM, water supply and water use, water quality, water conservation, and other water resource issues. The CCSD will produce and disseminate a bilingual printed Annual Report to ratepayers and to the public at large regarding CCSD activities. The CCSD will initiate an annual Town Hall forum to be held in conjunction with the Cuyama Valley Community Association. The CCSD will use the Town Hall meeting to review all aspects of the CCSD Annual Report with ratepayers, and will provide information about the IRWM program. Additionally, as needed, the CCSD will hold Town Hall meetings to present information to the public, for example, on how to conserve water during a drought. The CCSD will also initiate regular public communication via a professionally produced bilingual website that will be updated quarterly and a bilingual email newsletter. Increased access to information through the website, public meetings, and Annual Report is expected to increase the understanding of and participation in IRWM activities.

#### Deliverables

- ☐ Two Cuyama Community Services District (CCSD) Annual Reports

## Project 5: IRWM Engagement Efforts

Two of the Regions will support existing DAC engagement efforts in the IRWM process as follows:

**Task 1 – IRWM Engagement Efforts for Greater Monterey County Region:** A DAC Regional Engagement Coordinator will be hired to oversee and manage all activities for the Greater Monterey County Region. The DAC Regional Engagement Coordinator will interface with DACs to best understand the needs and issues based on outcomes of the Salinas Valley DAC Drinking Water and Wastewater Pilot project, will act as liaison with the RWMG and RWMF, and will provide oversight and direction to consultant(s), and other subcontractors to facilitate communication, and ensure all work is performed on schedule and as stipulated in the contract.

Consultant(s) will participate in person in monthly RWMG meetings. The consultant(s) will meet with individual RWMG members to explore overlapping interests and possible joint projects, and will educate RWMG members about the DAC work being done. In addition, the consultant(s) will participate in RWMG subgroups, technical advisory committees, and other opportunities to represent DAC interests.

### Deliverables

- ☐ Documentation of monthly RWMG meetings
- ☐ Report of outcomes based on individual meetings with each RWMG member organization that does not represent DACs
- ☐ Two new proposals submitted for ranking in the IRWM plan

**Task 2 – IRWM Engagement Efforts for Santa Barbara Region:** The Cuyama Valley and the CCSD are located in an isolated area of northeastern Santa Barbara County. While the RWMG does conduct regular meetings and regular visits to Cuyama Valley, more coordination is needed to actively engage participants from the CCSD and the Cuyama Valley. Increased access to the IRWM process will help the CCSD board and management make more informed decisions, as well as help the board and staff prioritize and plan for better representation and participation in IRWM efforts and within the newly formed Groundwater Sustainability Agency, which will be mutually reinforcing.

### Deliverables

- ☐ Documentation of Cuyama Valley residents and Cuyama Community Services District participation in IRWM and GSA meetings

## Project 6: Technical Assistance

Technical assistance includes providing TMF assistance to DACs so that the communities are better able to support local decision making, participation in IRWM planning and implementation, and project development and implementation. This work will help identify solutions that create long-term reliability, while optimizing the ongoing operation and maintenance and management costs for small water and wastewater systems. Technical assistance will be targeted in three IRWM regions:

**Task 1 – Technical Assistance for Pajaro River Watershed Region:** Based on the needs and TMF capacity assessments conducted as part of Project 2, Consultant(s) will provide technical assistance to help build managerial capacity and develop policies and procedures for DACs in the Pajaro IRWM Region. Technical assistance will include hands-on training and providing access to local resources, as needed. Consultant(s) will also provide operations and maintenance training for small drinking water and wastewater systems.

### Deliverables

- ☐ Training materials and feasibility studies for capital improvement projects

**Task 2 – Technical Assistance for Greater Monterey County Region:** Consultant(s) will be part of a technical team that will provide general technical assistance to DACs as needed and as resources are available.

Deliverables

- ❑ Training materials and technical assistance reports

**Task 3 – Technical Assistance for Monterey Peninsula Region:** Based on the needs and TMF capacity assessments conducted in Project 2, consultant(s) will provide training and technical assistance to help DACs improve their drinking water quality and wastewater treatment, understand how to properly manage and operate their water systems, and be better positioned for funding. Consultant(s) will offer community-wide trainings and one-on-one assistance as determined in cooperation with the Monterey Peninsula Water Management District. In addition, the consultant(s) will identify potential stakeholders and facilitate conversations among utilities to evaluate the feasibility of collaboration, consolidation, and contractual or mutual aid agreements for capital improvement projects. The consultant(s) will conduct community outreach, education, engagement, and capacity development to support capital project development as appropriate. A consultant(s) will facilitate discussions with regulatory agencies and funding agencies to support development of projects.

Deliverables

- ❑ Training materials and technical assistance reports

## Project 7: Site Assessments

Site assessments include conducting median household income (MHI) surveys, drinking water and septic system assessments, and mapping areas of concern or DAC project boundaries. The outcomes of the site assessments are improved knowledge of water management needs, as well as constraints and opportunities for addressing the needs.

**Task 1 – Site Assessment for Pajaro River Watershed:** Consultant(s) will conduct MHI surveys for a minimum of three small communities in the Pajaro River Watershed IRWM Region.

Deliverables

- ❑ Three completed MHI surveys

**Task 2 – Site Assessments for Greater Monterey County Region:** Consultant(s) will conduct MHI surveys for a minimum of four very small communities in the Greater Monterey IRWM Region. Consultant(s) will be responsible for conducting other site assessments that may include private well testing or septic system evaluations to determine if a DAC has a problem and to map areas of concern or probable DAC project boundaries, as opposed to surveying for engineering.

Deliverables

- ❑ Four MHI surveys completed and
- ❑ Up to four site assessment reports

## Project 8: Project Development and Construction Activities

IRWM planning and DAC engagement efforts previously conducted throughout the Central Coast have identified existing needs in each of the IRWM regions that can be addressed through these tasks. These include project development activities, such as planning, environmental compliance, pre-construction engineering/design activities to support and prepare for future implementation and construction projects to meet DAC needs. The activities also include construction activities to address previously identified and near-term needs.

**Task 1 – Project Development Activities for Santa Cruz Region:** The Santa Cruz Region will conduct project development activities to support two identified projects as well as the additional prioritized project(s) that are an outcome of the Needs Assessment (Project 2). The tasks include the following:

**Task 1.1: Middle Struve Slough Water Quality and Habitat Improvement Project:** This collaborative effort of the City of Watsonville and Watsonville Wetlands Watch will result in construction-ready designs and associated environmental review documents for high quality stormwater treatment features to improve wetland health, surface water quality, and habitat within the Struve Slough watershed. Additional benefits of the project will include improved public access to existing and planned high foot traffic areas of the City's recreational trail network alongside the Sloughs. Project-related bilingual (Spanish) outreach and education will occur. Bilingual interpretive and educational materials about pollution prevention, stormwater, and healthy water resources will be developed.

Deliverables

- ☐ A memo summarizing (2) pre-project community outreach events (sites walks) on project design and further outreach efforts
- ☐ Development of a bilingual interpretive materials plan for public outreach during and post-construction
- ☐ A resource assessment and conceptual design plan
- ☐ 30% designs for construction projects
- ☐ 100% design level grading plans to support project implementation and habitat enhancement and vegetation management designs
- ☐ Project permit matrix for all projects which will require permits; draft permit-related biological information (e.g., DFW 1600 agreement)

**Task 1.2: North Boulder Creek Fire Flow Master Plan:** This Plan is necessary to address a critical water supply need in DACs served by a public water supply system. This Plan will inform future water system infrastructure upgrades necessary to provide adequate water supply pressure to maintain fire protection flows. Residents located in northern Boulder Creek and areas to the north served by the San Lorenzo Valley Water District (District) are supplied by aging 2-inch pipelines that are significantly undersized for appropriate fire protection flows. The Plan includes conducting flow modeling of the water system to determine the appropriately sized pipelines, appurtenances, and system infrastructure to meet fire protection flow requirements. Upon completion of the model simulations, the District can prioritize pipeline replacements of appropriate diameter and location and related improvements. This Plan and related effort will be conducted by District personnel and consultant(s). The generation of this Plan will include an educational and public outreach component to the affected DACs and the areas served.

Deliverables

- ☐ North Boulder Creek Fire Flow Master Plan

**Task 2 – Project Development Activities for Pajaro River Watershed Region:** Pajaro Sunny Mesa Community Services District (PSMCSD) Water Supply Storage Tank: PSMCSD is constructing a new 600,000-gallon water supply storage tank. The planning, design, and construction is funded through a \$1,770,000 Proposition 84 Round 2 IRWM Implementation Grant No. 4600010588. After soliciting construction bids, PSMCSD identified a budget shortfall. This project will be utilized to satisfy the funding shortfall.

Project activities will include project administration, planning and design, and construction. Project administration involves oversight of project budgets, schedules, and reporting. Planning and design involves compliance with environmental documents and permits and revisions to the design

documents, as needed. Construction involves contracting, construction administration, and the following construction activities:

- ☐ Mobilize and prepare site. This work will include mobilization of equipment and machinery and establishing laydown areas. In addition, site preparation work may include clearing, grubbing, fencing and grading.
- ☐ Site excavation will be performed to accommodate the new water tank.
- ☐ Wick drains (or other soil stabilization techniques) will be installed in order to stabilize the tank when it is erected and filled.
- ☐ Erect and Paint Tank. Moreover, this will include construction of the tank foundation, erection of the tank, coating the tank and disinfection and testing of the tank.
- ☐ Install and connect piping from existing well and tank to the new tank. Then install and connect piping from the new tank to the existing booster pumps.
- ☐ Connect controls to interlock the new tank into the existing control system.
- ☐ Construct a new access road with drainage improvements.
- ☐ Disinfect and test newly installed equipment.

