



Tony Firenzi, Chair

Brett Ewart, Vice Chair

Sean Bigley, Director

Audie Foster, Director

William Roberts, Director

Ron Greenwood, Director

Bruce Kamilos, Director

Caryl Sheehan, Director

Michael Saunders, Director

REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE SPECIAL MEETING

**Friday, June 30, 2023
at 1:30 p.m.**

**5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692**

The public shall have the opportunity to directly address the Committee on any item of interest before or during the Committee's consideration of that item. Public comment on items within the jurisdiction of the Committee is welcomed, subject to reasonable time limitations for each speaker.

Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above.

In compliance with the Americans with Disabilities Act, if you have a disability and need a disability related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Board of Directors may consider any agenda item at any time during the meeting.

AGENDA

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT:

Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.

- 3. CONSENT CALENDAR:** All items listed under the Consent Calendar are considered and acted upon by one motion. Committee members may request an item be removed for separate consideration.

- 3.1** Approve draft meeting minutes of the May 30, 2023 Executive Committee Meeting.

Action: Approve Consent Calendar

4. LEGISLATIVE POSITIONS AND REGULATORY UPDATE

Presenter: Ryan Ojakian, Manager of Legislative and Regulatory Affairs

Discussion/Action: Approve positions on legislative bills

5. EARLY IMPLEMENTATION VOLUNTARY AGREEMENT FUNDING FOR GROUNDWATER INFRASTRUCTURE

Presenters: Michelle Banonis, Manager of Strategic Affairs and Jim Peifer, Executive Director

Discussion/Action: Approve the Funding Agreement with DWR and authorize the RWA Executive Director or his delegate to execute the final Funding Agreement.

6. EXECUTIVE DIRECTOR'S REPORT

7. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings:

RWA Board Meeting Cancelled - June 29, 2023, 9:00 a.m.

Next RWA Board of Director's Meeting:

RWA Board Meeting, September 14, 2023 at 9:00 a.m. at the City of West Sacramento.

Next RWA Executive Committee Meeting:

Executive Committee Meeting, July 25, 2023, 1:30 p.m. at the RWA/SGA office, 2295 Gateway Oaks, Suite 100, Sacramento, CA 95833. The location is subject to change.

Notification will be emailed when the RWA electronic packet is complete and posted on the RWA website at: <https://www.rwah2o.org/meetings/board-meetings/>.

Posted on: June 29, 2023



Ashley Flores, CMC, Secretary

Topic: Public Comment
Type: New Business
Item For: Information/Discussion
Purpose: [Policy 200.1, Rule 11](#)

SUBMITTED BY: Ashley Flores, CMC
Secretary

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This is an information item to provide an opportunity for the Regional Water Authority Executive Committee to recognize or hear from visitors that may be attending the meeting or to allow members of the public to address the Executive Committee on matters that are not on the agenda.

As noted on the agenda, members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.

STAFF RECOMMENDED ACTION

None. This item is for information only.

BACKGROUND

Public agencies are required by law to provide an opportunity for the public to address the RWA Executive Committee matters that are not on the agenda.

3.0 CONSENT CALENDAR

Topic: Meeting Minutes
Type: Consent Calendar
Item For: Action; Motion to Approve
Purpose: [Policy 200.1, Rule 14](#)

SUBMITTED BY: Ashley Flores, CMC
Secretary

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This is an action item for the Regional Water Authority Executive Committee to review and consider approving the draft minutes of the regular Regional Water Authority Executive Committee Meeting of May 30, 2023.

STAFF RECOMMENDED ACTION

A motion to approve the Minutes, as presented or amended.

BACKGROUND

The draft minutes of the above referenced meetings are included with this Agenda. The minutes reflect the RWA Policy 200.1 to document specific details on items discussed at the meetings.

The Executive Director may list on the agenda a "consent calendar", which will consist of routine matters on which there is generally no opposition or need for discussion. Examples of consent calendar items might include approval of minutes, financial reports and routine resolutions. Any matter may be removed from the consent calendar and placed on the regular calendar at the request of any member of the Board. The entire consent calendar may be approved by a single motion made, seconded and approved by the Board.

FINDING/CONCLUSION

Staff believes the draft of the presented minutes correctly reflect the information shared and actions taken by the Executive Committee.

ATTACHMENTS

Attachment 1- Draft meeting minutes of the Regional Water Authority Executive Committee Meeting of May 30, 2023

1. CALL TO ORDER

Chair Firenzi called the regular meeting of the Executive Committee to order on May 30, 2023 at 1:33 p.m. at the RWA Board Room located at 5620 Birdcage Street, Citrus Heights, CA 95610. Seven of the Executive Committee Members were present at roll call; a quorum was established. Individuals in attendance are listed below:

Executive Committee Members

Audie Foster, California American Water
Ron Greenwood, Carmichael Water District
Caryl Sheehan, Citrus Heights Water District
Sean Bigley, City of Roseville
Brett Ewart, City of Sacramento
Bruce Kamilos, Elk Grove Water District
Michael Saunders, Georgetown Divide Public Utility District
Tony Firenzi, Placer County Water Agency

Staff Members

Jim Peifer, Ryan Ojakian, Monica Garcia, Ashley Flores, Raiyna Villasenor, and Andrew Ramos, legal counsel.

Others in Attendance:

Greg Zlotnick, San Juan Water District

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

3.1 Approve draft meeting minutes of the May 2, 2023 Executive Committee Meeting.

A motion was made to approve the consent calendar.

Motion/Second/Carried Director Ewart moved, with a second by Director Greenwood

Audie Foster, California American Water; Ron Greenwood, Carmichael Water District; Sean Bigley, City of Roseville; Brett Ewart, City of Sacramento; Bruce Kamilos, Elk

Grove Water District; Michael Saunders, Georgetown Divide Public Utility District; Tony Firenzi, Placer County Water Agency; voted yes. The motion passed.

Ayes- 7
Noes- 0
Abstained- 0
Absent- 2

4. LEGISLATIVE POSITIONS

Mr. Ryan Ojakian presented an action item for the Executive Committee to review and discuss various State legislation and approve positions on legislative bills. Mr. Ojakian provided an oral report on legislation and recommended Executive Committee action on bills related to water rights administration, bond measures, groundwater management, and water use efficiency.

AB 676 (Bennett D- Ventura) Would define what is considered domestic use within existing law characterizing the highest uses of water.

RWA's current position is Oppose. Recommendation: Oppose Unless Amended

AB 830 (Soria D- Fresno) Would exempt from lake and streambed alteration agreements the temporary operation of existing infrastructure or temporary pumps being used to divert flood stage and monitor stage flows to beneficial groundwater recharge.

Recommendation: Support

AB 1572 (Friedman D- Burbank) Would prohibit the use of potable water, as defined, for the irrigation of nonfunctional turf located on commercial, industrial, municipal, institutional, and multifamily residential properties.

RWA currently has an Oppose Unless Amended position. Recommendation: Neutral and amend

Mr. Ojakian requested that the recommendation for AB 1572 be amended to *Neutral if amended*.

SB 48 (Becker D- Menlo Park) Originally, would have required the Energy Commission and State Water Resources Control Board, in consultation with the State Air Resources Board, Public Utilities Commission, and Department of Housing and Community Development, to jointly develop a strategy for using benchmarking data to track and manage the energy and water usage and emissions of greenhouse gases of covered buildings, as defined, in order to achieve the state's goals, targets, and standards related to energy and water usage and emissions of greenhouse

gases of covered buildings. The bill has since been amended to remove water usage from the bill and now only pertains to energy usage.

RWA currently has Oppose Unless Amended. Recommendation: Neutral

A motion was made to approve the recommended positions on the legislative bills as amended.

Motion/Second/Carried Director Bigley moved, with a second by Director Kamilos.

Audie Foster, California American Water; Ron Greenwood, Carmichael Water District; Sean Bigley, City of Roseville; Brett Ewart, City of Sacramento; Bruce Kamilos, Elk Grove Water District; Michael Saunders, Georgetown Divide Public Utility District; Tony Firenzi, Placer County Water Agency; voted yes. The motion passed.

Ayes- 7
Noes- 0
Abstained- 0
Absent- 2

Director, Caryl Sheehan, arrived at 1:56 p.m.; Ryan Ojakian exited at 2:04 p.m.; and Raiyna Villasenor exited at 2:43 p.m.

5. PROJECT FUNDING

Executive Director Peifer presented this discussion item for the Executive Committee to discuss and provide feedback to the Executive Director about future project funding. Project Funding was identified as part of the Strategic Plan Prioritization Process. Staff will be participating in a SWOT analysis and a discussion about what resources may be needed.

Direction was provided to staff.

6. ENDORSEMENT POLICY

Executive Director Peifer presented this discussion item for the Executive Committee to discuss and provide feedback to staff regarding drafting an endorsement policy. Executive Director Peifer reported that after further review of the existing rules of procedure he is recommending that no policy should be brought forward. Existing members of RWA would automatically be placed on the agenda for consideration of endorsement. An RWA Board Director or the Executive Director can take requests for endorsements from non-members to be placed on the RWA agenda.

Direction was provided to staff.

7. RWA MEMBER RECEPTION AT ACWA CONFERENCES

Executive Director Peifer presented this discussion item for the Executive Committee to discuss and provide feedback to staff about updating the RWA Member reception at future ACWA Conferences. Executive Director Peifer explained that there is an opportunity to elevate the event location, refocusing on recruiting new members, and relationship building within the region. There was also discussion of exploring sponsorship to offset the event cost.

Direction was provided to staff.

8. FUTURE RWA BOARD AGENDA

Executive Director Peifer presented this action item for the Executive Committee to review and consider approving the draft Agenda of the Regular Regional Water Authority (RWA) Board of Directors Special Meeting of June 14, 2023.

The Executive Committee requested Consent Item 3.2 be moved out as a general board item for discussion/action.

A motion to approve RWA Board of Directors Agenda for June 14, 2023 Board Meeting, including the additional item and amendment as requested.

Motion/Second/Carried Director Ewart moved, with a second by Director Foster.

Audie Foster, California American Water; Ron Greenwood, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; Sean Bigley, City of Roseville; Brett Ewart, City of Sacramento; Bruce Kamilos, Elk Grove Water District; Michael Saunders, Georgetown Divide Public Utility District; Tony Firenzi, Placer County Water Agency; voted yes. The motion passed.

Roll Call Vote: Ayes- 8
 Noes- 0
 Abstained- 0
 Absent- 1

9. EXECUTIVE DIRECTOR'S REPORT

Executive Director Peifer asked the members to review the Director's Report that was included in the packet. Please direct any questions to him.

10. DIRECTORS' COMMENTS

Director Saunders reported that last weekend was a Town Hall Meeting at Cameron Park CSD to discuss Wildfire prevention and preparation. The agencies are working diligently to find solutions to the ongoing issue of insurance in wildfire prone areas.

Director Ewart reminded the committee that the SCGA Board of Directors meeting is tomorrow at City of Rancho Cordova City Hall. The City of Sacramento is wrapping up public comment on for the draft EIR on the groundwater replacement program.

Director Greenwood reported that Carmichael Water District continues to participate in 2x2 meetings with Sacramento Suburban Water District and they are out for public comment.

Chair Firenzi reported the River Arch project has put in a lot of effort into receiving state grants to help with the environmental costs with the Wildlife Conservation Board. River Arch is being brought to the Wildlife Conservation Board for possible consideration for funding.

Director Bigley reported that he would be unavailable from June 5th-23rd, Brett Ewart will be acting Chair of the VA Committee while he is gone.

ADJOURNMENT

With no further business to come before the Board, Chair Firenzi adjourned the meeting at 3:14 p.m.

Approved by:

Anthony Firenzi, Chair

Attested by:

Ashley Flores, Secretary

Topic: Legislative and Regulatory Update
Type: New Business
Item For: Discussion/Action
Purpose: Policy 100.5 and Strategic Plan Priority- Advocacy Objective A

SUBMITTED BY:	Ryan Ojakian Legislative and Regulatory Affairs Manager	PRESENTER:	Ryan Ojakian Legislative and Regulatory Affairs Manager
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EXECUTIVE SUMMARY

This is a discussion/action item for the Executive Committee to review and discuss various State legislation. Ryan Ojakian, Legislative and Regulatory Affairs Program Manager, will provide an oral report on legislation and recommended Executive Committee action on bills related to discontinuation of water service, and water use efficiency.

STAFF RECOMMENDED ACTION

A motion to approve positions or position changes on legislative bills.

BACKGROUND

AB 1572 (Friedman D- Glendale) Would prohibit the use of potable water, as defined, for the irrigation of nonfunctional turf located on commercial, industrial, municipal, institutional, and multifamily residential properties, as specified. RWA currently has an Oppose Unless Amended position.

Staff is recommending moving to neutral.

SB 3 (Dodd D-Napa) Would expand the scope of the Water Shutoff Protection Act to a community water system that supplies water to 200 service connections or fewer to comply with the act's provisions on and after August 1, 2024. Would additionally require all agencies to make available a plan for deferred or reduced payments and alternative payment schedules to any customer in their already required policy on discontinuation of residential service for nonpayment. RWA currently has a watch position on the bill.

Staff is recommending moving to an Oppose Unless Amended position.

FINDING/CONCLUSION

The action is consistent with Policy Principles adopted as part of RWA policy 100.5 and Strategic Plan Priority- Advocacy Objective A.

Topic: Early Implementation Voluntary Agreement Funding for Groundwater Infrastructure

Type: Old Business

Item For: Action

Purpose: Strategic Plan Implementation Goal, Objectives A-1, A-4, B-6

	Michelle Banonis	Jim Peifer
SUBMITTED BY:	Manager of Strategic Affairs	PRESENTER: Executive Director

EXECUTIVE SUMMARY

This item is to approve a funding agreement between the State of California (Natural Resources Agency and Department of Water Resources) and the RWA for the RWA to receive \$55 Million in grant funding for the construction of groundwater infrastructure.

At the June 14th board meeting, the Board of Directors approved the Funding Agreement with DWR and authorized the RWA Executive Director to execute the final Funding Agreement, subject to review and concurrence from the Executive Committee in any further changes.

STAFF RECOMMENDED ACTION

Approve the Funding Agreement with DWR and authorize the RWA Executive Director, or his delegate to execute the final Funding Agreement.

BACKGROUND

The State Water Resources Control Board (State Board) has the requirement to periodically update its regulations for how water is put to beneficial use in the Bay-Delta. Voluntary Agreements (VAs) provide a collaborative alternative to the State Board's regulatory process and provide for a combination of habitat restoration, environmental outflow, a science program, and funding. As part of the 2019 VA proposal for the American River region, 30 thousand acre-feet (TAF) of groundwater, coming from a combination of existing or new facilities and the Sacramento Regional Water Bank, would be made available in up to 3 of 8 Dry (D) or Critical (C) years. The request from American River groundwater providers in the 2019 VA proposal included a request for a combined amount of \$55 million for infrastructure to make this water available.

Late in 2022, the Regional Water Authority (RWA) was approached by the California Natural Resources Agency (CNRA) and the Department of Water Resources (DWR) and asked if \$55 million were made available now to American River groundwater providers, if groundwater infrastructure projects could be under contract and completed quickly, with a Funding Agreement allowing reimbursement of expenses incurred starting the date of the execution of the funding agreement.

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Reimbursement will be made for work completed by December 21, 2025 and no funds requested after March 31, 2026. RWA informed the State that there were many projects within the region that would fit the criteria. In response, RWA members prepared a list of potentially eligible projects.

STATE FUNDING AGREEMENT

The State has requested that, in exchange for funding the full \$55 million request, the funding recipients would build needed infrastructure and make available 30 TAF of water in three D and C years over an eight-year period, after the State's disposition on the VAs¹. Operationally, the Bureau of Reclamation would release this same quantity of water in the spring from Folsom Reservoir to the Lower American River, from March through May, and groundwater providers who receive state funding would forego diverting this water by shifting to groundwater supplies in years the water is called for (call years). The water made available through this effort would be considered environmental outflow and would be allowed to continue to pass to the Delta. The Funding Agreement Between the State of California (Natural Resources Agency and Department of Water Resources) and Regional Water Authority – Voluntary Agreement Early Implementation for the American River ("Funding Agreement") also specifies that if there are fewer than three D or C years during the eight-year period, that the State may call upon the funding recipients to provide groundwater in one D call year in the four years following.

The attached Funding Agreement, does not assign specific flow obligations to specific funding recipients. Instead, it recognizes that the groundwater being provided is a regional contribution and is a shared obligation.

RWA member agencies, through an *ad hoc* committee, have determined the proportional share of outflow commitments for a call year and funding for each agency.

Table 1: Flow and Funding Commitments Based on Regional Diversions

Funding Recipient	Flow Commitment ² (AF)	State Funding Provided (Million \$)
Carmichael Water District	3,800	6.83
Citrus Heights Water District	1,963	3.53
City of Roseville	4,460	8.01
City of Sacramento	3,932	7.06
Fair Oaks Water District	1,374	2.47
Golden State Water Company	763	1.37
Orangevale Water Company	460	0.83
Sacramento Suburban Water District	10,488	18.84
Sacramento County Water Agency	2,760	4.96
RWA Administration		1.10
Total	30,000	55.00

The Funding Agreement states, among other things, that funding recipients will provide quarterly

¹ The Funding Agreement provides groundwater as outflow regardless of what action the State Board takes regarding the VAs.

² The total commitment provided here assumes streamflow depletion factor is included.

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reporting on project status and submit invoices to RWA. RWA will then compile and submit this information and will then receive reimbursement from the State. RWA will then distribute the reimbursement funds to the funding recipients. The funds received from the State are anticipated to satisfy the State's obligations for \$55 million from the 2019 VA proposal.

After the Funding Agreement is fully executed, RWA would not begin Funding Agreement implementation until a project agreement is signed between RWA and the RWA Members and Contracting Agencies who will receive funding and contribute flows.

PROJECT AGREEMENT

In addition to the Funding Agreement, the participants will need to collectively participate in a Project Agreement with RWA. A project agreement will be brought to the Executive Committee at the July executive committee meeting for consideration and approval.

The Project Agreement will function similar to a subrecipient agreement between RWA and the RWA members who will receive state funds. The Project Agreement will have many similar terms as those in the Funding Agreement and include the flow commitments provided for in Table 1 and the amount of funding to be reimbursed to the funding recipient. The participants will be responsible for coordination commitments such as technical team meetings, flow accounting, and annual collaboration to provide flow recommendations and reviews. Like other RWA project and program agreements, and as required by the RWA Joint Powers Agreement, the Project Agreement will contain terms to protect non-participating RWA Members and Contracting Agencies from all liability and obligations related to the Project Agreement and the Funding Agreement.

CONCLUSION

The State funding for the American River region water providers of \$55 million provides needed assistance to build out our capital projects. While there are shorter-term obligations in exchange for the receipt of the money, improving our infrastructure now with available funds creates a net benefit for the long term. It is recommended that the RWA Executive Committee approve the Funding Agreement with the State of California and continue to work with funding recipients on the Project Agreement.

Attachments

Attachment 1 – DWR-RWA Agreement

Attachment 2 – Redline markup of the DWR-RWA Agreement with changes made since the Board approved the agreement (June 14, 2023)

**FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER
RESOURCES) AND
REGIONAL WATER AUTHORITY**

VOLUNTARY AGREEMENT EARLY IMPLEMENTATION FOR THE AMERICAN RIVER

THIS FUNDING 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 the Regional Water Authority, a joint powers authority in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the “Funding Recipient,” which parties do hereby agree as follows:

1. **PURPOSE.** The State shall provide funding from FY 2021-22 Budget Trailer Bill Assembly Bill 211 (Stats. 2022, Ch. 574, § 35 (a) (4)) and the FY 2021-22 Budget Act, Senate Bill 170 (Stats. 2021, Ch. 240, § 10 (h)) to the Funding Recipient to assist in financing the Project.

The Project is further described on Exhibit A, “Work Plan.” The purpose of the Project is to provide new and enhanced infrastructure that will improve the American River region’s ability to enhance groundwater production capabilities and flexibility in Dry and Critical Water Years as determined by the Sacramento River Index.

In consideration of the funding provided by DWR under this Funding Agreement, the American River water suppliers who receive that funding will provide 30,000 acre-feet of groundwater-substitution water to augment, through the Bureau of Reclamation’s operation of Folsom Dam and Reservoir as part of coordinated Central Valley Project and State Water Project operations, streamflows in the Lower American River in each of three out of eight years beginning in 2025. Each of those three years will be either a critical or dry year on the Sacramento Valley Index under the State Water Resources Control Board’s Revised Decision 1641. This commitment is herein referred to as the “Flow Contribution” and each annual contribution is referred to as an “Annual Flow Contribution.” The Flow Contribution and Annual Flow Contribution are further described on Exhibit A, “Flow Contribution.”

2. **TERM OF FUNDING AGREEMENT.** The term of this Funding Agreement begins upon execution of this agreement, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Funding Agreement. However, all work shall be completed by December 31, 2025, with the Schedule as set forth in Exhibit C and no funds may be requested after March 31, 2026. The RWA Flow Contribution obligations stated in Paragraph 1, “Purpose,” shall survive the termination date of this Funding Agreement until satisfied unless State terminates this Funding Agreement as provided herein.
3. **FUNDING AMOUNT.** The maximum amount payable by the State under this Agreement shall not exceed \$55,000,000. Any additional costs are the responsibility of the Funding Recipient.
4. **FUNDING RECIPIENT COST SHARE.** Funding Recipient and the Local Project Sponsors (LPS), through appropriate subagreements with Funding Recipient, agree to complete any LPS Projects listed in Exhibit A that receives State funds under this Funding Agreement. The amount needed to complete the LPS project, not covered by the Funding Amount, is the Funding Recipient Cost Share. This Funding Agreement does not require Funding Recipient to complete those LPS Projects listed in Exhibit A which are not selected for construction and do not receive State funds under this Funding Agreement.

5. BASIC CONDITIONS.

The State shall have no obligation to disburse money for the Project(s) under this Funding Agreement until the Funding Recipient has satisfied the following conditions:

- A. For the term of this Funding Agreement, the Funding Recipient shall submit Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports." Reports must accompany an invoice and all invoice backup documentation.
- B. Funding Recipient submits all deliverables as specified in Paragraph 13 of this Funding Agreement and in Exhibit A.
- C. Prior to the commencement of construction or implementation of activities, if applicable, the Funding Recipient shall submit to the State:
 - i. Final plans and specifications certified, signed, and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Funding Agreement.
 - ii. Eligible Costs incurred for work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting will not be reimbursed by DWR under this Funding Agreement until the following actions are performed:
 - a) The Funding Recipient submits to the State all applicable environmental permits as indicated on the Environmental Information Form to the State,
 - b) Documents that satisfy the CEQA process are received by the State, and
 - c) State has completed its CEQA compliance review as a Responsible Agency, and
 - d) Funding Recipient receives written notification from the State of Lead Agency's CEQA document (s) 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 funding 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 Project or to require changes, alterations or other mitigation. Funding Recipient must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

6. DISBURSEMENT OF FUNDS. The State will disburse to the Funding Recipient the amount approved, subject to the availability of funds through the normal State processes. Notwithstanding any other provision of this Funding 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. Any and all money disbursed to Funding Recipient under this Funding Agreement shall be deposited in a separate account and shall be used solely to pay Eligible Project Costs.
7. ELIGIBLE PROJECT COST. Funding Recipient shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after execution of this agreement shall be eligible for reimbursement.

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

- A. Costs, other than those noted above, incurred prior to date of execution of this funding agreement.
- B. Operation and maintenance costs, including post construction performance and monitoring costs.
- C. Purchase of equipment not an integral part of the Project.
- D. Establishing a reserve fund.
- E. Purchase of water supply.
- F. Monitoring and assessment costs for efforts required after Project construction is complete.
- G. Replacement of existing funding sources (e.g., bridge loans).
- H. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- I. Land and right-of-way acquisition.
- J. Overhead and indirect costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include but are not limited to: central service costs; general administration of the Funding Recipient; non-project-specific accounting and personnel services performed within the Funding Recipient's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition; conference fees; and, generic overhead or markup. This prohibition applies to the Funding Recipient and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.
- K. Payment of Federal and State taxes.
- L. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.
- M. Costs incurred for any work for which State's concurrence in Lead Agency's CEQA documents is required but not received prior to the deadline to request reimbursement of costs in accordance with Paragraph 2, "Term of Funding Agreement."

9. METHOD OF PAYMENT.

After the disbursement requirements in Paragraph 5 “Basic Conditions” are met, State will disburse the whole or portions of State funding to Funding Recipient, following receipt from Funding Recipient via US mail or Express mail delivery of a “wet signature” invoice, or an electronic invoice certified and transmitted via DocuSign for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 13, “Submission of Reports.” Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Funding Agreement number. State will notify Funding Recipient, in a timely manner, whenever, upon review of an Invoice, State determines that any portion or portions of the costs claimed are not Eligible Project Costs or is not supported by documentation or receipts acceptable to State. Funding Recipient may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Funding Recipient fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Funding Recipient shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in a particular invoice.
- B. 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 categories (i.e., tasks) specified in Exhibit A. 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. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State’s funding amount, as depicted in Paragraph 4, “Funding Amount” and those costs that represent Funding Recipient’s costs, as applicable, in Paragraph 5, “Funding Recipient Cost Share.”
 - v. Original signature and date (in ink) of Funding Recipient’s Project Representative. Submit the original “wet signature” copy of the invoice form to the following address: <Insert DWR PM title & appropriate address> or an electronic signature certified and transmitted via DocuSign from authorized representative to <Insert DWR PM title>.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Funding Recipient shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Funding Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder. Additionally, the State

may request an audit pursuant to Standard Condition Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 115, 470, 487-489.)

10. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that the Project is not being implemented in accordance with the provisions of this Funding Agreement, or that Funding Recipient has failed in any other respect to comply with the provisions of this Funding Agreement, and if Funding Recipient does not remedy any such failure to State's satisfaction, State may withhold from Funding Recipient 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 Funding Recipient and State notifies Funding Recipient 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, as directed by State. State may consider Funding Recipient's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Funding Recipient of its decision to withhold the entire funding amount from Funding Recipient pursuant to this Paragraph, this Funding Agreement shall terminate upon receipt of such notice by Funding Recipient and the State shall no longer be required to provide funds under this Funding Agreement and the Funding Agreement shall no longer be binding on either party.
11. DEFAULT PROVISIONS. Funding Recipient will be in default under this Funding Agreement if any of the following occur:
- A. Substantial breaches of this Funding Agreement, or any supplement or amendment to it, or any other agreement between Funding Recipient and State evidencing or securing Funding Recipient's obligations;
 - B. Making any false warranty, representation, or statement with respect to this Funding Agreement or the application filed to obtain this Funding Agreement;
 - C. Failure to operate or maintain project in accordance with this Funding Agreement.
 - D. Failure to make any remittance required by this Funding Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition Paragraph D.5.
 - E. Failure to submit timely progress reports.
 - F. Failure to routinely invoice State.
 - G. 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 Funding Recipient and shall give Funding Recipient at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Funding Recipient. If the Funding Recipient fails to cure the default within the time prescribed by the State, State may do any of the following:

- i. Declare the funding be immediately repaid.
- ii. Terminate any obligation to make future payments to Funding Recipient.
- iii. Terminate the Funding Agreement.
- iv. 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 Funding Agreement in the manner provided by law, Funding Recipient agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

12. CONTINUING ELIGIBILITY. Funding Recipient must meet the following ongoing requirement(s) to remain eligible to receive State funds:
- A. Funding Recipient must adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406) for data sharing, transparency, documentation, and quality control.
 - B. If the Funding Recipient is diverting surface water, the Funding Recipient must maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et seq.
 - C. If applicable, maintain compliance with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.).
 - D. If applicable, maintain compliance with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq.
 - E. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Funding Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Funding Recipient advance written notice of such termination, allowing the Funding Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.
 - F. Facilitating Improvements to Systemwide Habitat Program Guidelines Funding Requirements.
13. SUBMISSION OF REPORTS. The submittal and approval of all reports is a required for the successful completion of this Funding 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. All reports shall be submitted to the State’s Project Manager. If requested, Funding Recipient 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 Project Completion Report is a requirement for the release of any funds retained for such project.
- A. Quarterly Progress Reports: Funding Recipient shall submit Quarterly Progress Reports to meet the State’s requirement for disbursement of funds. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Funding Recipients activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Funding Agreement during the reporting period. The first Quarterly Progress Report should be submitted to the State no later than three months after date of agreement execution with future reports then due on successive three-month increments based on the invoicing schedule and this date.
 - B. Project Completion Report: Funding Recipient shall prepare and submit to State a Project Completion Report within ninety (90) calendar days of Project completion. The Project Completion Report shall include, in part, a description of actual work done, any changes or amendments to the Project, and a final schedule showing actual progress versus planned

progress, copies of any final documents or reports generated or utilized during the Project. The Project Completion Report shall also include, if applicable, certification of final Project by a registered civil engineer, consistent with Standard Condition D.16, "Final Inspections and Certification of Registered Civil Engineer". A DWR "Certification of Project Completion" form will be provided by the State.