#### Deliverables

- ☐ Permits and CEQA documents
- ☐ Revised Plans and Specifications
- ☐ Notice to Proceed
- ☐ Photo documentation
- ☐ Notice of Completion
- ☐ Certification of registered professional

**Task 3 – Project Development Activities for Greater Monterey County Region:** Project development activities are intended to move high priority projects identified through the Salinas Valley Drinking Water and Wastewater Pilot Project closer to successful funding applications and implementation. Additional drinking water and/or wastewater projects may be added to the high priority project list if they address an immediate public/environmental health threat in a disadvantaged community. Projects are expected to include a combination of the following: repair or replacement of drinking water and wastewater infrastructure, consolidation of community water systems with municipal or private water purveyors and planning and design in support of infrastructure for regionalization.

Consultant(s) will be responsible for all project development, design, permitting, and environmental documentation associated with this task. The Scope of Work includes development of two projects to 30% design completion and two others to application readiness in terms of design and environmental documentation. Of the six high priority projects evaluated in the Salinas Valley DAC Pilot Project, Middlefield Road will be ready for DAC Involvement work in early 2018. EJCW is already moving forward with Apple Avenue via the Proposition 1 Technical Assistance (TA) funding and has been approved to submit a TA workplan for Walnut Avenue. Work includes project planning and technical assistance as needed, including project feasibility determinations, preliminary design concepts and environmental compliance evaluations, and other technical assistance coordinated during planning activities.

#### Deliverables

- ☐ Two projects to 30% design completion and two projects to funding application readiness in terms of design and environmental documentation.

**Task 4 – Project Construction Activities for Monterey Peninsula Region:** The DAC population comprises 27% of the City of Monterey population residing in the watershed that will benefit from the storm

water project. This project will install a new storm drain pipe in Franklin Street to intercept and redirect drainage that currently discharges into the Lighthouse Tunnel Pump Station and then into Monterey Bay without treatment. The storm drain is designed to intercept runoff in the downtown area that is susceptible to flooding. This neighborhood is one of the main employment locations for the disadvantaged community. With flooding, there is not only the high risk of washing off pollutants that can be harmful to the environment, but in this case, can affect the businesses in the area which in turn would affect the work force. Drainage will be redirected to Lake El Estero which has assimilative capacity and will be used as reclamation source water.

A portion of the project funds will be devoted to educational activities regarding the project benefits within the DAC. Public outreach will include flyers about the project for public distribution and project posters to be located at the Monterey Sports Center, which is located directly adjacent to the project, that will describe through the use of images and text the purpose for the project and the benefits of the project.

The project is only partially funded by this grant. However, the entire project will be reported on in the quarterly reports. This grant will fund the following project activities:

- ☐ Public outreach activities documents
- ☐ Installation of new Reinforced Concrete Pipe (RCP) storm drain pipe and associated fittings
- ☐ Install approximately 340 linear feet of 36" RCP

#### Deliverables

- |  |   |
|--|---|
| <input type="checkbox"/> CEQA determination                  | <input type="checkbox"/> Certification of registered professional |
| <input type="checkbox"/> Flyers                              | <input type="checkbox"/> Proof of signage or any other            |
| <input type="checkbox"/> Photos of deployed outreach posters | acknowledgement   |
| <input type="checkbox"/> Photos of construction activities   |   |

**Task 5 – Project Development Activities for San Luis Obispo Region:** Five project development activities are proposed to prepare water agencies that serve DACs within the San Luis Obispo County IRWM Region for future implementation projects. These include:

- ☐ Oceano Community Services District Water Resource Reliability Program Phase 2
- ☐ City of Grover Beach Turnout Pump Station Design and Water Master Plan Update
- ☐ City of San Luis Obispo Water Resource Recovery Facility Project Value Engineering at 60% Design
- ☐ San Simeon Community Services District Reservoir Expansion Project and Water Master Plan Update
- ☐ San Miguel Community Services District Wastewater Plan Update and Recharge Basin Study

Each project development activity supports the top priorities projects and/or studies identified by the water agencies that serve DACs. These project development activities benefit the disadvantaged communities and economically distressed areas by providing planning necessary for future implementation of important water projects for the public water systems that serve each community.

**Task 5.1: Oceano Community Services District Water Resource Reliability Program Phase 2:** The proposed project development activities will include design, environmental compliance, and other technical assistance directly in support of the Oceano Community Services District (OCSO) Water Resource Reliability Program (WRRP) including community outreach and education. The WRRP Phase 1 includes the following three components: 1) Feasibility Study Project for Recycled Water Injection Wells, 2) Feasibility Study for Low Impact Development, 3) Feasibility Study for Leak Detection and Management. This phase is currently being undertaken. The WRRP Phase 2 includes preconstruction activities, including design, environmental compliance, other technical assistance, and additional community outreach and education. The future WRRP Phase 3 will involve project construction.

This project will implement Phase 2. Prioritized projects identified as part of the preliminary feasibility evaluations under the prior WRRP Phase 1 planning activities will be developed into "shovel-ready" status.

#### Deliverable

❑ Oceano CSD Water Resource Reliability Program Phase 2 Project Design & Planning Submittal  
Task 5.2: City of Grover Beach Turnout Pump Station Design and Water Master Plan Update: In addition to the turnout improvements, significant changes have occurred because of the drought that were unforeseen when the last Water Master Plan was developed in 2006. Reductions in water demand have reduced revenues and that pattern may continue. Development projects, shifting demand patterns and significant street improvements program using Community Block Grant funding are necessitating an update of the Water Master Plan. The update will include analyzing the most economically viable water system improvements options for development of sustainable water resources projects. The Water Master Plan update will allow Grover Beach to appropriately plan for existing deficiencies and future growth and to identify key implementation projects.

#### Deliverables

- ❑ Grover Beach Turnout Pump Station Design Submittal
- ❑ Grover Beach Water Master Plan Update Document

Task 5.3: City of San Luis Obispo Water Resource Recovery Facility Project Value Engineering at 60% Design: The City of San Luis Obispo, along with program managers, and consultant(s) are working together to complete a 7-year, \$140 million program to upgrade the City's Water Resource Recovery Facility (WRRF) by 2021. The WRRF currently produces and distributes recycled water throughout the City to help offset potable water demand. To help the City meet their water diversity and reliability needs, the WRRF Project is also being designed with potable reuse in mind to position the City to provide another source of water to the community. The WRRF Project is scheduled to begin construction in 2018, and studies are underway to maximize the use of this recycled water resource. This project will perform Value Engineering (VE) at 60% Design for the WRRF Project, and will include coordinating and conducting a VE Workshop at 60% Design of the WRRF Project. A VE Report will be prepared at the end of the VE Workshop.

#### Deliverable

- ❑ San Luis Obispo Water Resource Recovery Facility Project VE at 60% Design Report

Task 5.4: San Simeon Community Services District Reservoir Expansion Project and Water Master Plan Update: This project entails the design, environmental determination, and permitting for a reservoir expansion project and update of the Water Master Plan for the San Simeon Community Services District. The District is proposing to expand the existing 150,000-gallon reservoir to provide regulatory, emergency and fire storage. The San Luis Obispo County Fire Marshall stated that a total of 450,000 gallons would be needed to comply with current fire flow safety regulations, and 100,000 gallons for emergency. The recommended total storage is 600,000 gallons. Design, environmental determination, and permitting activities will be required to establish costs for the reservoir expansion project including any other determining factors that would assist in fire flow improvement. In addition to providing 100% design documents, this activity includes modeling of the system to analyze maximum day demand and fire scenarios. An update to the SSCSD's water, wastewater and recycled water master plan will also be conducted to better identify the disadvantaged community's critical water needs.

#### Deliverables

- ❑ San Simeon CSD Reservoir Expansion 100% Design Submittal
- ❑ San Simeon CSD Water Master Plan Update Document



**Task 5.5: San Miguel Community Services District Wastewater Plan Update and Recharge Basin Study:** San Miguel Community Services District (SMCSD) proposes to conduct a wastewater plant upgrade study. A loading study concluded that the existing facilities are nearing the legal limit of certain contaminants. A wastewater plant upgrade study would address these concerns so the district could adequately prepare for a wastewater expansion project. Additionally, a study for the feasibility of groundwater recharge basins and reclamation is proposed within the SMCSD boundaries. Since SMCSD lacks a supplemental source, the water needs for this DAC depend highly on the health of the immediate groundwater basin. The study would determine the locations for future groundwater recharge basins and injection wells with the intent to provide a supplemental source that is economically affordable.

Deliverables

- ☐ San Miguel CSD Wastewater Plan Update Study
- ☐ San Miguel CSD Recharge Basin Study

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**Project 9: Project Development Activities for the Santa Barbara Region**

**Task 1 – Cuyama and New Cuyama Facilities Optimization Master Plan & Cuyama Hydrogeologic Study**

**Task 1.1: Cuyama and New Cuyama Facilities Optimization Master Plan:** The Cuyama Community Services District (CCSD) proposes to prepare a Facilities Optimization Master Plan that will assess the current water and wastewater facilities and systems, and will provide a comprehensive evaluation of the programs, infrastructure processes, resiliency plan, and procedures that are required to meet CCSD's mission of providing safe and reliable drinking water and reliable and cost efficient wastewater treatment and services to its ratepayers. The Plan will include a section of recommendations for facilities' efficiency, resiliency, increase cost efficacy, new infrastructure and systems' optimization over a 10-year planning horizon. Another outcome of the Plan is to prepare thorough and easily comprehensible operational manuals for the water and wastewater facilities so that any operator will be able to competently operate the facilities. The generation of this Plan would also include an educational and public outreach component, and public workshops. This Plan will assist the CCSD in identifying and prioritizing project development activities for future implementation and construction.