- C. Post-Performance Reports: Funding Recipient shall submit Post-Performance Reports. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of the Project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 3 years after the completed Project begins operation. The Post-Performance Report shall include well production information from the wells supporting the flow contribution defined in this agreement. This will include the names and locations of wells providing water as well as extraction and recharge data at those locations. See also Exhibit G, Requirements for Data Submittal, for web links and information regarding State monitoring and data reporting requirements. The report should also specify baseline conditions, data collection and method and/or systems used, frequency of data collection and location of data collection relative to the project site.

14. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Funding Recipient agrees to ensure or cause to be performed the commencement and continued operation of the Project, and shall ensure or cause the Project to be operated in an efficient and economical manner; shall ensure all repairs, 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. Funding Recipient or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Funding 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 Funding Recipient to ensure operation and maintenance of the Project in accordance with this provision may, at the option of State, be considered a breach of this Funding Agreement and may be treated as default under Paragraph 11, "Default Provisions."

15. NOTIFICATION OF STATE. Funding Recipient 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 Funding Agreement. Funding Recipient agrees that no substantial 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. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
 - B. Any public or media event publicizing the accomplishments and/or results of this Funding Agreement and provide the opportunity for attendance and participation by State's representatives. Funding Recipient shall make such notification at least 14 calendar days prior to the event.

- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Funding Recipient agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Funding Recipient agrees to implement appropriate actions as directed by the State.
- D. The initiation of any litigation or the threat of litigation against the Funding Recipient or a Local Project Sponsor (LPS) regarding the Project or that may affect the Project in any way.
- E. Final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.16, "Final Inspections and Certification of Registered Civil Engineer." Funding Recipient 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.
16. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Funding Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
- B. By certified U.S. mail, return receipt requested, postage prepaid.
- C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- D. By electronic means.
- E. 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 below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
17. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Funding

Agreement are as follows:

Department of Water Resources
<Insert DWR Project Representative, title,
name, mailing address and contact information>

Regional Water Authority:

James Peifer, Executive Director
2295 Gateway Oaks, Suite 100
Sacramento, CA 95833
Phone: (916) 967-7692
Email: jpeifer@rwah2o.org

Direct all inquiries to the Project Manager:

Department of Water Resources
<Insert DWR Project Manager name, mailing
address and contact information>

Regional Water Authority:

Michelle Banonis, Manager of Strategic Affairs
2295 Gateway Oaks, Suite 100
Sacramento, CA 95833
Phone: (916) 967-7692
Email: mbanonis@rwah2o.org

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

18. STANDARD PROVISIONS. This Funding Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Funding Agreement by this reference.

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Funding Recipient Authorization

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Funding Match Guidelines for Funding Recipients

Exhibit I – Project Locations

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

STATE OF CALIFORNIA

DEPARTMENT OF WATER RESOURCES

REGIONAL WATER AUTHORITY

<Insert DWR Project Representative,
Title, and Division>

Date _____

James Peifer, Executive Director

Date _____

Approved as to Legal Form and Sufficiency

<Insert name and title>
Office of Chief Counsel

Date _____

EXHIBIT A

WORK PLAN

Groundwater Infrastructure Projects

The purpose of the Project is to provide new and enhanced infrastructure that will improve the American River region's ability to enhance groundwater production capabilities and flexibility in Dry and Critical Water Years as determined by the Sacramento River Index. The Funding Recipient will administer the funds provided by this Funding Agreement and enter into subagreements with some or all of the Local Project Sponsors (LPSs) identified below who will undertake infrastructure projects (LPS Projects) consistent with the Funding Agreement's purpose. The LPS Projects will improve water supply capabilities and promote added flexibility and interconnectivity between suppliers. The LPS Projects will build out additional groundwater production capacity, provide regional redundancy, enhance existing infrastructure, and will also create additional connections between water providers that will allow for more effective conjunctive use capabilities. The LPS Projects provide multiple options for the American River region to enhance groundwater capabilities, which will collectively expand the region's ability to provide outflow.

Subject to the terms in the paragraph "LPS Project Implementation" below, Funding Recipient will act in a coordination role with the LPSs by (1) working with the LPSs to identify a subset selected LPS Project 1 and Priority 2 projects listed below to receive funds provided by this Funding Agreement, (2) ensure Funding Agreement compliance by LPSs, (3) obtaining and retaining evidence of Funding Agreement compliance (e.g., CEQA/NEPA documents, reports, etc.), (4) obtaining data for progress reports from LPSs, (5) assembling and submitting progress reports to the State, (6) and coordinating all invoicing to DWR.

State and Funding Recipient agree that the LPSs will design and construct a subset of the LPS Projects listed in this Exhibit A. Funding Recipient and the LPSs (through appropriate subagreements with Funding Recipient) agree to complete those LPS Projects which will receive State funds under this Funding Agreement. This Funding Agreement does not require Funding Recipient to complete those LPS Projects which are not selected for construction and do not receive State funds under this Funding Agreement.

State and Funding Recipient agree that, as to the LPS Projects and the Flow Contribution described in Paragraph 1, "Purpose", this Funding Agreement shall be considered a preliminary agreement pursuant to section 15004, subdivision (b)(4) of Title 14 of the California Code of Regulations. Receipt of state funds by a LPS for any LPS Project, and approval of the Flow Contribution by each LPS that will be subject to it, are expressly conditioned upon compliance with CEQA, and this Funding Agreement shall not be construed to (a) bind or commit State or Funding Recipient to any specific LPS Project or the Flow Contribution prior to CEQA, (b) restrict any LPS (or other agency if serving as CEQA lead agency for a LPS Project) from considering any feasible mitigation measures and alternatives, including the "no project" alternative, or (c) restrict any LPS (or other agency if serving as CEQA lead agency for a LPS Project) from denying any LPS Project or the Flow Contribution.

Project Administration by Funding Recipient

Task 1: Agreement Administration

The Funding Recipient will (1) enter into subagreements with LPSs for a subset of LPS Projects to be funded under this Funding Agreement, (2) respond to the State's reporting and compliance requirements associated with the grant administration, and (3) coordinate with the project managers responsible for implementing the LPS Projects contained in this agreement.

Task 2: Invoicing

The Funding Recipient will be responsible for compiling invoices for submittal to the State. This includes collecting invoice documentation from each of the Local Project Sponsors (LPS) and compiling the information.

Deliverables:

- Quarterly Invoices and associated backup documentation

Task 3: Reporting

The Funding Recipient will be responsible for compiling progress reports for submittal to the State. The Grantee will coordinate with LPS staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Deliverables:

- Quarterly Progress Reports
- Final Project Completion Report
- Grant Completion Report
- Post-Performance Reports

LPS Project Implementation (by LPSs through subagreements with Funding Recipient)

The following are LPS Projects that may be eligible for funding under this Funding Agreement through subagreements with Funding Recipient. The projects are divided into two categories: Priority 1 Projects and Priority 2 Projects. Priority 1 Projects are projects that as the date of execution of this agreement LPSs intend to complete and for which they plan to seek reimbursement through this Funding Agreement. Priority 2 Projects are projects that are provided for in this agreement in the event that one or more Priority 1 Projects become unforeseeably infeasible or impracticable. If a Priority 1 Project becomes infeasible or impracticable, the Funding Recipient will work with the LPS to select a Priority 2 Project that can also fulfill the expectations of this Funding Agreement. In the event a Priority 1 Project is determined to be infeasible or impracticable, Funding Recipient and DWR shall mutually agree on a Priority 2 Project to replace the Priority 1 Project.

Priority 1 Projects

Agency	Project Name
City of Roseville	ASR Well - Mistywood ASR Well - Campus Oaks
Sacramento County Water Agency	Elk Grove Automall Well Poppy Ridge Storage Tank
Sacramento Suburban Water District	Well 84 Antelope/Don Julio (ASR-equipped) Wells 81, 82, and 83 Antelope North/Poker
Carmichael Water District	Construct two ASR wells (Ladera and Winding Way)
City of Sacramento	Groundwater Wells - Capacity Enhancements Well 168
Golden State Water Company	Upgrade existing connection between GSWC with SCWA in the Cordova System (Mercantile and Foyer)
Citrus Heights Water District	ASR Well Equipping
Fair Oaks Water District	Northridge Replacement Well
Orange Vale Water Company	Well 4 or Well 5

Priority 2 Projects

Agency	Project Name
City of Roseville	ASR Well - Pleasant Grove ASR Well - Marlin Drive
Sacramento Suburban Water District	Well N35 Antelope North (Granular activated carbon treatment for PCE)
Carmichael Water District	Replace Garfield-San Juan-Lincoln transmission lines between two wells (includes intertie with CHWD) Backup power at existing well sites Intertie and pump station with SSWD
City of Sacramento	Florin Booster Pump Station Well 170 Well 171 Well 172 Groundwater Treatment at Wells (133,134,164, 166) Water Quality Sampling GW Power Reliability Project
Fair Oaks Water District	Fair Oaks Water District Regional Distribution Facility Carmichael Water District Interconnection Pipeline & Booster Facility Phoenix Park Well Project
Orange Vale Water Company	Well No. 4 or 5

	Well No.3 Storage Tank Booster Pump Station
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Flow Contribution

The Flow Contribution in Paragraph 1, “Purpose,” is subject to the following terms:

- If the State Water Resources Control Board does not approve or accept voluntary agreements based on the March 29, 2022 Memorandum Of Understanding Advancing A Term Sheet For The Voluntary Agreements To Update And Implement The Bay-Delta Water Quality Control Plan, And Other Related Actions (2022 MOU) until after May 1, 2025, then any American River water supplier’s obligation to contribution to the Flow Contribution shall start on the January 1 following the State Board’s approval or acceptance of voluntary agreements under that Memorandum of Understanding. This memorandum is herein referred to as the “2022 MOU.”
- The parties support the proposed contribution and will request that the State Water Resource Control Board recognize the Flow Contribution as the American River water suppliers’ contribution from groundwater-substitution operations toward any Bay-Delta water quality control plan amendments based on, or related to, the 2022 MOU, and as a beneficial use of the water right(s) being exercised by a party to provide its portion of the Flow Contribution. The parties recognize that implementation of the Flow Contribution will depend on the Bureau of Reclamation’s operation of Folsom Dam and Reservoir and collectively will seek to coordinate with the Bureau of Reclamation as soon as possible.
- DWR may call an Annual Flow Contribution in no more than three critical or dry years during the eight years from and including 2025 and 2032. If the total of critical and dry years from and including 2025 and 2032 is fewer than three, then DWR may call one Annual Flow Contribution in a dry year from and including 2033 and 2036. DWR may not call an Annual Flow Contribution in a critical year after 2032. After 2036, the American River water suppliers shall have no obligation to make any Annual Flow Contribution under this Funding Agreement, unless the parties collectively agree to extend this Funding Agreement, as it may be modified. The time periods stated in this paragraph shall be shifted to later years, without change in their duration, based on the State Water Resources Control Board approving or accepting voluntary agreements based on the 2022 MOU after May 1, 2025 as stated elsewhere in this Funding Agreement.

The Flow Contribution is also subject to the following limitations concerning regulatory and other limits on groundwater substitution operations:

- If a regulatory or other action by the State of California, or one of its agencies, imposes or effects a constraint on the ability of one or more Local Project Sponsors so that they collectively cannot make the full volume of the Flow Contribution, the required amount of the Flow Contribution, and each Annual Flow Contribution, will be reduced consistent with the scope of that constraint, as documented by the Funding Recipient.
- If the Funding Recipient, or one or more Local Project Sponsors, are unable to make an Annual Flow Contribution due to reasons beyond their control, including the Bureau of Reclamation’s operation of Folsom Dam and Reservoir, the Funding Recipient, Local Project Sponsors, and DWR will meet and confer regarding potential adjustments in the Flow Contribution commitment. The parties acknowledge that the Local Project Sponsors pump

groundwater from basins that are subject to the Sustainable Groundwater Management Act (Water Code § 10720 et seq.) and regulatory actions taken under that act could limit those Local Project Sponsors' ability to make the Flow Contribution and any Annual Flow Contribution. The parties would address any such limits through meet-and-confer discussions as described above.

- This section applies to an American River water supplier's obligation to participate in making any part of the Flow Contribution, and any part of any Annual Flow Contribution, whether required during those Contributions' initial 2025-2032 term, during a dry year in the 2032-2036 period or during any shift of any of those terms to a later period as provided elsewhere in this Funding Agreement.

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EXHIBIT B

BUDGET

Project Administration by Funding Recipient

Project administration by the Funding Recipient shall not exceed \$1,100,000 of the Funding Agreement award, which is approximately 2% of the total funded amount. The table below outlines the estimate of administrative costs:

Project Management Tasks	Staff	FY 2023/2024				FY 2024/2025				FY 2025/2026			
		Hrs	Rate	Total	Assumptions	Hrs	Rate	Total	Assumptions	Hrs	Rate	Total	Assumptions
Finalize Grant Agreement with DWR (Includes update of scope, schedule, budget)	Mgr of Strategic Services	48	160.48	\$ 7,703			168.50	\$ -			176.93	\$ -	
	Finance Manager	24	118.96	\$ 2,855			124.91	\$ -			131.15	\$ -	
	Senior Project Manager	0	120.68	\$ -			126.71	\$ -			133.05	\$ -	
	Project Research Asst.	8	72.88	\$ 583			76.52	\$ -			80.35	\$ -	
Grant Agreement Support to Grant Recipients (Includes modification requests)	Mgr of Strategic Services	120	160.48	\$ 19,258	10 hr/month	120	168.50	\$ 20,220	10 hr/month	96	176.93	\$ 16,985	8 hr/month
	Finance Manager	240	118.96	\$ 28,550	20 hr/month	240	124.91	\$ 29,978	20 hr/month	120	131.15	\$ 15,738	10 hr/month
	Senior Project Manager	60	120.68	\$ 7,241	5 hr/month	60	126.71	\$ 7,603	5 hr/month	60	133.05	\$ 7,983	5 hr/month
	Project Research Asst.	24	72.88	\$ 1,749	2 hr/month	24	76.52	\$ 1,837	2 hr/month	24	80.35	\$ 1,928	2 hr/month
Conduct and Document Grant Recipient Meetings (up to 4 meetings)	Mgr of Strategic Services	8	160.48	\$ 1,284	2 hr/mtg	8	168.50	\$ 1,348	2 hr/mtg	8	176.93	\$ 1,415	2 hr/mtg
	Finance Manager	96	118.96	\$ 11,420	8 hr/mtg	96	124.91	\$ 11,991	8 hr/mtg	96	131.15	\$ 12,591	8 hr/mtg
	Senior Project Manager	16	120.68	\$ 1,931	4 hr/mtg	16	126.71	\$ 2,027	4 hr/mtg	16	133.05	\$ 2,129	4 hr/mtg
	Project Research Asst.	16	72.88	\$ 1,166	4 hr/mtg	16	76.52	\$ 1,224	4 hr/mtg	16	80.35	\$ 1,286	4 hr/mtg
Compile and Submit Requirements for Disbursement for Projects (Includes Performance Monitoring Plan)	Mgr of Strategic Services	4	160.48	\$ 642		4	168.50	\$ 674		4	176.93	\$ 708	
	Finance Manager	198	118.96	\$ 23,554	6 hr/project	198	124.91	\$ 24,732	6 hr/project	198	131.15	\$ 25,968	6 hr/project
	Senior Project Manager	99	120.68	\$ 11,947	3 hr/project	99	126.71	\$ 12,545	3 hr/project	99	133.05	\$ 13,172	3 hr/project
	Project Research Asst.	33	72.88	\$ 2,405	1 hr/project	33	76.52	\$ 2,525	1 hr/project	33	80.35	\$ 2,652	1 hr/project
Prepare Invoices for Grant Reimbursement to DWR (up to 20 total) (4 per year)	Mgr of Strategic Services	4	160.48	\$ 642	1 hr/invoice	4	168.50	\$ 674	1 hr/invoice	4	176.93	\$ 708	1 hr/invoice
	Finance Manager	48	118.96	\$ 5,710	12 hr/invoice	96	124.91	\$ 11,991	12 hr/invoice	96	131.15	\$ 12,591	12 hr/invoice
	Senior Project Manager		120.68	\$ -			126.71	\$ -			133.05	\$ -	
	Project Research Asst.		72.88	\$ -			76.52	\$ -			80.35	\$ -	
Prepare Quarter Reports to DWR (up to 14)	Mgr of Strategic Services	16	160.48	\$ 2,568	4 hr/report	16	168.50	\$ 2,696	4 hr/report	16	176.93	\$ 2,831	4 hr/report
	Finance Manager	96	118.96	\$ 11,420	24 hr/report	96	124.91	\$ 11,991	24 hr/report	96	131.15	\$ 12,591	24 hr/report
	Senior Project Manager	8	120.68	\$ 965	2 hr/report	8	126.71	\$ 965	2 hr/report	8	133.05	\$ 965	2 hr/report
	Project Research Asst.		72.88	\$ -		100	65.20	\$ 6,520		100	65.20	\$ 6,520	
Prepare Project Completion Reports (33 projects)	Mgr of Strategic Services		160.48	\$ -	1 hr/project		168.50	\$ -	1 hr/project	33	176.93	\$ 5,839	1 hr/project
	Finance Manager		118.96	\$ -	4 hr/project		124.91	\$ -	4 hr/project	132	131.15	\$ 17,312	4 hr/project
	Senior Project Manager		120.68	\$ -	1 hr/project		126.71	\$ -	1 hr/project	33	133.05	\$ 4,391	1 hr/project
	Project Research Asst.		72.88	\$ -			76.52	\$ -		40	80.35	\$ 3,214	
Prepare Grant Completion Report	Mgr of Strategic Services		160.48	\$ -			168.50	\$ -		40	176.93	\$ 7,077	
	Finance Manager		118.96	\$ -			124.91	\$ -		240	131.15	\$ 31,477	
	Senior Project Manager		120.68	\$ -			126.71	\$ -		16	133.05	\$ 2,129	
	Project Research Asst.		72.88	\$ -			76.52	\$ -		8	80.35	\$ 643	
Coordination Meetings with DWR (up to 6 meetings)	Mgr of Strategic Services	12	166.58	\$ 1,999	2 hr.mtg	12	174.91	\$ 2,099	2 hr.mtg	12	183.65	\$ 2,204	2 hr.mtg
	Finance Manager	24			4 hr.mtg	24			4 hr.mtg	24			4 hr.mtg
	Senior Project Manager	12	120.68	\$ 1,448	2 hr.mtg	12	126.71	\$ 1,521	2 hr.mtg	12	133.05	\$ 1,597	2 hr.mtg
	Project Research Asst.		72.88	\$ -			76.52	\$ -			80.35	\$ -	
Legal Support - Agreement Review and Amendments				\$ 10,000				\$ 5,000				\$ 5,000	
Consultant Support for Grant Administration	Consultant			\$ 100,000	(annual estimate)			\$ 130,000	(annual estimate)			\$ 150,000	(annual estimate)
Total RWA Project Management		1214		\$ 257,041		1282		\$ 290,162		1680		\$ 369,642	
												Contingency 20%	\$ 183,369
												Total	\$ 1,100,214

LPS Project Implementation**Priority 1 Projects:**

Agency	Project Name	Total Project Cost	Eligible Project Cost (Estimated)
City of Roseville	ASR Well - Mistywood	\$ 9,600,000.00	
	ASR Well - Campus Oaks	\$ 9,600,000.00	\$ 8,010,000.00
Sacramento County Water Agency	Elk Grove Automall Well	\$ 6,000,000.00	
	Poppy Ridge Storage Tank	\$ 8,265,000.00	\$ 4,960,000.00
Sacramento Suburban Water District	Well 84 Antelope/Don Julio (ASR-equipped)	\$ 14,400,000.00	
	Wells 81, 82, and 83 Antelope North/Poker	\$ 8,200,000.00	\$ 18,840,000.00
Carmichael Water District	Construct two ASR wells (Ladera and Winding Way)	\$ 12,000,000.00	\$ 6,830,000.00
City of Sacramento	Groundwater Wells - Capacity Enhancements	\$ 3,000,000.00	
	Well 168	\$ 8,000,000.00	\$ 7,060,000.00
Golden State Water Company	Upgrade existing connection between GSWC with SCWA in the Cordova System (Mercantile and Foyer)	\$ 1,600,000.00	\$ 1,370,000.00
Citrus Heights Water District	ASR Well Equipping	\$ 4,500,000.00	\$ 3,530,000.00
Fair Oaks Water District	Northridge Replacement Well	\$ 3,200,000.00	\$ 2,470,000.00
Orange Vale Water Company	Well 4 or Well 5	\$ 2,800,000.00	\$ 830,000.00
Grant Administration (2%)			\$ 1,100,000.00
Total Priority 1 Projects:		\$ 87,329,000.00	\$ 55,000,000.00

EXHIBIT C**SCHEDULE****Funding Agreement Administration**

CATEGORY	START DATE	END DATE
Project Administration	Date of Agreement Execution	3/31/2026

LPS Project Implementation

CATEGORY	START DATE	END DATE
LPS Project Implementation	Date of Agreement Execution	12/31/2025

The Project shall be complete with all Eligible Project Costs incurred no later than December 31, 2025.

Exhibit D**STANDARD CONDITIONS****D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- A. **Separate Accounting of Funding Disbursements:** Funding Recipient shall account for the money disbursed pursuant to this Funding Agreement separately from all other Funding Recipient funds. Funding Recipient shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Funding Recipient shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Funding Recipient 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. **Disposition of Money Disbursed:** All money disbursed pursuant to this Funding Agreement shall be deposited in a separate account, administered, and accounted for pursuant to the provisions of applicable law.
- C. **Remittance of Unexpended Funds:** Funding Recipient shall remit to State any unexpended funds that were disbursed to Funding Recipient under this Funding 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 Funding Recipient of funds or, within thirty (30) calendar days of the expiration of the Funding Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Funding Recipient shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Funding Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Funding Recipient's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Budget Act of 2021 and the FY 2021-22 Budget Trailer Bill Assembly Bill 211 and through an agreement with the State Department of Water Resources." The Funding Recipient shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Funding 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 Funding Recipient for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Funding Agreement, Funding Recipient 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.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Funding Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Funding Recipient to conduct a final

audit to State's specifications, at Funding Recipient's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding 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. The Funding Recipient agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Funding Recipient shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Funding Agreement with respect of all matters connected with this Funding Agreement, including but not limited to, the cost of administering this Funding Agreement. All records of Funding Recipient or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Funding Agreement does not appropriate sufficient funds for this program, this Funding 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 Funding Agreement. In this event, State shall have no liability to pay any funds whatsoever to Funding Recipient or to furnish any other considerations under this Funding Agreement and Funding Recipient shall not be obligated to perform any provisions of this Funding Agreement. Nothing in this Funding Agreement shall be construed to provide Funding Recipient with a right of priority for payment over any other Funding Recipient. If funding for any fiscal year after the current year covered by this Funding Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Funding Agreement with no liability occurring to State, or offer a Funding Agreement amendment to Funding Recipient to reflect the reduced amount.
- D.7. CEQA: Activities funded under this Funding Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement will not be reimbursed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document will not be reimbursed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to reimbursing any work for which it is required. If CEQA compliance by the Funding Recipient is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to any Project that receives funds under this agreement.
- D.8. CHILD SUPPORT COMPLIANCE ACT: The Funding Recipient acknowledges in accordance with Public Contract Code section 7110, that:
- A. The Funding Recipient 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 Family Code section 5200 et seq.; and
 - B. The Funding Recipient, 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.9. CLAIMS DISPUTE: Any claim that the Funding Recipient 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 DWR Project Representative, within thirty (30) days of the Funding Recipient's knowledge of the claim. State and Funding Recipient 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.10. COMPETITIVE BIDDING AND PROCUREMENTS: Funding Recipient's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Funding Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Funding Recipient does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.11. COMPUTER SOFTWARE: Funding Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Funding Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.12. 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 section 1090 and Public Contract Code sections 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 Funding Recipient: Employees of the Funding Recipient 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. (Gov. Code, § 87100 et seq.)
 - D. Employees and Consultants to the Funding Recipient: Individuals working on behalf of a Funding Recipient 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.13. DELIVERY OF INFORMATION, REPORTS, AND DATA: Funding Recipient agrees to expeditiously provide throughout the term of this Funding Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.14. DISPOSITION OF EQUIPMENT: Funding Recipient 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 Funding Recipient with a list of the items on the inventory that State will take title to. All other items shall become the property of Funding Recipient. State shall arrange for delivery from Funding Recipient of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.15. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Funding Agreement, Funding Recipient, 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 (Gov. 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 section 8355.
 - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. Funding Recipient'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 section 8355, that every employee, contractor, and/or subcontractor who works under this Funding Agreement:
 - i. Will receive a copy of Funding Recipient's drug-free policy statement, and
 - ii. Will agree to abide by terms of Funding Recipient's condition of employment, contract or subcontract.
- D.16. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, Funding Recipient shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Funding Agreement.
- D.17. FUNDING RECIPIENT'S RESPONSIBILITIES: Funding Recipient 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 Project Exhibit B (Budget) and Exhibit C (Schedule).

- B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Funding Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Funding Recipient in the application, documents, amendments, and communications filed in support of its request for funding.
 - C. Comply with all applicable California, federal, and local laws and regulations.
 - D. Implement the Project in accordance with applicable provisions of the law.
 - E. Fulfill its obligations under the Funding Agreement and be responsible for the performance of the Project.
 - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Funding Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Funding Recipient shall provide copies of permits and approvals to State.
 - G. Be 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 Funding Recipient under this Agreement.
 - H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Funding Recipient shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Funding Recipient and any other entity concerning responsibility for performance of work.
- D.18. GOVERNING LAW: This Funding Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.19. INDEMNIFICATION: Funding Recipient 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 Project 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. Funding Recipient shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.20. INDEPENDENT CAPACITY: Funding Recipient, and the agents and employees of Funding Recipients, in the performance of the Funding Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.21. 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 Funding 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 Funding Agreement. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may withhold disbursements to Funding Recipient or take any other action it deems necessary to protect its interests.