Deliverables

- ☐ Final CCSD Facilities Master Plan, Resiliency Plan and Operating Manuals

**Task 1. 2: Cuyama Hydrogeologic Study:** The Cuyama Community Services District (CCSD) proposes to develop a Hydrogeologic Study including review of existing data, analysis of groundwater level monitoring, and recommendations for potential test well locations. The study will use a watershed modeling tool adapted from the existing USGS model to evaluate the potential influences of local and regional groundwater production on the CCSD wells over 5, 10, and 20 year planning scenarios. These scenarios can be used to inform the Facilities Optimization Master Plan development. This watershed modeling tool will be a long-term resource that the CCSD can use to run future management scenarios including climate change and groundwater management plan pumping scenarios. *The generation of this study would also include an educational and public outreach component, and public workshops.*

Deliverables

- ☐ Final Cuyama Hydrogeologic Study Report

**Task 2 – City of Guadalupe Water Distribution, Sewer Collection, and Wastewater Treatment System**

**Improvements:** This Task includes improvements to the City's water distribution, sewer collection, and wastewater treatment system to prepare for future implementation and construction funding, as follows:

**Water Distribution Improvements:** As part of the 2014 Water Master Plan update, the City of Guadalupe performed a review of the water distribution system, and its ability to provide sufficient Operational, Emergency, and Fire service to the community under existing and future conditions. The review included the development and evaluation of a hydraulic model of the City's distribution system. The fire flow assessment indicated that the distribution system is unable to provide the minimum required flow and residual pressure to schools and industrial zones as set forth by the City Fire Chief. This project would implement the water distribution system upgrades recommended to meet fire flow requirements under existing and future conditions.

**Sewer Collection System Improvements:** As part of the 2014 Wastewater Collection and Treatment Master Plan, the City performed a review of the sewer collection and wastewater treatment system, and its ability to serve the City under existing and future conditions. The review included the development and evaluation of a hydraulic model of the City's collection system, along with a comprehensive review of the City's wastewater treatment plant capacity and operations. The assessment indicated that the collection and treatment systems have significant deficiencies under existing and future conditions, and recommended various upgrades to address the deficiencies.

**Wastewater Treatment System Improvements:** In 2012, the City completed wastewater treatment plant improvements to improve effluent quality and meet permit requirements. The project was the first phase of a larger improvement plan recommended to meet permit conditions and improve operability over a 30-year design life. The project scope was reduced to meet available grant funding while performing the minimal improvements necessary to ensure compliance with the existing Waste Discharge Requirements. This project would implement the additional improvements needing, including replacement and/or refurbishment of facilities located at the influent pump station, as well as grit removal system, effluent distribution ditch, irrigation pump station, effluent storage ponds, and spray fields.

The tasks associated with the proposed water distribution, sewer collection, and wastewater treatment system improvements include:

- **Geotechnical Investigations:** A Certified Geotechnical Engineer will perform a detailed geotechnical investigation at the project sites to explore subsurface conditions. Field investigations will be performed to collect pertinent data and information, which will be analyzed to develop geotechnical engineering recommendations for the final design. The field and laboratory data will be reviewed by a Registered Geotechnical Engineer, and evaluated with respect to development of geotechnical criteria for the proposed projects.
- **Survey/Right-of-Way:** A topographic and boundary survey will be performed to prepare a map within the project limits.
- **Preliminary Design Report:** The Preliminary Design Report (PDR) will be performed. The PDR will describe recommended design features and assessments such as flows, redundancy, materials selection, and operation and maintenance. A hydraulic analysis will be performed to evaluate fire flows and residual pressure. The PDR will include an assessment of permitting, construction sequencing, anticipated design and construction schedule, and temporary facilities. A construction cost opinion will be provided, along with identification of long lead items.
- **Plans, Specifications, and Estimates:** The City's consultant will prepare construction plans and technical specifications for public bid. Plans will be prepared in AutoCad format, and technical specifications will be prepared in CSI format.

Deliverables

- ☐ City of Guadalupe Water Distribution Improvements Geotechnical Investigation,
- ☐ City of Guadalupe Water Distribution Improvements Right of Way Map,
- ☐ City of Guadalupe Water Distribution Improvements Preliminary Design Report
- ☐ City of Guadalupe Water Distribution Improvements Final Plans and Specifications
- ☐ Sewer collection Geotechnical Investigation
- ☐ Sewer collection Right of Way Map
- ☐ Sewer collection Preliminary Design Report
- ☐ Sewer collection Final Plans and Specifications
- ☐ Wastewater treatment system Geotechnical Investigation,
- ☐ Wastewater treatment system Right of Way Map,
- ☐ Wastewater treatment system Preliminary Design Report,
- ☐ Wastewater treatment system Final Plans and Specifications.

**EXHIBIT B**  
**BUDGET**

PROJECT	DESCRIPTION	GRANT AMOUNT
1	Administration	\$244,010
2	Needs Assessments	\$545,363
3	Educational Activities	\$62,003
4	Community Outreach	\$378,180
5	IRWM Engagement Efforts	\$178,499
6	Technical Assistance	\$130,934
7	Site Assessments	\$39,851
8	Project Development and Construction Activities	\$2,040,875
9	Project Development Activities for the Santa Barbara Region	\$680,285
Total Amount:		\$4,300,000

**EXHIBIT C****SCHEDULE**

	2016	2017												2018												2019												2020											
	1-12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
Project 1: Administration																																																	
Executed Agreement														●																																			
Progress Reports and Invoices																	●			●			●				●			●				●				●			●				●				
Final Report																																																	●
Project 2: Needs Assessments																																																	
Project 3: Educational Activities																																																	
Project 4: Community Outreach																																																	
Project 5: IRWM Engagement Efforts																																																	
Project 6: Technical Assistance																																																	
Project 7: Site Assessments																																																	
Project 8: Project Development and Construction Activities																																																	
Project 9: Project Development Activities for the Santa Barbara Region																																																	

● = circle cannotes a single event within a month. It could be "executed" or completed at any time within that month

Note, the above schedule reflects the duration of project activities in the funding area; the start and end dates for the project activities are variable and staggered within the timeframe. Project 8 and 9 include eligible activities dating back to January 21, 2016.

**EXHIBIT D**  
**STANDARD CONDITIONS**

**D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- a) **Separate Accounting of Funding Disbursements and Records:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **Fiscal Management Systems and Accounting Standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited, administered, and accounted for pursuant to the provisions of applicable law and be placed in a non-interest bearing account.
- d) **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

**D.2) ACKNOWLEDGEMENT OF CREDIT:** Grantee shall include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the Projects or using any data and/or information developed under this Grant Agreement. During construction of each project, Grantee shall install a sign at a prominent location, which shall include a statement that the project is financed under Water Quality, Supply and Infrastructure Improvement Act of 2014, administered by State of California, Department of Water Resources. Grantee shall notify State that the sign has been erected by providing them with a site map with the sign location noted and a photograph of the sign.

**D.3) AIR OR WATER POLLUTION VIOLATION:** Under State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to § 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

**D.4) AMENDMENT:** This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. State shall have no obligation to agree to an amendment.

- D.5) AMERICANS WITH DISABILITIES ACT:** By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.
- D.6) APPROVAL:** This Agreement is of no force or effect until signed by all parties to the agreement. Grantee may not submit invoices or receive payment until all required signatures have been obtained.
- D.7) AUDITS:** State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of Projects, with the costs of such audit borne by State. After completion of the Projects, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 11 or take any other action it deems necessary to protect its interests.
- Pursuant to Government Code §8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three years after final payment under this Grant Agreement with respect to all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after project completion or final billing, whichever comes later.
- D.8) BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for the Proposition 1 Implementation Grant Program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.
- D.9) CALIFORNIA CONSERVATION CORPS:** As required in Water Code §79038(b), Grantee shall examine the feasibility of using the California Conservation Corps or community conservation corps to accomplish the habitat restoration, enhancement and protection activities listed in the Exhibit A, Work Plan, and shall use the services of one of these organizations whenever feasible.
- D.10) CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 et seq.). Information on CEQA may be found at the following links:

Environmental Information: <http://resources.ca.gov/ceqa/>

California State Clearinghouse Handbook:

[https://www.opr.ca.gov/docs/SCH\\_Handbook\\_2012.pdf](https://www.opr.ca.gov/docs/SCH_Handbook_2012.pdf)

- D.11) CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code §7110, that:
- a) The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with §5200) of Part 5 of Division 9 of the Family Code; and
  - b) The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.12) CLAIMS DISPUTE:** Any claim that the Grantee may have regarding performance of this agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the State's Project Manager, within thirty (30) calendar days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.13) COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement.
- D.14) COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.15) CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code, §1090 and Public Contract Code, §10410 and §10411, for State conflict of interest requirements.
- a) **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
  - b) **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.



- c) Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code §87100 *et seq.*
- d) Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

**D.16) DELIVERY OF INFORMATION, REPORTS, AND DATA:** Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.

**D.17) DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

**D.18) DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code §8350 *et seq.*) and have or will provide a drug-free workplace by taking the following actions:

- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code §8355(a)(1).
- b) Establish a Drug-Free Awareness Program, as required by Government Code §8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
  - i) The dangers of drug abuse in the workplace,
  - ii) Grantee's policy of maintaining a drug-free workplace,
  - iii) Any available counseling, rehabilitation, and employee assistance programs, and
  - iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code §8355(a)(3), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
  - i) Will receive a copy of Grantee's drug-free policy statement, and
  - ii) Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

**D.19) FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL:** Upon completion of the Project, Grantee shall provide for a final inspection and certification by the appropriate registered professional (California Registered Civil Engineer or Geologist) that the Project has

been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

- D.20) GRANTEE COMMITMENTS:** Grantee accepts and agrees to comply with all terms, provisions, conditions and commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D.21) GRANTEE NAME CHANGE:** Approval of the State's Program Manager is required to change the Grantee's name as listed on this Grant Agreement. Upon receipt of legal documentation of the name change the State will process an amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
- D.22) GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.23) INDEMNIFICATION:** Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Projects and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.
- D.24) INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.25) INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.26) INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.
- D.27) INVOICE DISPUTES:** In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. Any claim that Grantee may have regarding the performance of this Grant Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the DWR Project Manager within thirty (30) calendar days of

Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.

- D.28) NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code § 12990 (a-f) *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, § 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code § 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.29) NO DISCRIMINATION AGAINST DOMESTIC PARTNERS:** For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies by signing this Grant Agreement, under penalty of perjury under the laws of State of California that Grantee is in compliance with Public Contract Code § 10295.3.
- D.30) OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.31) PERFORMANCE AND ASSURANCES:** Grantee agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in Exhibit A (Work Plan) and to apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law.
- D.32) PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code § 11200 in accordance with Public Contract Code § 10353.
- D.33) PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Projects, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant Agreement, without prior written permission of

State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

- D.34) REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.35) RETENTION:** Notwithstanding any other provision of this Grant Agreement, State may, for each project, withhold five percent (5.0%) of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 16, "Submissions of Reports", except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Final Report" is submitted to and approved by State. State shall disburse retained funds to the Grantee.
- D.36) RIGHTS IN DATA:** Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act., Government Code §6250 *et seq.* Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.37) SEVERABILITY:** Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.38) STATE REVIEWS:** The parties agree that review or approval of project applications, documents, permits, plans, and specifications or other project information by the State is for administrative purposes only and does not relieve the Grantee of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the projects.
- D.39) SUSPENSION OF PAYMENTS:** This Grant Agreement may be subject to suspension of payments or termination, or both, and Grantee may be subject to debarment if the State determines that:
- a) Grantee, its contractors, or subcontractors have made a false certification, or
  - b) Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.40) SUCCESSORS AND ASSIGNS:** This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.41) TERMINATION BY GRANTEE:** Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing

so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.

- D.42) TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 10, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.
- D.43) TERMINATION WITHOUT CAUSE:** The State may terminate this Grant Agreement without cause on 30 calendar days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.44) THIRD PARTY BENEFICIARIES:** The parties to this Grant Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.45) TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.46) TRAVEL:** Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Agreement. Travel and per diem expenses to be reimbursed under this Agreement shall be at the same rates the State provides for unrepresented employees in accordance with the provisions of Title 2, Chapter 3, of the California Code of Regulations and shall be reimbursed consistent with the rates current at the time of travel. These rates are published at: <http://www.calhr.ca.gov/employees/Pages/travel-meals.aspx>, or its successor website. For the purpose of computing such expenses, Grantee's designated headquarters shall be: 7807 Soquel Drive, Aptos, CA 95003. No travel outside the Central Coast Funding Area shall be reimbursed unless prior written authorization is obtained from the State's Project Manager.
- D.47) VENUE:** The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.48) WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.
- D.49) WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of §3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Grant Agreement and will make its contractors and subcontractors aware of this provision.

**EXHIBIT E**  
**AUTHORIZING RESOLUTION****REGIONAL WATER MANAGEMENT FOUNDATION***a subsidiary of Community Foundation Santa Cruz County*

The Board of Directors of the Regional Water Management Foundation (RWMF) approves submitting a proposal to the California Department of Water Resources (DWR) for grant funding pursuant to the Proposition 1 Integrated Regional Water Management (IRWM) Disadvantaged Community Involvement program. The RWMF is submitting the funding proposal on behalf of the Santa Cruz IRWM region and the five other IRWM regions within the Central Coast Funding Area. Since 2008, the RWMF has served as the administrative entity for the Santa Cruz IRWM program and has served as grantee on prior IRWM grant awards.

At a meeting of the Santa Cruz IRWM Regional Water Management Group on February 24, 2017, representatives were unanimous in support of pursuing the RWMF pursuing IRWM Disadvantaged Community Involvement funding on behalf of the region. In spring 2017, the five other IRWM regions in the Central Coast all submitted letters of support for the RWMF serving as the grantee on behalf of the Central Coast Funding Area; these letter were previously submitted to DWR with the proposal in April 2017.


The Board of Directors of the RWMF approves entering into an agreement to receive a grant for the: Disadvantaged Community Involvement proposal for the Central Coast Funding Area. The Program Director of the Regional Water Management Foundation is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with California Department of Water Resources.

Passed and adopted by the Board of Directors.

Authorized Original Signature: 

Name: Ralph Miljanich

Title: Board Chair

Clerk/Secretary: 

## **EXHIBIT F**

### **REPORT FORMATS AND REQUIREMENTS**

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

#### **PROGRESS REPORTS**

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A (Work Plan):

- ☐ Estimate of percent work complete.
- ☐ Milestones or deliverables completed during the reporting period.
- ☐ Discussion of work accomplished during the reporting period and submission of deliverables per Exhibit A.
- ☐ Scheduling concerns and issues encountered that may delay completion of the task.
- ☐ Work anticipated for the next reporting period.
- ☐ Updated schedule or budget inclusive of any changes that have occurred.

#### **FINAL REPORT**

The Final Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects in the IRWM Program funded by this Grant Agreement, and includes the following:

##### **Executive Summary**

The Executive Summary consists of a maximum of twenty (20) pages summarizing information for the grant as well as the individual projects.

##### **Stakeholder Summary**

- ☐ General description of water management needs of DACs, Economically Distressed Areas (EDAs), and underrepresented communities at the Funding Area learned from the activities performed in this program
- ☐ General summary of DACs, EDAs, and underrepresented communities involved in IRWM efforts through this Program
- ☐ Map(s) identifying all DACs, EDAs, and underrepresented communities with IRWM regions learned from the activities performed in this program

##### **Involvement Activity Summary**

- ☐ General description of involvement activities performed in this Program, including both successful and unsuccessful involvement activities
- ☐ Identification of projects developed from the DAC involvement activities, if applicable

##### **Findings**

- ☐ Needs Assessment
  - o Narrative summary of community characteristics identified and specific community water management needs and resources (technical, managerial, and financial) to address the needs of DACs, EDAs, and underrepresented communities
  - o Needs Assessment template table filled in (at the community level)
- ☐ Identification of ongoing barriers for DAC involvement in IRWM efforts

- ☐ Recommendations for water managers on future DAC involvement activities in IRWM efforts

**Looking into the Future**

- ☐ Next steps for the IRWM regions to continue DAC involvement efforts



**EXHIBIT G****REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL****Surface and Groundwater Quality Data**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit F.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at:

[http://www.waterboards.ca.gov/gama/geotracker\\_gama.shtml](http://www.waterboards.ca.gov/gama/geotracker_gama.shtml). If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program.

**Groundwater Level Data**

Grantee shall submit to DWR groundwater level data collected as part of this grant. Water level data must be submitted using the California Statewide Groundwater Elevation Monitoring (CASGEM) online data submission system. Grantee should use their official CASGEM Monitoring Entity or Cooperating Agency status to gain access to the online submittal tool and submit data. If the data is from wells that are not part of the monitoring network, the water level measurements should be classified as voluntary measurements in the CASGEM system. If the grantee is not a Monitoring Entity or Cooperating Agency, please contact your DWR grant project manager for further assistance with data submittal. The activity of data submittal should be documented in appropriate progress or final project reports, as described in Exhibit F. Information regarding the CASGEM program can be found at <http://www.water.ca.gov/groundwater/casgem/>.

**EXHIBIT H****STATE AUDIT DOCUMENT REQUIREMENTS GUIDELINES FOR GRANTEES****State Audit Document Requirements**

The list below details the documents/records that State Auditors typically reviewed in the event of a Grant Agreement being audited. Grantees should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list of documents also includes documents relating to the Grantee's funding match which will be required for audit purposes.

Internal Controls:

1. Organization chart (e.g., Agency's overall organization chart and organization chart for this Grant Agreement's funded project).
2. Written internal procedures and flowcharts for the following:
  - a) Receipts and deposits
  - b) Disbursements
  - c) State reimbursement requests
  - d) State funding expenditure tracking
  - e) Guidelines, policy(ies), and procedures on State funded Program/Project
3. Audit reports of the Grantee's internal control structure and/or financial statements within the last two years.
4. Prior audit reports on State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A list of all bond-funded grants, loans or subventions received from the State.
3. A list of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related, if applicable.
2. Contracts between the Grantee, member agencies, and project partners as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips or bank statements showing deposit of the payments received from the State.

3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the Grant Agreement.

Accounting Records:

1. Ledgers showing receipts and cash disbursement entries for State funding.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to reimbursement requests submitted to the State for the Grant Agreement

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Grantee staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor's staff and the Grantee's staff

Project Files:

1. All supporting documentation maintained in the Program/Project files.
2. All Grant Agreement related correspondence.

**Grant Agreement 4600012296  
Amendment 1  
Under the Proposition 1, Integrated Regional Water Management Grant**

**State of California  
Natural Resources Agency  
Department of Water Resources**

**Agreement Between the State of California  
Department of Water Resources  
and Regional Water Management Foundation**

This amendment to Agreement 4600012296 is made on 5/31/18. The agreement is amended as follows:

**Exhibit A:** The work plan is revised per the attached.

**Exhibit B:** The budget is revised per the attached.

**Exhibit C:** The schedule is revised per the attached.

INWITNESS WHEREOF, the parties hereto have executed this amendment on the date first written above.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

  
Carmel K. Brown, P.E., Chief  
Financial Assistance Branch  
Division of Integrated Regional Water Management

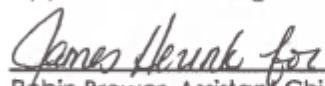
Date: 5/31/18

Regional Water Management Foundation

  
Tim Carson, Program Manager

Date: 5/10/18

Approved as to Legal Form and Sufficiency

  
Robin Brewer, Assistant Chief Counsel  
Office of Chief Counsel

Date 5-30-18



## EXHIBIT A WORK PLAN

### **Project 8: Project Development and Construction Activities for the Pajaro River and San Luis Obispo Regions**

IRWM planning and DAC engagement efforts previously conducted throughout the Central Coast have identified existing needs in each of the IRWM regions that can be addressed through these tasks. These include project development activities, such as planning, environmental compliance, pre-construction engineering/design activities to support and prepare for future implementation and construction projects to meet DAC needs. The activities also include construction activities to address previously identified and near-term needs.

**Task 1 – Project Development Activities for Pajaro River Watershed Region:** Pajaro Sunny Mesa Community Services District (PSMCSD) Water Supply Storage Tank: PSMCSD is constructing a new 600,000-gallon water supply storage tank. The planning, design, and construction is funded through a \$1,770,000 Proposition 84 Round 2 IRWM Implementation Grant No. 4600010588. After soliciting construction bids, PSMCSD identified a budget shortfall. This project will be utilized to satisfy the funding shortfall.