- D.22. 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 Funding Agreement. This right shall extend to any subcontracts, and Funding Recipient shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Funding Agreement with State.
- D.23. LABOR CODE COMPLIANCE: The Funding Recipient 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>. The Funding Recipient affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Funding Recipient affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.
- D.24. MODIFICATION OF OVERALL WORK PLAN: At the request of the Funding Recipient, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Funding Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Funding Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Funding Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Funding Recipient to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.
- D.25. NONDISCRIMINATION: During the performance of this Funding Agreement, Funding Recipient 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/domestic partner status, gender identity, and denial of medical and family care leave or pregnancy disability leave. Funding Recipient 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. Funding Recipient and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Funding Recipient 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. Funding Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Funding Agreement.
- D.26. OPINIONS AND DETERMINATIONS: Where the terms of this Funding 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.27. PERFORMANCE BOND: Where contractors are used, the Funding Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Funding Recipient in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Civ. Code, § 9550, et seq.; Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.28. PRIORITY HIRING CONSIDERATIONS: If this Funding Agreement includes services in excess of \$200,000, the Funding Recipient shall give priority consideration in filling vacancies in positions funded by the Funding Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.29. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Funding Recipient 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 Project, or with Funding Recipient's service of water, without prior permission of State. Funding Recipient 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 Funding Recipient meet its obligations under this Funding 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.30. PROJECT ACCESS: The Funding Recipient shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.31. REMAINING BALANCE: In the event the Funding Recipient does not submit invoices requesting all the funds encumbered under this Funding Agreement, any remaining funds revert to the State. The State will notify the Funding Recipient stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Funding Agreement.
- D.32. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Funding 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.33. RETENTION: The State shall withhold ten percent (10%) of the funds requested by the Funding Recipient for reimbursement of Eligible Project Costs until the Project is completed and Final Report is approved. Any retained amounts due to the Funding Recipient will be promptly disbursed to the Funding Recipient, without interest, upon completion of the Project.
- D.34. RIGHTS IN DATA: Funding Recipient 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 Funding 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. (Gov. Code, § 7920.000 et seq.) Funding Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Funding Agreement, subject to appropriate acknowledgement of credit to State for financial support. Funding Recipient 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.35. SEVERABILITY: Should any portion of this Funding Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Funding Agreement shall continue as modified.
- D.36. SUSPENSION OF PAYMENTS: This Funding Agreement may be subject to suspension of payments or termination, or both if the State determines that:
- A. Funding Recipient, its contractors, or subcontractors have made a false certification, or
 - B. Funding Recipient, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Funding Agreement.
- D.37. SUCCESSORS AND ASSIGNS: This Funding Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Funding Agreement or any part thereof, rights hereunder, or interest herein by the Funding Recipient 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.38. TERMINATION BY FUNDING RECIPIENT: Subject to State approval which may be reasonably withheld, Funding Recipient may terminate this Agreement and be relieved of contractual obligations. In doing so, Funding Recipient must provide a reason(s) for termination. Funding Recipient must submit all progress reports summarizing accomplishments up until termination date.
- D.39. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 11, the State may terminate this Funding Agreement and be relieved of any payments should Funding Recipient fail to perform the requirements of this Funding Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.
- D.40. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Funding Recipient shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.41. TRAVEL: Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Funding Agreement. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources for excluded employees. These rates may be found at: <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.
- D.42. THIRD PARTY BENEFICIARIES: The parties to this 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.43. TIMELINESS: Time is of the essence in this Funding Agreement.
- D.44. UNION ORGANIZING: Funding Recipient, by signing this Funding Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Funding Agreement. Furthermore, Funding Recipient, by signing this Funding Agreement, hereby certifies that:
- A. No State funds disbursed by this Funding Agreement will be used to assist, promote, or deter union organizing.

- B. Funding Recipient shall account for State funds disbursed for a specific expenditure by this Funding Agreement to show those funds were allocated to that expenditure.
 - C. Funding Recipient shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
 - D. If Funding Recipient makes expenditures to assist, promote, or deter union organizing, Funding Recipient will maintain records sufficient to show that no State funds were used for those expenditures and that Funding Recipient shall provide those records to the Attorney General upon request.
- D.45. VENUE: The State and the Funding Recipient 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 Funding Recipient hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.46. WAIVER OF RIGHTS: None of the provisions of this Funding 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 Funding Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Funding 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.

EXHIBIT E

[INSERT MOTION TO AUTHORIZE FROM RWA BOARD ACTION.]

DRAFT

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:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each Project, discuss the following at the Project level:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next year.
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project
- Electronic copies of any data collected, not previously submitted

- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

Additional Information

- Benefits derived from the Project, with a discussion of such benefits provided, including anticipated capacity made available and added flexibility to the American River regional water supply.

GRANT COMPLETION REPORT

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

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion whether the level, type, or magnitude of benefits of each project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; and a summary of final funds disbursement for each project.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
 - Grantee Name
 - Implementing Agency (if different from Grantee)
 - Grant Agreement Number
 - Project Name
 - Funding grant source
 - Report number
- Post-Performance Report schedule
- Time period of the annual report
- Project Description Summary
- Discussion of the project benefits, including performance of operational groundwater infrastructure.
- Discussion of challenges in providing the replenishment of flows to the American River for releases made at Folsom Reservoir from the American River region's enhanced facilities (e.g., Bureau of Reclamation not releasing flows out of Folsom Reservoir, changed hydrologic conditions, etc.).
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
Any additional information relevant to or generated by the continued operation of the project.

Exhibit G

REQUIREMENTS FOR 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.

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: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Funding Recipient can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, Funding Recipient will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit E. Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

In the near future, DWR's WDL will be replaced by the California Statewide Groundwater Elevation Monitoring program (CASGEM). Once this Program comes online Funding Recipient will then submit groundwater level data to CASGEM. Information regarding the CASGEM program can be found at: <http://www.water.ca.gov/groundwater/casgem/>.

Exhibit H**STATE AUDIT DOCUMENT REQUIREMENTS AND
FUNDING MATCH GUIDELINES FOR FUNDING RECIPIENTS**

The following provides a list of documents typically required by State Auditors and general guidelines for Funding Recipients. List of documents pertains to both State funding and Funding Recipient's Funding Match and details the documents/records that State Auditors would need to review in the event of this Funding Agreement is audited. Funding Recipients should ensure that such records are maintained for each funded project.

State Audit Document RequirementsInternal Controls

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

State Funding:

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

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies 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 Funding Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Funding Agreement budget line items.
3. Reimbursement requests submitted to the State for the Funding 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 grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Funding Agreement related correspondence.

Exhibit I**LOCAL PROJECT SPONSORS, AGENCY DESIGNATIONS, AND PROJECT LOCATIONS**

The Funding Recipient has assigned, for each project, a Local Project Sponsor (LPS). LPSs may act on behalf of the Funding Recipient for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below. All projects listed here are Priority 1 Projects.

Local Project Sponsor Agency Designation

Sponsored Project: Mistywood Aquifer Storage and Recovery (ASR) Well

Sponsor Agency: City of Roseville

Agency Address: 2005 Hilltop Circle
Roseville, CA 95747

Project Location: Lat: 38.771294; Long: -121.31834

Sponsored Project: Campus Oaks ASR Well

Sponsor Agency: City of Roseville

Agency Address: 2005 Hilltop Circle
Roseville, CA 95747

Project Location: Lat: 38.791801; Long: -121.321859

Sponsored Project: Elk Grove Automall Well

Sponsor Agency: Sacramento County Water Agency

Agency Address: 827 7th Street, Room 301
Sacramento, CA 95814

Project Location: 38°24'07.8"N 121° 23'24.9"W

Sponsored Project: Poppy Ridge Storage Tank

Sponsor Agency: Sacramento County Water Agency

Agency Address: 827 7th Street, Room 301
Sacramento, CA 95814

Project Location: 38°23'24.2"N 121°24'53.9"W

Sponsored Project: Well 84 – Antelope/Don Juilo (ASR-equipped)

Sponsor Agency: Sacramento Suburban Water District

Agency Address: 3701 Marconi #100
Sacramento, CA 95821

Project Location: Lat. 38d 42m 29s N, Long. 121d 19m 53s W

Sponsored Project: Wells 81, 82, and 83 – Antelope/North Poker

Sponsor Agency: Sacramento Suburban Water District

Agency Address: 3701 Marconi #100
Sacramento, CA 95821

Project Location: Lat 38d 42m 14s N, Lon 121d 20m 43s W

Sponsored Project: Ladera and Winding Way ASR Wells

Sponsor Agency: Carmichael Water District

Agency Address: 7837 Fair Oaks Boulevard
Carmichael, CA 95608

Project Location: Ladera: 4501 Ladera Way (38.645436, -121.298551).
Winding Way: 4513 Charleston Dr (38.645519, -121.306841)

Sponsored Project: Groundwater Well Capacity Enhancements

Sponsor Agency: City of Sacramento

Agency Address: 1395 35th Avenue
Sacramento, CA 95822

Project Location: Sites under consideration include:

38°39'4.32"N, 121°28'10.26"W
38°38'50.88"N, 121°27'33.40"W
38°36'43.54"N, 121°28'47.11"W
38°35'48.98"N, 121°27'32.57"W
38°35'46.81"N, 121°25'38.60"W
38°33'19.01"N, 121°25'0.89"W
38°27'11.26"N, 121°24'52.51"W

Sponsored Project: Well 168

Sponsor Agency: City of Sacramento

Agency Address: 1395 35th Avenue
Sacramento, CA 95822

Project Location: 38°38'56.54"N, 121°26'54.10"W

Sponsored Project: Upgrade of Existing Connection Between Golden State Water Company with Sacramento County Water Agency in the Cordova System (Mercantile and Foyer)

Sponsor Agency: Golden State Water Company

Agency Address: 3005 Gold Canal Drive
Rancho Cordova, CA 95670

Project Location: Mercantile: Lat. 38.601016, Long. -121.261133; Femoyer: Lat. 38.574722, Long. -121.291418

Sponsored Project: ASR Well Equipping

Sponsor Agency: Citrus Heights Water District

Agency Address: 6230 Sylvan Road
Citrus Heights, CA 95610

Project Location: 7725 Highland Avenue, Citrus Heights, CA 95610

Sponsored Project: Northridge Well Replacement

Sponsor Agency: Fair Oaks Water District

Agency Address: 10326 Fair Oaks Boulevard
Fair Oaks, CA 95628

Project Location: 38.659635609867514, -121.25559110698903

Sponsored Project: Well 4 or Well 5

Sponsor Agency: Orange Vale Water Company

Agency Address: 9031 Central Avenue
Orangevale, CA 95662

DRAFT

FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA (~~NATURAL RESOURCES AGENCY AND~~ DEPARTMENT OF WATER RESOURCES) AND REGIONAL WATER AUTHORITY

VOLUNTARY AGREEMENT EARLY IMPLEMENTATION FOR THE AMERICAN RIVER

THIS FUNDING AGREEMENT is entered into by and between the ~~Natural Resources Agency and the~~ Department of Water Resources of the State of California, herein referred to as the "State," "CNRA" or "DWR" and the Regional Water Authority, a joint powers authority in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Funding Recipient," which parties do hereby agree as follows:

1. **PURPOSE.** The State shall provide funding from ~~the Budget Act of 2021, Section _____~~ FY 2021-22 Budget Trailer Bill Assembly Bill 211 (Stats. 2022, Ch. 574, § 35 (a) (4)) and the FY 2021-22 Budget Act, Senate Bill 170 (Stats. 2021, Ch. 240, § 10 (h)) to the Funding Recipient to assist in financing the Project.

The Project is further described on Exhibit A, "Work Plan." The purpose of the Project is to provide new and enhanced infrastructure that will improve the American River region's ability to enhance groundwater production capabilities and flexibility in Dry and Critical Water Years as determined by the Sacramento River Index.

In consideration of the funding provided by ~~CNRA and~~ DWR under this Funding Agreement, the American River water suppliers who receive that funding will provide ~~up to~~ 30,000 acre-feet of groundwater-substitution water to augment, through the Bureau of Reclamation's operation of Folsom Dam and Reservoir as part of coordinated Central Valley Project and State Water Project operations, streamflows in the Lower American River in each of three out of eight years beginning in 2025. Each of those three years will be either a critical or dry year on the Sacramento Valley Index under the State Water Resources Control Board's Revised Decision 1641. This commitment is herein referred to as the "Flow Contribution" and each annual contribution is referred to as an "Annual Flow Contribution." The Flow Contribution and Annual Flow Contribution are further described on Exhibit A, "Flow Contribution."

2. **TERM OF FUNDING AGREEMENT.** The term of this Funding Agreement begins June 1, 2023 upon execution of this agreement, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Funding Agreement. However, all work shall be completed by December 31, 2025, with the Schedule as set forth in Exhibit C and no funds may be requested after March 31, 2026. The RWA Flow Contribution obligations stated in Paragraph 1, "Purpose," shall survive the termination date of this Funding

Agreement until satisfied unless State terminates this Funding Agreement as provided herein.

~~3. PROJECT COST. The reasonable amount of the Project is estimated to be \$[insert final total Project amount from exhibits].~~

~~4.3. FUNDING AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$55,000,000. -Any additional costs are the responsibility of the Funding Recipient.~~

~~5.4. FUNDING RECIPIENT COST SHARE. Funding Recipient agrees to fund the difference between the actual Funding Recipient and the Local Project Sponsors (LPS), through appropriate subagreements with Funding Recipient, agree to complete any LPS Projects listed in Exhibit A that receives State funds under this Funding Agreement. The amount needed to complete the LPS project, not covered by the Funding Amount, is the Funding Recipient Cost Share. This Funding Agreement does not require Funding Recipient to complete those LPS Projects listed in Exhibit A which are not selected for construction and do not receive State funds under this Funding Agreement. Total Project Cost, as estimated in Paragraph 3, and the amount specified in Paragraph 4, if any, provided that Funding Recipient's funding obligation under this Paragraph 5 shall not exceed the aggregate value of the work subject to subagreements between Funding Recipient and partner agencies, less the Funding Amount.~~

~~6.5. BASIC CONDITIONS.~~

The State shall have no obligation to disburse money for the Project(s) under this Funding Agreement until the Funding Recipient has satisfied the following conditions:

- ~~A. For the term of this Funding Agreement, the Funding Recipient shall submit Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports." Reports must accompany an invoice and all invoice backup documentation.~~
- ~~B. Funding Recipient submits all deliverables as specified in Paragraph 13 of this Funding Agreement and in Exhibit A.~~
- ~~C. Prior to the commencement of construction or implementation of activities, if applicable, the Funding Recipient shall submit to the State:
 - ~~i. Final plans and specifications certified, signed, and stamped by a California Registered Civil Engineer as(or equivalent registered professional as appropriate) to certify compliance for the Projecteach approved project as listed in Exhibit A of this Funding Agreement.~~~~

- ii. Eligible Costs incurred for work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting ~~shall~~will not ~~become Eligible Project Costs as defined~~be reimbursed by DWR under this Funding Agreement until the following actions are performed:
 - a) The Funding Recipient submits to the State all applicable environmental permits as indicated on the Environmental Information Form to the State,
 - b) Documents that satisfy the CEQA process are received by the State, and
 - c) State has completed its CEQA compliance review as a Responsible Agency, ~~if CEQA has not already been satisfied for the work, and~~and
 - d) Funding Recipient receives written notification from the State of Lead Agency's CEQA document (s) and State notice of verification of environmental permit submittal^{7.2}.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to funding 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 Project or to require changes, alterations or other mitigation. Funding Recipient must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

- ~~iii. A monitoring plan as required by Paragraph 15, "Project Monitoring Plan Requirements."~~

7.