Project activities will include project administration, planning and design, and construction. Project administration involves oversight of project budgets, schedules, and reporting. Planning and design involves compliance with environmental documents and permits and revisions to the design documents, as needed. Construction involves contracting, construction administration, and the following construction activities:

- Mobilize and prepare site. This work will include mobilization of equipment and machinery and establishing laydown areas. In addition, site preparation work may include clearing, grubbing, fencing and grading.
- Site excavation will be performed to accommodate the new water tank.
- Wick drains (or other soil stabilization techniques) will be installed in order to stabilize the tank when it is erected and filled.
- Erect and Paint Tank. Moreover, this will include construction of the tank foundation, erection of the tank, coating the tank and disinfection and testing of the tank.
- Install and connect piping from existing well and tank to the new tank. Then install and connect piping from the new tank to the existing booster pumps.
- Connect controls to interlock the new tank into the existing control system.
- Construct a new access road with drainage improvements.
- Disinfect and test newly installed equipment.

#### Deliverables

- ☐ Permits and CEQA documents
- ☐ Revised Plans and Specifications
- ☐ Notice to Proceed
- ☐ Photo documentation
- ☐ Notice of Completion
- ☐ Certification of registered professional

**Task 2 – Project Development Activities for San Luis Obispo Region:** Five project development activities are proposed to prepare water agencies that serve DACs within the San Luis Obispo County IRWM Region for future implementation projects. These include:

- Oceano Community Services District Water Resource Reliability Program Phase 2
- City of Grover Beach Turnout Pump Station Design and Water Master Plan Update
- City of San Luis Obispo Water Resource Recovery Facility Project Value Engineering at 60% Design
- San Simeon Community Services District Reservoir Expansion Project and Water Master Plan Update
- San Miguel Community Services District Wastewater Plan Update and Recharge Basin Study

Each project development activity supports the top priorities projects and/or studies identified by the water agencies that serve DACs. These project development activities benefit the disadvantaged communities and economically distressed areas by providing planning necessary for future implementation of important water projects for the public water systems that serve each community.

**Task 2.1: Oceano Community Services District Water Resource Reliability Program Phase 2:** The proposed project development activities will include design, environmental compliance, and other technical assistance directly in support of the Oceano Community Services District (OCSO) Water Resource Reliability Program (WRRP) including community outreach and education. The WRRP Phase 1 includes the following three components: 1) Feasibility Study Project for Recycled Water Injection Wells, 2) Feasibility Study for Low Impact Development, 3) Feasibility Study for Leak Detection and Management. This phase is currently being undertaken. The WRRP Phase 2 includes preconstruction activities, including design, environmental compliance, other technical assistance, and additional community outreach and education. The future WRRP Phase 3 will involve project construction.

This project will implement Phase 2. Prioritized projects identified as part of the preliminary feasibility evaluations under the prior WRRP Phase 1 planning activities will be developed into "shovel-ready" status.

#### Deliverable

- Oceano CSD Water Resource Reliability Program Phase 2 Project Design & Planning Submittal

**Task 2.2: City of Grover Beach Turnout Pump Station Design and Water Master Plan Update:** In addition to the turnout improvements, significant changes have occurred because of the drought that were unforeseen when the last Water Master Plan was developed in 2006. Reductions in water demand have reduced revenues and that pattern may continue. Development projects, shifting demand patterns and significant street improvements program using Community Block Grant funding are necessitating an update of the Water Master Plan. The update will include analyzing the most economically viable water system improvements options for development of sustainable water resources projects. The Water Master Plan update will allow Grover Beach to appropriately plan for existing deficiencies and future growth and to identify key implementation projects.

#### Deliverables

- Grover Beach Turnout Pump Station Design Submittal
- Grover Beach Water Master Plan Update Document

**Task 2.3: City of San Luis Obispo Water Resource Recovery Facility Project Value Engineering at 60% Design:** The City of San Luis Obispo, along with program managers, and consultant(s) are working together to complete a 7-year, \$140 million program to upgrade the City's Water Resource Recovery Facility (WRRF) by 2021. The WRRF currently produces and distributes recycled water throughout the City to help offset potable water demand. To help the City meet their water diversity and reliability needs, the WRRF Project is also being designed with potable reuse in mind to position the City to provide another source of water to the community. The WRRF Project is scheduled to begin construction in 2018, and studies are underway to maximize the use of this recycled water resource. This project will perform Value Engineering (VE) at 60% Design for the WRRF Project, and will include coordinating and conducting a VE Workshop at 60% Design of the WRRF Project. A VE Report will be prepared at the end of the VE Workshop.



Deliverable

- ☐ San Luis Obispo Water Resource Recovery Facility Project VE at 60% Design Report

**Task 2.4: San Simeon Community Services District Reservoir Expansion Project and Water Master Plan Update:** This project entails the design, environmental determination, and permitting for a reservoir expansion project and update of the Water Master Plan for the San Simeon Community Services District. The District is proposing to expand the existing 150,000-gallon reservoir to provide regulatory, emergency and fire storage. The San Luis Obispo County Fire Marshall stated that a total of 450,000 gallons would be needed to comply with current fire flow safety regulations, and 100,000 gallons for emergency. The recommended total storage is 600,000 gallons. Design, environmental determination, and permitting activities will be required to establish costs for the reservoir expansion project including any other determining factors that would assist in fire flow improvement. In addition to providing 100% design documents, this activity includes modeling of the system to analyze maximum day demand and fire scenarios. An update to the SSCSD's water, wastewater and recycled water master plan will also be conducted to better identify the disadvantaged community's critical water needs.

Deliverables

- ☐ San Simeon CSD Reservoir Expansion 100% Design Submittal
- ☐ San Simeon CSD Water Master Plan Update Document

**Task 2.5: San Miguel Community Services District Wastewater Plan Update and Recharge Basin Study:** San Miguel Community Services District (SMCSD) proposes to conduct a wastewater plant upgrade study. A loading study concluded that the existing facilities are nearing the legal limit of certain contaminants. A wastewater plant upgrade study would address these concerns so the district could adequately prepare for a wastewater expansion project. Additionally, a study for the feasibility of groundwater recharge basins and reclamation is proposed within the SMCSD boundaries. Since SMCSD lacks a supplemental source, the water needs for this DAC depend highly on the health of the immediate groundwater basin. The study would determine the locations for future groundwater recharge basins and injection wells with the intent to provide a supplemental source that is economically affordable.

Deliverables

- ☐ San Miguel CSD Wastewater Plan Update Study
- ☐ San Miguel CSD Recharge Basin Study

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## **Project 9: Project Development Activities for the Santa Barbara Region**

IRWM planning and DAC engagement efforts previously conducted throughout the Central Coast have identified existing needs in each of the IRWM regions that can be addressed through these tasks. These include project development activities, such as planning, environmental compliance, pre-construction engineering/design activities to support and prepare for future implementation and construction projects to meet DAC needs. The activities also include construction activities to address previously identified and near-term needs.

### **Task 1 – Cuyama and New Cuyama Facilities Optimization Master Plan & Cuyama Hydrogeologic Study**

**Task 1.1: Cuyama and New Cuyama Facilities Optimization Master Plan:** The Cuyama Community Services District (CCSD) proposes to prepare a Facilities Optimization Master Plan that will assess the current water and wastewater facilities and systems, and will provide a comprehensive evaluation of the programs, infrastructure processes, resiliency plan, and procedures that are required to meet CCSD's mission of providing safe and reliable drinking water and reliable and cost efficient wastewater treatment and services to its ratepayers. The Plan will include a section of



recommendations for facilities' efficiency, resiliency, increase cost efficacy, new infrastructure and systems' optimization over a 10-year planning horizon. Another outcome of the Plan is to prepare thorough and easily comprehensible operational manuals for the water and wastewater facilities so that any operator will be able to competently operate the facilities. The generation of this Plan would also include an educational and public outreach component, and public workshops. This Plan will assist the CCSD in identifying and prioritizing project development activities for future implementation and construction.

#### Deliverables

- ☐ Final CCSD Facilities Master Plan, Resiliency Plan and Operating Manuals

**Task 1. 2: Cuyama Hydrogeologic Study:** The Cuyama Community Services District (CCSD) proposes to develop a Hydrogeologic Study including review of existing data, analysis of groundwater level monitoring, and recommendations for potential test well locations. The study will use a watershed modeling tool adapted from the existing USGS model to evaluate the potential influences of local and regional groundwater production on the CCSD wells over 5, 10, and 20-year planning scenarios. These scenarios can be used to inform the Facilities Optimization Master Plan development. This watershed modeling tool will be a long-term resource that the CCSD can use to run future management scenarios including climate change and groundwater management plan pumping scenarios. The generation of this study would also include an educational and public outreach component, and public workshops.

#### Deliverables

- ☐ Final Cuyama Hydrogeologic Study Report

### **Task 2 – City of Guadalupe Water Distribution, Sewer Collection, and Wastewater Treatment System**

**Improvements:** This Task includes improvements to the City's water distribution, sewer collection, and wastewater treatment system to prepare for future implementation and construction funding, as follows:

**Water Distribution Improvements:** As part of the 2014 Water Master Plan update, the City of Guadalupe performed a review of the water distribution system, and its ability to provide sufficient Operational, Emergency, and Fire service to the community under existing and future conditions. The review included the development and evaluation of a hydraulic model of the City's distribution system. The fire flow assessment indicated that the distribution system is unable to provide the minimum required flow and residual pressure to schools and industrial zones as set forth by the City Fire Chief. This project would implement the water distribution system upgrades recommended to meet fire flow requirements under existing and future conditions.

**Sewer Collection System Improvements:** As part of the 2014 Wastewater Collection and Treatment Master Plan, the City performed a review of the sewer collection and wastewater treatment system, and its ability to serve the City under existing and future conditions. The review included the development and evaluation of a hydraulic model of the City's collection system, along with a comprehensive review of the City's wastewater treatment plant capacity and operations. The assessment indicated that the collection and treatment systems have significant deficiencies under existing and future conditions, and recommended various upgrades to address the deficiencies.

**Wastewater Treatment System Improvements:** In 2012, the City completed wastewater treatment plant improvements to improve effluent quality and meet permit requirements. The project was the first phase of a larger improvement plan recommended to meet permit conditions and improve operability over a 30-year design life. The project scope was reduced to meet available grant funding while performing the minimal improvements necessary to ensure compliance with the existing Waste

Discharge Requirements. This project would implement the additional improvements needing, including replacement and/or refurbishment of facilities located at the influent pump station, as well as grit removal system, effluent distribution ditch, irrigation pump station, effluent storage ponds, and spray fields.

The tasks associated with the proposed water distribution, sewer collection, and wastewater treatment system improvements include:

- **Geotechnical Investigations:** A Certified Geotechnical Engineer will perform a detailed geotechnical investigation at the project sites to explore subsurface conditions. Field investigations will be performed to collect pertinent data and information, which will be analyzed to develop geotechnical engineering recommendations for the final design. The field and laboratory data will be reviewed by a Registered Geotechnical Engineer, and evaluated with respect to development of geotechnical criteria for the proposed projects.
- **Survey/Right-of-Way:** A topographic and boundary survey will be performed to prepare a map within the project limits.
- **Preliminary Design Report:** The Preliminary Design Report (PDR) will be performed. The PDR will describe recommended design features and assessments such as flows, redundancy, materials selection, and operation and maintenance. A hydraulic analysis will be performed to evaluate fire flows and residual pressure. The PDR will include an assessment of permitting, construction sequencing, anticipated design and construction schedule, and temporary facilities. A construction cost opinion will be provided, along with identification of long lead items.
- **Plans, Specifications, and Estimates:** The City's consultant will prepare construction plans and technical specifications for public bid. Plans will be prepared in AutoCad format, and technical specifications will be prepared in CSI format.

#### Deliverables

- ☐ City of Guadalupe Water Distribution Improvements Geotechnical Investigation,
- ☐ City of Guadalupe Water Distribution Improvements Right of Way Map,
- ☐ City of Guadalupe Water Distribution Improvements Preliminary Design Report
- ☐ City of Guadalupe Water Distribution Improvements Final Plans and Specifications
- ☐ Sewer collection Geotechnical Investigation
- ☐ Sewer collection Right of Way Map
- ☐ Sewer collection Preliminary Design Report
- ☐ Sewer collection Final Plans and Specifications
- ☐ Wastewater treatment system Geotechnical Investigation,
- ☐ Wastewater treatment system Right of Way Map,
- ☐ Wastewater treatment system Preliminary Design Report,
- ☐ Wastewater treatment system Final Plans and Specifications.

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## **Project 10: Project Development and Construction Activities for the Santa Cruz and Monterey Regions**

IRWM planning and DAC engagement efforts previously conducted throughout the Central Coast have identified existing needs in each of the IRWM regions that can be addressed through these tasks. These include project development activities, such as planning, environmental compliance, pre-construction engineering/design activities to support and prepare for future implementation and construction projects to meet DAC needs. The activities also include construction activities to address previously identified and near-term needs.

**Task 1 – Project Development Activities for Santa Cruz Region:** The Santa Cruz Region will conduct project development activities to support two identified projects as well as the additional prioritized project(s) that are an outcome of the Needs Assessment (Project 2). The tasks include the following:

**Task 1.1: Middle Struve Slough Water Quality and Habitat Improvement Project:** This collaborative effort of the City of Watsonville and Watsonville Wetlands Watch will result in construction-ready designs and associated environmental review documents for high quality stormwater treatment features to improve wetland health, surface water quality, and habitat within the Struve Slough watershed. Additional benefits of the project will include improved public access to existing and planned high foot traffic areas of the City's recreational trail network alongside the Sloughs. Project-related bilingual (Spanish) outreach and education will occur. Bilingual interpretive and educational materials about pollution prevention, stormwater, and healthy water resources will be developed.

#### Deliverables

- ☐ A memo summarizing (2) pre-project community outreach events (sites walks) on project design and further outreach efforts
- ☐ Development of a bilingual interpretive materials plan for public outreach during and post-construction
- ☐ A resource assessment and conceptual design plan
- ☐ 30% designs for construction projects
- ☐ 100% design level grading plans to support project implementation and habitat enhancement and vegetation management designs
- ☐ Project permit matrix for all projects which will require permits; draft permit-related biological information (e.g., DFW 1600 agreement)

**Task 1.2: North Boulder Creek Fire Flow Master Plan:** This Plan is necessary to address a critical water supply need in DACs served by a public water supply system. This Plan will inform future water system infrastructure upgrades necessary to provide adequate water supply pressure to maintain fire protection flows. Residents located in northern Boulder Creek and areas to the north served by the San Lorenzo Valley Water District (District) are supplied by aging 2-inch pipelines that are significantly undersized for appropriate fire protection flows. The Plan includes conducting flow modeling of the water system to determine the appropriately sized pipelines, appurtenances, and system infrastructure to meet fire protection flow requirements. Upon completion of the model simulations, the District can prioritize pipeline replacements of appropriate diameter and location and related improvements. This Plan and related effort will be conducted by District personnel and consultant(s). The generation of this Plan will include an educational and public outreach component to the affected DACs and the areas served.

#### Deliverables

- ☐ North Boulder Creek Fire Flow Master Plan

**Task 2 – Project Development Activities for Greater Monterey County Region:** Project development activities are intended to move high priority projects identified through the Salinas Valley Drinking Water and Wastewater Pilot Project closer to successful funding applications and implementation. Additional drinking water and/or wastewater projects may be added to the high priority project list if they address an immediate public/environmental health threat in a disadvantaged community. Projects are expected to include a combination of the following: repair or replacement of drinking water and wastewater infrastructure, consolidation of community water systems with municipal or private water purveyors and planning and design in support of infrastructure for regionalization.

Consultant(s) will be responsible for all project development, design, permitting, and environmental documentation associated with this task. The Scope of Work includes development of two projects to 30% design completion and two others to application readiness in terms of design and environmental documentation. Of the six high priority projects evaluated in the Salinas Valley DAC Pilot Project, Middlefield Road will be ready for DAC Involvement work in early 2018. EJCW is already moving forward with Apple Avenue via the Proposition 1 Technical Assistance (TA) funding and has been approved to submit a TA workplan for Walnut Avenue. Work includes project planning and technical assistance as needed, including project feasibility determinations, preliminary design concepts and environmental compliance evaluations, and other technical assistance coordinated during planning activities.

#### Deliverables

- ☐ Two projects to 30% design completion and two projects to funding application readiness in terms of design and environmental documentation.

**Task 3 – Project Construction Activities for Monterey Peninsula Region:** The DAC population comprises 27% of the City of Monterey population residing in the watershed that will benefit from the storm water project. This project will install a new storm drain pipe in Franklin Street to intercept and redirect drainage that currently discharges into the Lighthouse Tunnel Pump Station and then into Monterey Bay without treatment. The storm drain is designed to intercept runoff in the downtown area that is susceptible to flooding. This neighborhood is one of the main employment locations for the disadvantaged community. With flooding, there is not only the high risk of washing off pollutants that can be harmful to the environment, but in this case, can affect the businesses in the area which in term would affect the work force. Drainage will be redirected to Lake El Estero which has assimilative capacity and will be used as reclamation source water.

A portion of the project funds will be devoted to educational activities regarding the project benefits within the DAC. Public outreach will include flyers about the project for public distribution and project posters to be located at the Monterey Sports Center, which is located directly adjacent to the project, that will describe through the use of images and text the purpose for the project and the benefits of the project.

The project is only partially funded by this grant. However, the entire project will be reported on in the quarterly reports. This grant will fund the following project activities:

- Public outreach activities documents
- Installation of new Reinforced Concrete Pipe (RCP) storm drain pipe and associated fittings
- Install approximately 340 linear feet of 36" RCP

#### Deliverables

- ☐ CEQA determination
- ☐ Flyers
- ☐ Photos of deployed outreach posters
- ☐ Photos of construction activities
- ☐ Certification of registered professional
- ☐ Proof of signage or any other acknowledgement



**EXHIBIT B**  
**BUDGET**

<b>PROJECT</b>	<b>DESCRIPTION</b>	<b>GRANT AMOUNT</b>
1	Administration	\$244,010
2	Needs Assessments	\$545,363
3	Educational Activities	\$62,003
4	Community Outreach	\$378,180
5	IRWM Engagement Efforts	\$178,499
6	Technical Assistance	\$130,934
7	Site Assessments	\$39,851
8	Project Development and Construction Activities for the Pajaro and San Luis Obispo Regions	\$1,255,626
9	Project Development Activities for the Santa Barbara Region	\$680,285
10	Project Development Activities for the Santa Cruz, Greater Monterey and Monterey Peninsula Regions	\$785,289
Total Amount:		\$4,300,000

EXHIBIT C  
SCHEDULE[illegible]

● = circle cannot be a single event within a month. It could be "executed" or completed at any time within that month

Note, the above schedule reflects the duration of project activities in the funding area; the start and end dates for the project activities are variable and staggered within the timeframe. Project 8 and 9 include eligible activities dating back to January 21, 2016.

Attachment 1	
Page 63 of 76	

**Grant Agreement 4600012296**

**Amendment 2**

**Under the Proposition 1, Integrated Regional Water Management Disadvantaged Community Involvement Grant**

**State of California**

**Natural Resources Agency**

**Department of Water Resources**

**Agreement Between the State of California**

**Department of Water Resources**

**and Regional Water Management Foundation**

This amendment to Agreement 4600012296 is made on 5/10/19. The agreement is amended as follows:

**Agreement**

The following change is made to Paragraph 16 d.) Post-Performance Reports submittal is revised from 10 years to 3 years.

Paragraph 22 – Cory Saltsman is replaced with Angela Cruz as the Department of Water Resources Project Manager.