6. DISBURSEMENT OF FUNDS. The State will disburse to the Funding Recipient the amount approved, subject to the availability of funds through the normal State processes. Notwithstanding any other provision of this Funding 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. Any and all money disbursed to Funding Recipient under this Funding Agreement shall be

deposited in a separate account and shall be used solely to pay Eligible Project Costs.

~~8.7.~~ **ELIGIBLE PROJECT COST.** Funding Recipient shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after ~~June 1, 2023~~execution of this agreement shall be eligible for reimbursement.

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

- A. Costs, other than those noted above, incurred prior to ~~June 1, 2023~~date of execution of this funding agreement.
- B. Operation and maintenance costs, including post construction performance and monitoring costs.
- C. Purchase of equipment not an integral part of the Project.
- D. Establishing a reserve fund.
- E. Purchase of water supply.
- F. Monitoring and assessment costs for efforts required after Project construction is complete.
- G. Replacement of existing funding sources (e.g., bridge loans).
- ~~H. Travel and per diem costs. <if your program does NOT allow travel reimbursement, then keep this & remove Paragraph D.42 / if your program ALLOWS travel reimbursement, remove this item from list. >~~
- ~~I.~~H. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- ~~J.~~I. Land and right-of-way acquisition.
- ~~K.~~J. Overhead and indirect costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include but are not limited to: central service costs; general administration of the Funding Recipient; non-project-specific accounting and personnel services performed within the Funding Recipient's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition; conference fees; and, generic overhead or markup. This prohibition applies to the Funding Recipient and any subcontract or sub-

agreement for work on the Project that will be reimbursed pursuant to this Agreement.

~~L.K.~~ Payment of Federal and State taxes.

~~M.L.~~ Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.

~~N.M.~~ Costs incurred for any work for which State's concurrence in Lead Agency's CEQA documents is required but not received prior to the deadline ~~for to~~ request funds reimbursement of costs in accordance with Paragraph 2, "Term of Funding Agreement."

9. 9. METHOD OF PAYMENT.

After the disbursement requirements in Paragraph ~~65~~ "Basic Conditions" are met, State will disburse the whole or portions of State funding to Funding Recipient, following receipt from Funding Recipient via US mail or Express mail delivery of a "wet signature" invoice, or an electronic invoice certified and transmitted via DocuSign for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports." Payment will be made no more frequently than monthly~~quarterly~~, in arrears, upon receipt of an invoice bearing the Funding Agreement number. State will notify Funding Recipient, in a timely manner, whenever, upon review of an Invoice, State determines that any portion or portions of the costs claimed are not Eligible Project Costs or is not supported by documentation or receipts acceptable to State. Funding Recipient may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Funding Recipient fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Funding Recipient shall include the following information:

A. Costs incurred for work performed in implementing the Project during the period identified in a particular invoice.

~~B. Costs incurrent for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.~~

~~C.B.~~ 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 categories (i.e., tasks) specified in Exhibit BA. 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. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
- iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 4, "Funding Amount" and those costs that represent Funding Recipient's costs, as applicable, in Paragraph 5, "Funding Recipient Cost Share."
- v. Original signature and date (in ink) of Funding Recipient's Project Representative. Submit the original "wet signature" copy of the invoice form to the following address: <Insert DWR PM title & appropriate address> or an electronic signature certified and transmitted via DocuSign from authorized representative to <Insert DWR PM title>.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Funding Recipient shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Funding Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder. Additionally, the State may request an audit pursuant to Standard Condition Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 115, 470, 487-489.)

10. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that the Project is not being implemented in accordance with the provisions of this Funding Agreement, or that Funding Recipient has failed in any other respect to comply with the provisions of this Funding Agreement, and if Funding Recipient does not remedy any such failure to State's satisfaction, State may withhold from Funding Recipient 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 Funding Recipient and State notifies Funding Recipient 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, as directed by State. State may consider Funding Recipient's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Funding Recipient of its decision to withhold the entire funding amount from Funding Recipient pursuant to this Paragraph, this

Funding Agreement shall terminate upon receipt of such notice by Funding Recipient and the State shall no longer be required to provide funds under this Funding Agreement and the Funding Agreement shall no longer be binding on either party.

11. DEFAULT PROVISIONS. Funding Recipient will be in default under this Funding Agreement if any of the following occur:

- A. Substantial breaches of this Funding Agreement, or any supplement or amendment to it, or any other agreement between Funding Recipient and State evidencing or securing Funding Recipient's obligations;
- B. Making any false warranty, representation, or statement with respect to this Funding Agreement or the application filed to obtain this Funding Agreement;
- C. Failure to operate or maintain project in accordance with this Funding Agreement.
- D. Failure to make any remittance required by this Funding Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition Paragraph D.5.
- E. Failure to submit timely progress reports.
- F. Failure to routinely invoice State.
- G. 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 Funding Recipient and shall give Funding Recipient at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Funding Recipient. If the Funding Recipient fails to cure the default within the time prescribed by the State, State may do any of the following:

- i. Declare the funding be immediately repaid.
- ii. Terminate any obligation to make future payments to Funding Recipient.
- iii. Terminate the Funding Agreement.
- iv. 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 Funding Agreement in the manner provided by law, Funding Recipient agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

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

- A. Funding Recipient must adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406) for data sharing, transparency, documentation, and quality control.

- B. If the Funding Recipient is diverting surface water, the Funding Recipient must maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et seq.
- C. If applicable, maintain compliance with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.).
- D. If applicable, maintain compliance with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq.
- E. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Funding Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Funding Recipient advance written notice of such termination, allowing the Funding Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

~~F. <insert Program specific requirement(s)>~~

F. Facilitating Improvements to Systemwide Habitat Program Guidelines Funding Requirements.

13. SUBMISSION OF REPORTS. The submittal and approval of all reports is a required for the successful completion of this Funding 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. All reports shall be submitted to the State’s Project Manager. If requested, Funding Recipient 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 Project Completion Report is a requirement for the release of any funds retained for such project.

A. Quarterly Progress Reports: Funding Recipient shall submit Quarterly Progress Reports to meet the State’s requirement for disbursement of funds. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Funding Recipients activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Funding Agreement during the reporting period. The first Quarterly Progress Report

should be submitted to the State no later than September 1, 2023 three months after date of agreement execution with future reports then due on successive three-month increments based on the invoicing schedule and this date.

A.

B. Project Completion Report: Funding Recipient shall prepare and submit to State a Project Completion Report within ninety (90) calendar days of Project completion. The Project Completion Report shall include, in part, a description of actual work done, any changes or amendments to the Project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during the Project. The Project Completion Report shall also include, if applicable, certification of final Project by a registered civil engineer, consistent with Standard Condition D.4716, "Final Inspections and Certification of Registered Civil Engineer". A DWR "Certification of Project Completion" form will be provided by the State.

C. Post-Performance Reports: Funding Recipient shall submit Post-Performance Reports. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of the Project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 3 years after the completed Project begins operation. The Post-Performance Report shall include well production information from the wells supporting the flow contribution defined in this agreement. This will include the names and locations of wells providing water as well as extraction and recharge data at those locations. See also Exhibit G, Requirements for Data Submittal, for web links and information regarding State monitoring and data reporting requirements. The report should also specify baseline conditions, data collection and method and/or systems used, frequency of data collection and location of data collection relative to the project site.

14. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Funding Recipient agrees to ensure or cause to be performed the commencement and continued operation of the Project, and shall ensure or cause the Project to be operated in an efficient and economical manner; shall ensure all repairs, 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. Funding Recipient or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Funding 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 Funding Recipient to ensure operation and maintenance of the Project in accordance with this provision may, at the option of State, be considered a breach of this Funding Agreement and may be treated as default under Paragraph 11, "Default Provisions."

~~15. PROJECT MONITORING PLAN REQUIREMENTS. Exhibit A of this Funding Agreement shall contain activities to develop and submit to State a Project Monitoring Plan. Along with the Project Performance Measures Table requirements outlined in the < insert funding program > Proposal Solicitation Package, the Project Monitoring Plan should also include:~~

~~A. Baseline conditions.~~

~~B. Brief discussion of monitoring systems to be used.~~

~~C. Methodology of monitoring.~~

~~D. Frequency of monitoring.~~

~~E. Location of monitoring points.~~

~~A Project Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. See Exhibit G, "Requirements for Data Submittal", for web links and information regarding other State monitoring and data reporting requirements.~~

~~16-15. NOTIFICATION OF STATE.~~ Funding Recipient 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 Funding Agreement. Funding Recipient agrees that no substantial 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. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
- B. Any public or media event publicizing the accomplishments and/or results of this Funding Agreement and provide the opportunity for attendance and participation by State's representatives. Funding Recipient shall make such notification at least 14 calendar days prior to the event.
- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Funding Recipient agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Funding Recipient agrees to implement appropriate actions as directed by the State.
- D. The initiation of any litigation or the threat of litigation against the Funding Recipient or a Local Project Sponsor (LPS) regarding the Project or that may affect the Project in any way.

- E. Final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.4716, "Final Inspections and Certification of Registered Civil Engineer." Funding Recipient 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.

47.16. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Funding Agreement shall be in writing. Notices may be transmitted by any of the following means:

- A. By delivery in person.
- B. By certified U.S. mail, return receipt requested, postage prepaid.
- C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- D. By electronic means.
- E. 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 below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

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

Department of Water Resources
<Insert DWR Project Representative,
title, name, mailing address and
contact information>

Regional Water Authority

James Peifer
Executive Director
5620 Birdcage Street, Suite 180
Citrus Heights, CA 95610
Phone: (916) 967-7692
Email: jpeifer@rwah2o.org

Direct all inquiries to the Project Manager:

Department of Water Resources
<Insert DWR Project Manager name,
mailing address and contact
information>

Regional Water Authority

Michelle Banonis
Manager of Strategic Affairs
5620 Birdcage Street, Suite 180

Citrus Heights, CA 95610
Phone: (916) 967-7692
Email: mbanonis@rwah2o.org

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

~~19-18.~~ STANDARD PROVISIONS. This Funding Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Funding Agreement by this reference.

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Funding Recipient ~~Resolution~~Authorization

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Funding Match Guidelines for Funding Recipients

Exhibit I – ~~Monitoring and Maintenance Plan Components~~ – Project Locations

~~Exhibit J – Project Location~~

~~Exhibit K – Information Needed for Escrow Process and Closure~~

~~Exhibit L – Appraisal Specifications~~

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

STATE OF CALIFORNIA

DEPARTMENT OF WATER
RESOURCES

REGIONAL WATER AUTHORITY

James Peifer, Executive Director

<Insert DWR Project Representative,
Title, and Division>

Date _____

Date _____

Approved as to Legal Form and
Sufficiency

<Insert name and title>

Office of Chief Counsel

Date _____

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EXHIBIT A

WORK PLAN

Groundwater Infrastructure Projects

The purpose of the Project is to provide new and enhanced infrastructure that will improve the American River region's ability to enhance groundwater production capabilities and flexibility in Dry and Critical Water Years as determined by the Sacramento River Index. The Funding Recipient will administer the funds provided by this Funding Agreement and enter into subagreements with some or all of the Local Project Sponsors (LPSs) identified below who will undertake infrastructure projects (LPS Projects) consistent with the Funding Agreement's purpose. The LPS Projects will improve water supply capabilities and promote added flexibility and interconnectivity between suppliers. The LPS Projects will build out additional groundwater production capacity, provide regional redundancy, enhance existing infrastructure, and will also create additional connections between water providers that will allow for more effective conjunctive use capabilities. The LPS Projects provide multiple options for the American River region to enhance groundwater capabilities, which will collectively expand the region's ability to provide outflow.

Subject to the terms in the paragraph "LPS Project Implementation" below, Funding Recipient will act in a coordination role with the LPSs by (1) working with the LPSs to identify a subset of the selected LPS Projects Project 1 and Priority 2 projects listed below to design and construct with receive funds provided by this Funding Agreement, (2) ensure Funding Agreement compliance by LPSs, (3) obtaining and retaining evidence of Funding Agreement compliance (e.g., CEQA/NEPA documents, reports, etc.), (4) obtaining data for progress reports from LPSs, (5) assembling and submitting progress reports to the State, (6) and coordinating all invoicing to DWR.

State and Funding Recipient agree that the LPSs will design and construct a subset of the LPS Projects listed in this Exhibit A. Funding Recipient and the LPSs (through appropriate subagreements with Funding Recipient) agree to complete those LPS Projects which will receive State funds under this Funding Agreement. This Funding Agreement does not require Funding Recipient to complete those LPS Projects which are not selected for construction and do not receive State funds under this Funding Agreement.

State and Funding Recipient agree that, as to the LPS Projects and the Flow Contribution described in Paragraph 1, "Purpose", this Funding Agreement shall be considered a preliminary agreement pursuant to section 15004, subdivision (b)(4) of Title 14 of the California Code of Regulations. Receipt of state funds by a LPS for any LPS Project, and approval of the Flow Contribution by each LPS that will be subject to

it, are expressly conditioned upon compliance with CEQA, and this Funding Agreement shall not be construed to (a) bind or commit State or Funding Recipient to any specific LPS Project or the Flow Contribution prior to CEQA, (b) restrict any LPS (or other agency if serving as CEQA lead agency for a LPS Project) from considering any feasible mitigation measures and alternatives, including the “no project” alternative, or (c) restrict any LPS (or other agency if serving as CEQA lead agency for a LPS Project) from denying any LPS Project or the Flow Contribution.

Project Administration by Funding Recipient

Task 1: Agreement Administration

The Funding Recipient will (1) enter into subagreements with LPSs for a subset of LPS Projects to be funded under this Funding Agreement, (2) respond to the State’s reporting and compliance requirements associated with the grant administration, and (3) coordinate with the project managers responsible for implementing the LPS Projects contained in this agreement.

Task 2: Invoicing

The Funding Recipient will be responsible for compiling invoices for submittal to the State. This includes collecting invoice documentation from each of the Local Project Sponsors (LPS) and compiling the information.

Deliverables:

- Annual/Quarterly Invoices and associated backup documentation

Task 3: Reporting

The Funding Recipient will be responsible for compiling progress reports for submittal to the State. The Grantee will coordinate with LPS staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Deliverables:

- Annual/Quarterly Progress Reports
- Final Project Completion Report
- Grant Completion Report
- Post-Performance Reports

LPS Project Implementation (by LPSs through subagreements with Funding Recipient)

The following are LPS Projects that may be eligible for funding under this Funding Agreement through subagreements with Funding Recipient.