**Exhibit A:** The Work Plan is revised per the attached.

**Exhibit B:** The Budget is revised per the attached.

INWITNESS WHEREOF, the parties hereto have executed this amendment on the date first written above.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES



Carmel K. Brown, P.E., Chief  
Financial Assistance Branch  
Division of Integrated Regional Water Management

Date: 5/10/19

REGIONAL WATER MANAGEMENT FOUNDATION

DocuSigned by

Tim Carson

Tim Carson, Program Manager

Date: 5/8/2019

Approved as to Legal Form and Sufficiency



Robin Brewer, Assistant Chief Counsel  
Office of Chief Counsel

Date: 5-9-19



16. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Final Report is a requirement for the release of any funds retained for such projects.
- a) Progress Reports: Grantee shall submit progress reports quarterly to meet the State's requirement for disbursement of funds. The progress reports shall be sent via e-mail to the State's Project Manager and shall be uploaded into GRANTS at the frequency specified in Exhibit C (Schedule). The progress reports shall provide a brief description of the work performed during the reporting period including: Grantee's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this Agreement.
- b) Accountability Report: Grantee shall submit, on a quarterly basis, an Accountability Report by individual Local Project Sponsor (if applicable) that at a minimum:
- Includes an itemization of how advanced funds have been expended to date (Expenditure Summary), including documentation that supports the expenditures (e.g. contractor invoices, receipts, personnel hours, etc.). Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B.
  - Includes a funding plan which shows how the remaining advanced funds will be expended.
  - Provides an accounting of distribution of the advanced funds to the appropriate Local Project Sponsor (if applicable).
  - Documents that the funds were spent on eligible reimbursable costs.
  - Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
- c) Final Report: Upon completion of the projects included in Exhibit A, Grantee shall submit to State a Final Grant Completion Report. The Final Completion Report shall be submitted within ninety (90) calendar days of completion of the projects. The Final Grant Completion Report shall include a stakeholder summary; description of involvement activities and the projects developed from those activities; discussion of findings from the needs assessment, identification of ongoing barriers, and recommendations for future activities. Retention will not be disbursed until the Final Grant Completion Report is submitted to and approved by the State.
- d) Post-Performance Reports: Grantee shall submit Post-Performance Reports, if applicable. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of a construction and implementation project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 3 years after the completed project(s) begins operation.

22. **PROJECT REPRESENTATIVES.** The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources  
Arthur Hinojosa  
Chief, Division of IRWM  
P.O. Box 942836  
Sacramento CA 94236-0001  
(916) 653-4736  
[Arthur.Hinojosa@water.ca.gov](mailto:Arthur.Hinojosa@water.ca.gov)

Regional Water Management Foundation  
Tim Carson  
Program Director  
7807 Sequel Drive  
Aptos, CA 95003  
(831) 662-2050  
[tcarson@cfsc.org](mailto:tcarson@cfsc.org)

Direct all inquiries to the Project Manager:

Department of Water Resources  
Angela Cruz  
Division of IRWM  
P.O. Box 942836  
Sacramento, CA 94236-0001  
(916) 653-9723  
[Angela.Cruz@water.ca.gov](mailto:Angela.Cruz@water.ca.gov)

Regional Water Management Foundation  
Tim Carson  
Program Director  
7807 Sequel Drive  
Aptos, CA 95003  
(831) 662-2050  
[tcarson@cfsc.org](mailto:tcarson@cfsc.org)

Either party may change its Project Representative or Project Manager upon written notice to the other party.

23. **STANDARD PROVISIONS.** The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan  
Exhibit B – Budget  
Exhibit C – Schedule  
Exhibit D – Standard Conditions  
Exhibit E – Authorizing Resolution  
Exhibit F – Report Formats and Requirements  
Exhibit G – Requirements for Statewide Monitoring and Data Submittal  
Exhibit H – State Audit Document Requirements for Grantees

**EXHIBIT A****WORK PLAN**

This Work Plan describes the work to be performed (including deliverables) by The Regional Water Management Foundation ("Grantee") on behalf of the Central Coast Funding Area (CCFA) for the Proposition 1 Integrated Regional Water Management (IRWM) Disadvantaged Community (DAC) Involvement Grant Program.

The associated general budget and schedule for this work are presented in Exhibits B and C, respectively. Within 30 days of the execution of the Grant Agreement with DWR, to assist DWR in tracking the work and reviewing and processing Invoices, the Grantee will submit to DWR a detailed budget and graphical schedule for each project described herein.

Representatives from the six IRWM regions in the CCFA collaborated to jointly develop the projects listed below. The representatives coordinated with their respective regional water management groups and IRWM planning processes to inform this work. The projects tie to each region, they are informed by years of prior work and planning in the respective IRWM regions, and collectively address the water management needs in the funding area. The projects aim to achieve the intended purposes of the DAC Involvement Program by working collaboratively to involve DACs in planning efforts, improving the understanding of the water management needs of DACs, and developing strategies and solutions that appropriately address the identified DAC water management needs.

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**Project 1: Administration**

The Regional Water Management Water Management Foundation (RWMF) will administer the grant acting in coordination with the designated CCFA project representatives. The RWMF will serve as the central hub for grant reporting and the administrative point of contact for DWR and the participating CCFA entities responsible for implementing the projects described herein.

Administrative duties will include: negotiation, development and execution of the grant agreement with DWR and the sub-grantee agreements between the RWMF and the respective IRWM regional entity or the local project sponsor, as applicable; managing contracts; disseminating grant compliance information; obtaining and submitting evidence of compliance with the grant conditions to DWR; soliciting quarterly progress reports and invoices from CCFA regional representatives for review, compilation and submittal to DWR; tracking grant budget and payments; coordinating payment of grant reimbursements to local project sponsors; participating in meetings and/or conference calls with CCFA representatives and DAC Involvement IRWM funding area representatives to exchange information; liaising with DWR, Central Coast Regional Water Quality Control Board, CCFA participants, counsel, and consultants; compiling content from CCFA regional representatives for inclusion in the final report; organizing project financial and report records for audit purposes; and, as applicable, coordinating agreement amendments with DWR and sub-grantee amendments.

**Deliverables**

- ☐ Quarterly progress reports
  - ☐ Invoices with supporting documentation
  - ☐ Final Report, including a Funding Area-wide Needs Assessment as specified in Appendix A of the DAC Involvement RFP
-

**Project 5: IRWM Engagement Efforts**

Two of the Regions will support existing DAC engagement efforts in the IRWM process as follows:

**Task 1 – IRWM Engagement Efforts for Greater Monterey County Region:** A DAC Regional Engagement Coordinator will be hired to oversee and manage all activities for the Greater Monterey County Region. The DAC Regional Engagement Coordinator will interface with DACs to best understand the needs and issues based on outcomes of the Salinas Valley DAC Drinking Water and Wastewater Pilot project, will act as liaison with the RWMG and RWMF, and will provide oversight and direction to consultant(s), and other subcontractors to facilitate communication, and ensure all work is performed on schedule and as stipulated in the contract.

Consultant(s) will participate in person in monthly RWMG meetings. The consultant(s) will meet with individual RWMG members to explore overlapping interests and possible joint projects, and will educate RWMG members about the DAC work being done. In addition, the consultant(s) will participate in RWMG subgroups, technical advisory committees, and other opportunities to represent DAC interests.

**Deliverables**

- ☐ Documentation of monthly RWMG meetings
- ☐ Report of outcomes based on individual meetings with RWMG member organizations that do not represent DACs
- ☐ Two new proposals submitted for ranking in the IRWM plan

**Task 2 – IRWM Engagement Efforts for Santa Barbara Region:** The Cuyama Valley and the CCSO are located in an isolated area of northeastern Santa Barbara County. While the RWMG does conduct regular meetings and regular visits to Cuyama Valley, more coordination is needed to actively engage participants from the CCSO and the Cuyama Valley. Increased access to the IRWM process will help the CCSO board and management make more informed decisions, as well as help the board and staff prioritize and plan for better representation and participation in IRWM efforts and within the newly formed Groundwater Sustainability Agency, which will be mutually reinforcing.

**Deliverables**

- ☐ Documentation of Cuyama Valley residents and Cuyama Community Services District participation in IRWM and GSA meetings

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**Project 7: Site Assessments**

Site assessments include conducting median household income (MHI) surveys, drinking water and septic system assessments, and mapping areas of concern or DAC project boundaries. The outcomes of the site assessments are improved knowledge of water management needs, as well as constraints and opportunities for addressing the needs.

**Task 1 – Site Assessment for Pajaro River Watershed:** Consultant(s) will conduct MHI surveys for a minimum of three small communities in the Pajaro River Watershed IRWM Region.

**Deliverables**

- ☐ Three completed MHI surveys

**Task 2 – Site Assessments for Greater Monterey County Region:** Consultant(s) will conduct MHI surveys for up to four very small communities in the Greater Monterey IRWM Region. Consultant(s) will be responsible for conducting other site assessments that may include private well testing or septic system evaluations and map(s) of the areas of concern or probable DAC project boundaries.

Deliverables

- ☐ Up to four site assessment reports
- ☐ Up to four MHI surveys completed

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**Project 8: Project Development and Construction Activities**

Task 2.5: San Miguel Community Services District Wastewater Plant Expansion Study and Recharge Basin Study: San Miguel Community Services District (SMCSD) proposes to conduct a wastewater plant upgrade/expansion study. A loading study concluded that the existing facilities are nearing the legal limit of certain contaminants. A wastewater plant upgrade/ expansion study would address these concerns so the district could adequately prepare for a wastewater expansion project. As part of the project, the District will conduct a topographic and boundary survey of a recently acquired tract of land that will be integral to the assessment of plant upgrade/expansion alternatives. Additionally, a study for the feasibility of groundwater recharge basins and reclamation is proposed within the SMCSD boundaries. Since SMCSD lacks a supplemental source, the water needs for this DAC depend highly on the health of the immediate groundwater basin. The study would determine the locations for future groundwater recharge basins and injection wells with the intent to provide a supplemental source that is economically affordable.

Deliverables

- ☐ San Miguel CSD Wastewater Plan Update Study
- ☐ San Miguel CSD Recharge Basin Study

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**Project 10: Project Development and Construction Activities**

**Task 1 – Project Development Activities for Santa Cruz Region:** The Santa Cruz Region will conduct project development activities to support two identified projects as well as the additional prioritized project(s) that are an outcome of the Needs Assessment (Project 2). The tasks include the following:

Task 1.1: Middle Struve Slough Water Quality and Habitat Improvement Project: This collaborative effort of the City of Watsonville and Watsonville Wetlands Watch will result in construction-ready designs and associated environmental review documents for high quality stormwater treatment features to improve wetland health, surface water quality, and habitat within the Struve Slough watershed. Additional benefits of the project will include improved public access to existing and planned high foot traffic areas of the City's recreational trail network alongside the Sloughs. Project-related bilingual (Spanish) outreach and education will occur. Bilingual interpretive and educational materials about pollution prevention, stormwater, and healthy water resources will be developed.

Deliverables

- ☐ A memo summarizing (2) pre-project community outreach events (sites walks) on project design and further outreach efforts
- ☐ Development of a bilingual interpretive materials plan for public outreach during and post-construction



- ☐ A resource assessment and conceptual design plan
- ☐ 30% designs for construction projects
- ☐ 100% design level grading plans to support project implementation and habitat enhancement and vegetation management designs
- ☐ Project permit matrix for all projects which will require permits; draft permit-related biological information (e.g., DFW 1600 agreement)

**Task 1.2: North Boulder Creek Fire Flow Planning:** San Lorenzo Valley Water District will complete a system-wide Hydraulic Master Plan. This Plan will include hydraulic modeling and related work necessary to address a critical water supply need in DACs served by a public water supply system. This planning will inform future water system infrastructure upgrades necessary to provide adequate water supply pressure and capacity to maintain fire protection flows. Residents located in northern Boulder Creek and areas to the north served by the San Lorenzo Valley Water District (District) are supplied by aging 2-inch pipelines that are significantly undersized for appropriate fire protection flows. The planning includes conducting flow modeling of the water system to determine the appropriately sized pipelines, appurtenances, and system infrastructure to add capacity and meet fire protection flow requirements. Upon completion of the model simulations and the Hydraulic Master Plan, the District can prioritize pipeline replacements of appropriate diameter and location and related improvements. This Plan and related effort will be conducted by District personnel and consultant(s). The District will fund, in part, the system-wide Hydraulic Master Plan; this IRWM grant will fund, in part, planning and modeling conducted as part of the Master Plan. The generation of this Plan will include an educational and public outreach component to the affected DACs and the areas served.

#### Deliverables

- ☐ San Lorenzo Valley Water District Hydraulic Master Plan (including the North Boulder Creek Fire Flow Plan)

**Task 2 – Project Development Activities for Greater Monterey County Region:** Project development activities are intended to move high priority projects identified through the Salinas Valley Drinking Water and Wastewater Pilot Project closer to successful funding applications and implementation. Additional drinking water and/or wastewater projects may be added to the high priority project list if they address an immediate public/environmental health threat in a disadvantaged community. Projects are expected to include a combination of the following: repair or replacement of drinking water and wastewater infrastructure, consolidation of community water systems with municipal or private water purveyors and planning and design in support of infrastructure for regionalization.

Consultant(s) will be responsible for all project development, design, permitting, and environmental documentation associated with this task. The Scope of Work includes development of four projects to 30% design completion or application readiness in terms of design and environmental documentation. Of the six high priority projects evaluated in the Salinas Valley DAC Pilot Project, Middlefield Road will be ready for DAC Involvement work in early 2018. EJCW is already moving forward with Apple Avenue via the Proposition 1 Technical Assistance (TA) funding and has been approved to submit a TA workplan for Walnut Avenue. Work includes project planning and technical assistance as needed, including project feasibility determinations, preliminary design concepts and environmental compliance evaluations, and other technical assistance coordinated during planning activities.

#### Deliverables

- ☐ Four projects to 30% design completion or funding application readiness in terms of design and environmental documentation.

**Task 3 – Project Construction Activities for Monterey Peninsula Region:** The DAC population comprises 27% of the City of Monterey population residing in the watershed that will benefit from the storm water project. This project will install a new storm drain pipe in Franklin Street to intercept and redirect drainage that currently discharges into the Lighthouse Tunnel Pump Station and then into Monterey Bay without treatment. The storm drain is designed to intercept runoff in the downtown area that is susceptible to flooding. This neighborhood is one of the main employment locations for the disadvantaged community. With flooding, there is not only the high risk of washing off pollutants that can be harmful to the environment, but in this case, can affect the businesses in the area which in turn would affect the work force. Drainage will be redirected to Lake El Estero which has assimilative capacity and will be used as reclamation source water.

A portion of the project funds will be devoted to educational activities regarding the project benefits within the DAC. Public outreach will include flyers about the project for public distribution and project posters to be located at the Monterey Sports Center, which is located directly adjacent to the project, that will describe through the use of images and text the purpose for the project and the benefits of the project.

The project is only partially funded by this grant. However, the entire project will be reported on in the quarterly reports. This grant will fund the following project activities:

- Public outreach activities documents
- Installation of new Reinforced Concrete Pipe (RCP) storm drain pipe and associated fittings
- Install approximately 340 linear feet of 36" RCP.

#### Deliverables

- ☐ CEQA determination
- ☐ Flyers
- ☐ Photos of deployed outreach posters
- ☐ Photos of construction activities
- ☐ Certification of registered professional
- ☐ Proof of signage or any other acknowledgement

**EXHIBIT B****BUDGET**

PROJECT	DESCRIPTION	GRANT AMOUNT
1	Administration	\$244,010
2	Needs Assessments	\$555,596
3	Educational Activities	\$65,118
4	Community Outreach	\$374,180
5	IRWM Engagement Efforts	\$178,499
6	Technical Assistance	\$85,917
7	Site Assessments	\$75,520
8	Project Development and Construction Activities	\$1,255,626
9	Project Development Activities for the Santa Barbara Region	\$680,285
10	Project Development and Construction Activities for the Santa Cruz, Greater Monterey and Monterey Peninsula Regions	\$785,249
Total Amount:		\$4,300,000



**DEPARTMENT OF WATER RESOURCES**

1416 NINTH STREET, P.O. BOX 942836  
SACRAMENTO, CA 94236-0001  
(916) 653-5791



August 28, 2019

Mr. Tim Carson  
Program Director  
Regional Water Management Foundation  
7807 Sequel Drive  
Aptos, California 95003

**Proposition 1 - Integrated Regional Water Management (IRWM) Disadvantaged Community Involvement (DACI) Grant; Agreement #4600012296 – Amendment #3**

Dear Mr. Carson:

Enclosed is an original executed copy of Agreement #4600012296 – Amendment #3.

If you have any questions, please contact Angela Cruz, Project Manager at (916)653-9723 or via email at [angela.cruz@water.ca.gov](mailto:angela.cruz@water.ca.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Brown", followed by a long, wavy horizontal line.

Jeff Brown  
Associate Government Program Analyst  
Financial Assistance Branch  
Division of Regional Planning

Filename: 4600012296 Amendment 3 Transmittal.docx  
Directory: Z:\FaBranch\Prop1\IRWM\2016 DAC Involvement\AGPA\4600012296  
Regional Water MF  
Template: C:\Users\jeffreyb\AppData\Roaming\Microsoft\Templates\Normal.dotm  
Title: STATE OF CALIFORNIA -- THE RESOURCES AGENCY  
Subject:  
Author: Robert Gonzalez  
Keywords:  
Comments:  
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Change Number: 2  
Last Saved On: 8/28/2019 2:29:00 PM  
Last Saved By: Brown, Jeffrey@DWR  
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As of Last Complete Printing  
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Number of Words: 136 (approx.)  
Number of Characters: 781 (approx.)

**Grant Agreement 4600012296**

**Amendment 3**

**Under the Proposition 1, Integrated Regional Water Management Disadvantaged Community Involvement Grant**

**State of California**

**Natural Resources Agency**

**Department of Water Resources**

**Agreement Between the State of California**

**Department of Water Resources**

**and Regional Water Management Foundation**

This amendment to Agreement 4600012296 is made on 8/27/19. The agreement is amended as follows:

**Exhibit A:** The Work Plan is revised per the attached.

INWITNESS WHEREOF, the parties hereto have executed this amendment on the date first written above.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES



Carmel K. Brown, P.E., Chief  
Financial Assistance Branch  
Division of Integrated Regional Water Management

Date: 8/27/19

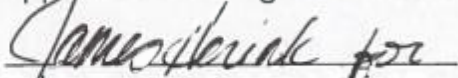
REGIONAL WATER MANAGEMENT FOUNDATION



Tim Carson, Program Manager

Date: 8/26/2019

Approved as to Legal Form and Sufficiency



Robin Brewer, Assistant Chief Counsel  
Office of Chief Counsel

Date 8-27-19

**WORK PLAN  
EXHIBIT A****Project 3: Educational Activities**

Education of DACs and of water managers alike will occur generally throughout the CCFA as a result of DAC Involvement activities. The educational activities described in the tasks below will help community members understand and respond to water management needs in the respective IRWM regions. A focused educational effort will be specifically undertaken by the following IRWM Regions:

**Task 1 – Educational Activities for Pajaro River Watershed Region:** Consultant(s) will conduct education activities that include developing community outreach and education materials, well testing education, and septic system operation and maintenance training.

Deliverables

- ☐ Copy of Educational Activity materials

**Task 2 – Educational Activities for Greater Monterey County Region:**

Consultant will provide educational and training activities for small water systems and private well and septic owners located in disadvantaged communities in the Greater Monterey County IRWM region. Activities will include workshops or other educational activities focused on topics that may include, but will not be limited to, the following: Private well and septic operation and maintenance; financial management for small utilities; and board roles and responsibilities. Activities may also include one-on-one training assistance, as needed.

Deliverables

- ☐ Copies of workshop materials for a minimum of three workshops