~~[RWA]~~ The projects are divided into two categories: Priority 1 Projects and Priority 2 Projects. Priority 1 Projects are projects that as the date of execution of this agreement LPSs intend to ~~provide most current project list with Implementing Agency,~~ complete and for which they plan to seek reimbursement through this Funding Agreement. Priority 2 Projects are projects that are provided for in this agreement in the event that one or more Priority 1 Projects become unforeseeably infeasible or impracticable. If a Priority 1 Project ~~Name, and Estimated Eligible~~ becomes infeasible or impracticable, the Funding Recipient will work with the LPS to select a Priority 2 Project ~~Cost. The list will~~ that can also fulfill the expectations of this Funding Agreement. In the event a Priority 1 Project is determined to be ~~inserted here in the final agreement.]~~ infeasible or impracticable, Funding Recipient and DWR shall mutually agree on a Priority 2 Project to replace the Priority 1 Project.

Priority 1 Projects

Agency	Project Name
<u>City of Roseville</u>	<u>ASR Well - Mistywood</u> <u>ASR Well - Campus Oaks</u>
<u>Sacramento County Water Agency</u>	<u>Elk Grove Automall Well</u> <u>Poppy Ridge Storage Tank</u>
<u>Sacramento Suburban Water District</u>	<u>Well 84 Antelope/Don Julio (ASR-equipped)</u> <u>Wells 81, 82, and 83 Antelope North/Poker</u>
<u>Carmichael Water District</u>	<u>Construct two ASR wells (Ladera and Winding We</u>
<u>City of Sacramento</u>	<u>Groundwater Wells - Capacity Enhancements</u> <u>Well 168</u>
<u>Golden State Water Company</u>	<u>Upgrade existing connection between GSWC wit</u> <u>SCWA in the Cordova System (Mercantile and Foy</u>
<u>Citrus Heights Water District</u>	<u>ASR Well Equipping</u>
<u>Fair Oaks Water District</u>	<u>Northridge Replacement Well</u>
<u>Orange Vale Water Company</u>	<u>Well 4 or Well 5</u>

Priority 2 Projects

<u>Agency</u>	<u>Project Name</u>
<u>City of Roseville</u>	<u>ASR Well - Pleasant Grove</u> <u>ASR Well - Marlin Drive</u>
<u>Sacramento Suburban Water District</u>	<u>Well N35 Antelope North (Granular activated carbon treatment for PCE)</u>
<u>Carmichael Water District</u>	<u>Replace Garfield-San Juan-Lincoln transmission line between two wells (includes intertie with CHWD)</u> <u>Backup power at existing well sites</u> <u>Intertie and pump station with SSWD</u>
<u>City of Sacramento</u>	<u>Florin Booster Pump Station</u> <u>Well 170</u> <u>Well 171</u> <u>Well 172</u> <u>Groundwater Treatment at Wells (133,134,164, 166)</u> <u>Water Quality Sampling</u> <u>GW Power Reliability Project</u>
<u>Fair Oaks Water District</u>	<u>Fair Oaks Water District Regional Distribution Facility</u> <u>Carmichael Water District Interconnection Pipeline & Booster Facility</u> <u>Phoenix Park Well Project</u>
<u>Orange Vale Water Company</u>	<u>Well No. 4 or 5</u> <u>Well No.3 Storage Tank Booster Pump Station</u>

Flow Contribution

The Flow Contribution in Paragraph 1, “Purpose,” is subject to the following terms:

- If the State Water Resources Control Board does not approve or accept voluntary agreements based on the March 29, 2022 Memorandum Of Understanding Advancing A Term Sheet For The Voluntary Agreements To Update And Implement The Bay-Delta Water Quality Control Plan, And Other Related Actions (2022 MOU) until after May 1, 2025, then any American River water supplier’s obligation to contribution to the Flow Contribution shall start on the January 1 following the State Board’s approval or acceptance of voluntary agreements under that Memorandum of Understanding. This memorandum is herein referred to as the “2022 MOU.”
- ~~CNRA and DWR agree that the Flow Contribution is an adequate contribution from American River water suppliers’ groundwater substitution operations toward the maintenance and advancement of environmental beneficial uses in the Lower American River and Bay-Delta during the above eight-year term. The parties~~The parties support the proposed contribution and will request that

the State Water Resource Control Board recognize the Flow Contribution as the American River water suppliers' contribution from groundwater-substitution operations toward any Bay-Delta water quality control plan amendments based on, or related to, the 2022 MOU, and as a beneficial use of the water right(s) being exercised by a party to provide its portion of the Flow Contribution. The parties recognize that implementation of the Flow Contribution will depend on the Bureau of Reclamation's operation of Folsom Dam and Reservoir and collectively will seek to coordinate with the Bureau of Reclamation as soon as possible.

- ~~CNRA and~~ DWR may call an Annual Flow Contribution in no more than three critical or dry years during the eight years from and including 2025 and 2032. If the total of critical and dry years from and including 2025 and 2032 is fewer than three, then ~~CNRA and~~ DWR may call one Annual Flow Contribution in a dry year from and including 2033 and 2036. ~~CNRA and~~ DWR may not call an Annual Flow Contribution in a critical year after 2032. After 2036, the American River water suppliers shall have no obligation to make any Annual Flow Contribution, under this Funding Agreement, unless the parties collectively agree to extend this Funding Agreement, as it may be modified. The time periods stated in this paragraph shall be shifted to later years, without change in their duration, based on the State Water Resources Control Board approving or accepting voluntary agreements based on the 2022 MOU after May 1, 2025 as stated elsewhere in this Funding Agreement.

The Flow Contribution is also subject to the following limitations concerning regulatory and other limits on groundwater substitution operations:

- If a regulatory or other action by the State of California, or one of its agencies, imposes or effects a constraint on the ability of one or more Local Project Sponsors so that they collectively cannot make the full volume of the Flow Contribution, the required amount of the Flow Contribution, and each Annual Flow Contribution, will be reduced consistent with the scope of that constraint, as documented by the Funding Recipient.
- If the Funding Recipient, or one or more Local Project Sponsors, are unable to make an Annual Flow Contribution due to reasons beyond their control, including the Bureau of Reclamation's operation of Folsom Dam and Reservoir, the Funding Recipient, ~~CNRA~~, Local Project Sponsors, and DWR will meet and confer regarding potential adjustments in the Flow Contribution commitment. The parties acknowledge that the Local Project Sponsors pump groundwater from basins that are subject to the Sustainable Groundwater Management Act (Water Code § 10720 et seq.) and regulatory actions taken under that act could limit those Local Project Sponsors' ability to make the Flow Contribution and any Annual Flow Contribution. The parties would address any such limits through meet-and-confer discussions as described above.

- This section applies to an American River water supplier's obligation to participate in making any part of the Flow Contribution, and any part of any Annual Flow Contribution, whether required during those Contributions' initial 2025-2032 term, during a dry year in the 2032-2036 period or during any shift of any of those terms to a later period as provided elsewhere in this Funding Agreement.

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EXHIBIT B

BUDGET

Project Administration by Funding Recipient

Project administration by the Funding Recipient shall not exceed \$1,100,000 of the Funding Agreement award, which is approximately 2% of the total funded amount. The table below outlines the estimate of administrative costs:

Project Management Tasks	Staff	FY 2023/2024				FY 2024/2025				FY 2025/2026			
		Hrs	Rate	Total	Assumptions	Hrs	Rate	Total	Assumptions	Hrs	Rate	Total	Assumptions
Finalize Grant Agreement with DWR (includes update of scope, schedule, budget)	Mgr of Strategic Services	48	160.48	\$ 7,703		168.50	\$ -			176.93	\$ -		
	Finance Manager	24	118.96	\$ 2,855		124.91	\$ -			131.15	\$ -		
	Senior Project Manager	0	120.68	\$ -		126.71	\$ -			133.05	\$ -		
	Project Research Asst.	8	72.88	\$ 583		76.52	\$ -			80.35	\$ -		
Grant Agreement Support to Grant Recipients (includes modification requests)	Mgr of Strategic Services	120	160.48	\$ 19,258	10 hr/month	120	168.50	\$ 20,220	10 hr/month	96	176.93	\$ 16,985	8 hr/month
	Finance Manager	240	118.96	\$ 28,550	20 hr/month	240	124.91	\$ 29,978	20 hr/month	120	131.15	\$ 15,738	10 hr/month
	Senior Project Manager	60	120.68	\$ 7,241	5 hr/month	60	126.71	\$ 7,603	5 hr/month	60	133.05	\$ 7,983	5 hr/month
	Project Research Asst.	24	72.88	\$ 1,749	2 hr/month	24	76.52	\$ 1,837	2 hr/month	24	80.35	\$ 1,928	2 hr/month
Conduct and Document Grant Recipient Meetings (up to 4 meetings)	Mgr of Strategic Services	8	160.48	\$ 1,284	2 hr/mtg	8	168.50	\$ 1,348	2 hr/mtg	8	176.93	\$ 1,415	2 hr/mtg
	Finance Manager	96	118.96	\$ 11,420	8 hr/mtg	96	124.91	\$ 11,991	8 hr/mtg	96	131.15	\$ 12,591	8 hr/mtg
	Senior Project Manager	16	120.68	\$ 1,931	4 hr/mtg	16	126.71	\$ 2,027	4 hr/mtg	16	133.05	\$ 2,129	4 hr/mtg
	Project Research Asst.	16	72.88	\$ 1,166	4 hr/mtg	16	76.52	\$ 1,224	4 hr/mtg	16	80.35	\$ 1,286	4 hr/mtg
Compile and Submit Requirements for Disbursement for Projects (Includes Performance Monitoring Plan)	Mgr of Strategic Services	4	160.48	\$ 642		4	168.50	\$ 674		4	176.93	\$ 708	
	Finance Manager	198	118.96	\$ 23,554	6 hr/project	198	124.91	\$ 24,732	6 hr/project	198	131.15	\$ 25,968	6 hr/project
	Senior Project Manager	99	120.68	\$ 11,947	3 hr/project	99	126.71	\$ 12,545	3 hr/project	99	133.05	\$ 13,172	3 hr/project
	Project Research Asst.	33	72.88	\$ 2,405	1 hr/project	33	76.52	\$ 2,525	1 hr/project	33	80.35	\$ 2,652	1 hr/project
Prepare Invoices for Grant Reimbursement to DWR (up to 20 total) (4 per year)	Mgr of Strategic Services	4	160.48	\$ 642	1 hr/invoice	4	168.50	\$ 674	1 hr/invoice	4	176.93	\$ 708	1 hr/invoice
	Finance Manager	48	118.96	\$ 5,710	12 hr/invoice	96	124.91	\$ 11,991	12 hr/invoice	96	131.15	\$ 12,591	12 hr/invoice
	Senior Project Manager		120.68	\$ -			120.68	\$ -			120.68	\$ -	
	Project Research Asst.		72.88	\$ -			65.20	\$ -			65.20	\$ -	
Prepare Quarter Reports to DWR (up to 14)	Mgr of Strategic Services	16	160.48	\$ 2,568	4 hr/report	16	168.50	\$ 2,696	4 hr/report	16	176.93	\$ 2,831	4 hr/report
	Finance Manager	96	118.96	\$ 11,420	24 hr/report	96	124.91	\$ 11,991	24 hr/report	96	131.15	\$ 12,591	24 hr/report
	Senior Project Manager	8	120.68	\$ 965	2 hr/report	8	126.71	\$ 965	2 hr/report	8	133.05	\$ 965	2 hr/report
	Project Research Asst.		72.88	\$ -		100	65.20	\$ 6,520		100	65.20	\$ 6,520	
Prepare Project Completion Reports (33 projects)	Mgr of Strategic Services		160.48	\$ -	1 hr/project		168.50	\$ -	1 hr/project	33	176.93	\$ 5,839	1 hr/project
	Finance Manager		118.96	\$ -	4 hr/project		124.91	\$ -	4 hr/project	132	131.15	\$ 17,312	4 hr/project
	Senior Project Manager		120.68	\$ -	1 hr/project		126.71	\$ -	1 hr/project	33	133.05	\$ 4,391	1 hr/project
	Project Research Asst.		72.88	\$ -			76.52	\$ -		40	80.35	\$ 3,214	
Prepare Grant Completion Report	Mgr of Strategic Services		160.48	\$ -			168.50	\$ -		40	176.93	\$ 7,077	
	Finance Manager		118.96	\$ -			124.91	\$ -		240	131.15	\$ 31,477	
	Senior Project Manager		120.68	\$ -			126.71	\$ -		16	133.05	\$ 2,129	
	Project Research Asst.		72.88	\$ -			76.52	\$ -		8	80.35	\$ 643	
Coordination Meetings with DWR (up to 6 meetings)	Mgr of Strategic Services	12	166.56	\$ 1,999	2 hr.mtg	12	174.91	\$ 2,099	2 hr.mtg	12	183.05	\$ 2,204	2 hr.mtg
	Finance Manager	24			4 hr.mtg	24			4 hr.mtg	24			4 hr.mtg
	Senior Project Manager	12	120.68	\$ 1,448	2 hr.mtg	12	126.71	\$ 1,521	2 hr.mtg	12	133.05	\$ 1,597	2 hr.mtg
	Project Research Asst.		72.88	\$ -			76.52	\$ -			80.35	\$ -	
Legal Support - Agreement Review and Amendments				\$ 10,000				\$ 5,000				\$ 5,000	
Consultant Support for Grant Administration	Consultant			\$ 100,000	(annual estimate)			\$ 130,000	(annual estimate)			\$ 150,000	(annual estimate)
Total RWA Project Management		1214		\$ 257,041		1282		\$ 290,162		1680		\$ 369,642	
													Contingency 20%
													Total

<u>Project Administration Agency</u>	<u>XXXProject Name</u>	<u>XXXTotal Project Cost</u>	<u>XXXEligible Project Cost (Estimated)</u>
<u>TOTAL COSTS:-City of Roseville</u>	<u>ASR Well - Mistywood</u>	<u>\$ 9,600,000.00</u>	<u>\$ 8,010,000.00</u>
	<u>ASR Well - Campus Oaks</u>	<u>\$ 9,600,000.00</u>	
<u>Sacramento County Water Agency</u>	<u>Elk Grove Automall Well</u>		
	<u>Poppy Ridge Storage Tank</u>	<u>\$ 6,000,000.00</u>	
		<u>\$ 8,265,000.00</u>	<u>\$ 4,960,000.00</u>
<u>Sacramento Suburban Water District</u>	<u>Well 84</u>		
	<u>Antelope/Don Julio (ASR-equipped)</u>	<u>\$ 14,400,000.00</u>	
	<u>Wells 81, 82, and 83</u>		
	<u>Antelope North/Poker</u>	<u>\$ 8,200,000.00</u>	<u>\$ 18,840,000.00</u>
<u>Carmichael Water District</u>	<u>Construct two ASR wells (Ladera and Winding Way)</u>	<u>\$ 12,000,000.00</u>	<u>\$ 6,830,000.00</u>
<u>City of Sacramento</u>	<u>Groundwater Wells - Capacity Enhancements</u>	<u>\$ 3,000,000.00</u>	
	<u>Well 168</u>	<u>\$ 8,000,000.00</u>	<u>\$ 7,060,000.00</u>
<u>Golden State Water Company</u>	<u>Upgrade existing connection between GSWC with SCWA in the Cordova System (Mercantile and Foyer)</u>	<u>\$ 1,600,000.00</u>	<u>\$ 1,370,000.00</u>
<u>Citrus Heights Water District</u>	<u>ASR Well Equipping</u>	<u>\$ 4,500,000.00</u>	<u>\$ 3,530,000.00</u>
<u>Fair Oaks Water District</u>	<u>Northridge Replacement Well</u>	<u>\$ 3,200,000.00</u>	<u>\$ 2,470,000.00</u>
<u>Orange Vale Water Company</u>	<u>Well 4 or Well 5</u>	<u>\$ 2,800,000.00</u>	<u>\$ 830,000.00</u>
<u>Grant Administration (2%)</u>			<u>\$ 1,100,000.00</u>
<u>Total Priority 1 Projects:</u>		<u>\$ 87,329,000.00</u>	<u>\$ 55,000,000.00</u>

LPS Project Implementation

Priority 1 Projects:

<u>CATEGORY</u>	<u>FUNDING AMOUNT</u>	<u>ALL OTHER COSTS</u>	<u>TOTAL COST</u>
-----------------	-----------------------	------------------------	-------------------

LPS Project Implementation

[RWA to provide most current project list with Implementing Agency, Project Name, and Estimated Eligible Project Cost. The list will be inserted here in the final agreement.]

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EXHIBIT C

SCHEDULE

Funding Agreement Administration

CATEGORY	START DATE	END DATE
Project Administration	June 1, 2023 <u>Date of Agreement Execution</u>	3/31/2026

LPS Project Implementation

<u>CATEGORY</u>	<u>START DATE</u>	<u>END DATE</u>
<u>LPS Project Implementation</u>	<u>Date of Agreement Execution</u>	<u>12/31/2025</u>

The Project shall be complete with all Eligible Project Costs incurred no later than December 31, 2025.

EXHIBIT D

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:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each Project, discuss the following at the Project level:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next year.
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a

~~deliverable:~~

- ~~• A copy of any final technical report or study, produced for or utilized in this Project~~
- ~~• Electronic copies of any data collected, not previously submitted~~

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- ~~Discussion of problems that occurred during the work and how those problems were resolved~~
- ~~Final project schedule showing actual progress versus planned progress~~

~~Additional information that may be applicable for implementation projects includes the following:~~

- ~~Record drawings~~
- ~~Final geodetic survey information~~
- ~~Project photos~~

~~Cost & Disposition of Funds~~

~~A list showing:~~

- ~~Summary of Project costs including the following items:~~
 - ~~Accounting of the cost of project expenditure;~~
 - ~~Include all internal and external costs not previously disclosed (i.e., additional cost share); and~~
 - ~~A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.~~

~~Additional Information~~

- ~~Benefits derived from the Project, with a discussion of such benefits provided, including anticipated capacity made available and added flexibility to the American River regional water supply.~~

GRANT COMPLETION REPORT

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

- ~~Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.~~
- ~~Brief discussion whether the level, type, or magnitude of benefits of each project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; and a summary of final funds disbursement for each project.~~

POST PERFORMANCE REPORT

The Post Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- ~~Header including the following:~~
 - ~~Grantee Name~~
 - ~~Implementing Agency (if different from Grantee)~~
 - ~~Grant Agreement Number~~
 - ~~Project Name~~
 - ~~Funding grant source~~
 - ~~Report number~~
- ~~Post Performance Report schedule~~
- ~~Time period of the annual report~~
- ~~Project Description Summary~~
- ~~Discussion of the project benefits, including performance of operational groundwater infrastructure.~~
- ~~Discussion of challenges in providing the replenishment of flows to the American River for releases made at Folsom Reservoir from the American River region's enhanced facilities (e.g., Bureau of Reclamation not releasing flows out of Folsom Reservoir, changed hydrologic conditions, etc.).~~
- ~~An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre feet of water produced, etc.).~~
- ~~Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.~~
 - ~~Any additional information relevant to or generated by the continued operation of the project.~~

~~EXHIBIT E~~**~~LOCAL PROJECT SPONSORS, AGENCY DESIGNATIONS, AND PROJECT LOCATIONS~~**

~~The Funding Recipient has assigned, for each project, a Local Project Sponsor (LPS). LPSs may act on behalf of the Funding Recipient for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below.~~

~~Local Project Sponsor Agency Designation~~

Sponsored Project: [NAME]

~~_____~~ **Sponsor Agency:** [NAME]

~~_____~~ **Agency Address:**

~~_____~~ **Project Location:**

[Include a master map of all Project locations]

Exhibit FD**STANDARD CONDITIONS****D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- A. **Separate Accounting of Funding Disbursements:** Funding Recipient shall account for the money disbursed pursuant to this Funding Agreement separately from all other Funding Recipient funds. Funding Recipient shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Funding Recipient shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Funding Recipient 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. **Disposition of Money Disbursed:** All money disbursed pursuant to this Funding Agreement shall be deposited in a ~~separate~~separate account, administered, and accounted for pursuant to the provisions of applicable law.
- C. **Remittance of Unexpended Funds:** Funding Recipient shall remit to State any unexpended funds that were disbursed to Funding Recipient under this Funding 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 Funding Recipient of funds or, within thirty (30) calendar days of the expiration of the Funding Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Funding Recipient shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Funding Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Funding Recipient's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Budget Act of 2021 and the FY 2021-22 Budget Trailer Bill Assembly Bill 211 and through an agreement with the State Department of Water Resources." The Funding Recipient shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Funding 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 Funding Recipient for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Funding Agreement, Funding Recipient 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.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Funding Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Funding Recipient to conduct a final

audit to State's specifications, at Funding Recipient's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding 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. The Funding Recipient agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Funding Recipient shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Funding Agreement with respect of all matters connected with this Funding Agreement, including but not limited to, the cost of administering this Funding Agreement. All records of Funding Recipient or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Funding Agreement does not appropriate sufficient funds for this program, this Funding 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 Funding Agreement. In this event, State shall have no liability to pay any funds whatsoever to Funding Recipient or to furnish any other considerations under this Funding Agreement and Funding Recipient shall not be obligated to perform any provisions of this Funding Agreement. Nothing in this Funding Agreement shall be construed to provide Funding Recipient with a right of priority for payment over any other Funding Recipient. If funding for any fiscal year after the current year covered by this Funding Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Funding Agreement with no liability occurring to State, or offer a Funding Agreement amendment to Funding Recipient to reflect the reduced amount.

- D.7. CEQA: Activities funded under this Funding Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement ~~shall~~will not ~~proceed~~be reimbursed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document ~~shall~~will not ~~proceed~~be reimbursed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to reimbursing any work for which it is required. If CEQA compliance by the Funding Recipient is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to ~~the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 11.~~any Project that receives funds under this agreement.

D.7.

- D.8. CHILD SUPPORT COMPLIANCE ACT: The Funding Recipient acknowledges in accordance with Public Contract Code section 7110, that:

- A. The Funding Recipient 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 Family Code section 5200 et seq.; and

- B. The Funding Recipient, 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.9. CLAIMS DISPUTE: Any claim that the Funding Recipient 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 DWR Project Representative, within thirty (30) days of the Funding Recipient's knowledge of the claim. State and Funding Recipient 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.10. COMPETITIVE BIDDING AND PROCUREMENTS: Funding Recipient's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Funding Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Funding Recipient does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.11. COMPUTER SOFTWARE: Funding Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Funding Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.12. 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 section 1090 and Public Contract Code sections 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 Funding Recipient: Employees of the Funding Recipient 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. (Gov. Code, § 87100 et seq.)

- D. Employees and Consultants to the Funding Recipient: Individuals working on behalf of a Funding Recipient 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.13. DELIVERY OF INFORMATION, REPORTS, AND DATA: Funding Recipient agrees to expeditiously provide throughout the term of this Funding Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.14. DISPOSITION OF EQUIPMENT: Funding Recipient 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 Funding Recipient with a list of the items on the inventory that State will take title to. All other items shall become the property of Funding Recipient. State shall arrange for delivery from Funding Recipient of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.15. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Funding Agreement, Funding Recipient, 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 (Gov. 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 section 8355.
 - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. Funding Recipient'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 section 8355, that every employee, contractor, and/or subcontractor who works under this Funding Agreement:
 - i. Will receive a copy of Funding Recipient's drug-free policy statement, and
 - ii. Will agree to abide by terms of Funding Recipient's condition of employment, contract or subcontract.
- ~~D.16. EASEMENTS: Intentionally omitted.~~
- ~~D.17.~~ D.16. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, Funding Recipient shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Funding Agreement.
- ~~D.18.~~ D.17. FUNDING RECIPIENT'S RESPONSIBILITIES: Funding Recipient 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 Project Exhibit B (Budget) and Exhibit C (Schedule).
- B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Funding Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Funding Recipient in the application, documents, amendments, and communications filed in support of its request for funding.
- C. Comply with all applicable California, federal, and local laws and regulations.
- D. Implement the Project in accordance with applicable provisions of the law.
- E. Fulfill its obligations under the Funding Agreement and be responsible for the performance of the Project.
- F. Obtain any and all permits, licenses, and approvals required for performing any work under this Funding Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Funding Recipient shall provide copies of permits and approvals to State.
- G. Be 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 Funding Recipient under this Agreement.
- H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Funding Recipient shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Funding Recipient and any other entity concerning responsibility for performance of work.

D-19-D.18. GOVERNING LAW: This Funding Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D-20-D.19. INDEMNIFICATION: Funding Recipient 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 Project 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. Funding Recipient shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

D-21-D.20. INDEPENDENT CAPACITY: Funding Recipient, and the agents and employees of Funding Recipients, in the performance of the Funding Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

D-22-D.21. 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 Funding 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 Funding Agreement. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may withhold disbursements to Funding Recipient or take any other action it deems necessary to protect its interests.

D-23.D.22. 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 Funding Agreement. This right shall extend to any subcontracts, and Funding Recipient shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Funding Agreement with State.

D-24.D.23. LABOR CODE COMPLIANCE: The Funding Recipient 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>. The Funding Recipient affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Funding Recipient affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

D-25.D.24. MODIFICATION OF OVERALL WORK PLAN: At the request of the Funding Recipient, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Funding Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Funding Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Funding Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Funding Recipient to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

D-26.D.25. NONDISCRIMINATION: During the performance of this Funding Agreement, Funding Recipient 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/domestic partner status, gender identity, and denial of ~~any legally required~~ medical and family care leave or pregnancy disability leave. Funding Recipient 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. Funding Recipient and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Funding Recipient 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. Funding Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Funding Agreement.

- ~~D-27~~D.26. **OPINIONS AND DETERMINATIONS:** Where the terms of this Funding 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-28~~D.27. **PERFORMANCE BOND:** Where contractors are used, the Funding Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Funding Recipient in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Civ. Code, § 9550, et seq.; Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- ~~D-29~~D.28. **PRIORITY HIRING CONSIDERATIONS:** If this Funding Agreement includes services in excess of \$200,000, the Funding Recipient shall give priority consideration in filling vacancies in positions funded by the Funding Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- ~~D-30~~D.29. **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Funding Recipient 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 Project, or with Funding Recipient's service of water, without prior permission of State. Funding Recipient 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 Funding Recipient meet its obligations under this Funding 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-31~~D.30. **PROJECT ACCESS:** The Funding Recipient shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- ~~D-32~~D.31. **REMAINING BALANCE:** In the event the Funding Recipient does not submit invoices requesting all ~~of~~ the funds encumbered under this Funding Agreement, any remaining funds revert to the State. The State will notify the Funding Recipient stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Funding ~~-~~Agreement.
- ~~D-33~~D.32. **REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Funding 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-34~~D.33. **RETENTION:** The State shall withhold ten percent (10%) of the funds requested by the Funding Recipient for reimbursement of Eligible Project Costs until the Project is completed and Final Report is approved. Any retained amounts due to the Funding Recipient will be promptly disbursed to the Funding Recipient, without interest, upon completion of the Project.
- ~~D-35~~D.34. **RIGHTS IN DATA:** Funding Recipient 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 Funding 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. (Gov. Code, § 7920.000 et seq.) Funding Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected

and developed under this Funding Agreement, subject to appropriate acknowledgement of credit to State for financial support. Funding Recipient 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.36~~D.35. SEVERABILITY: Should any portion of this Funding Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Funding Agreement shall continue as modified.

~~D.37~~D.36. SUSPENSION OF PAYMENTS: This Funding Agreement may be subject to suspension of payments or termination, or both if the State determines that:

- A. Funding Recipient, its contractors, or subcontractors have made a false certification, or
- B. Funding Recipient, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Funding Agreement.

~~D.38~~D.37. SUCCESSORS AND ASSIGNS: This Funding Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Funding Agreement or any part thereof, rights hereunder, or interest herein by the Funding Recipient 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.39~~D.38. TERMINATION BY FUNDING RECIPIENT: Subject to State approval which may be reasonably withheld, Funding Recipient may terminate this Agreement and be relieved of contractual obligations. In doing so, Funding Recipient must provide a reason(s) for termination. Funding Recipient must submit all progress reports summarizing accomplishments up until termination date.

~~D.40~~D.39. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 11, the State may terminate this Funding Agreement and be relieved of any payments should Funding Recipient fail to perform the requirements of this Funding Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.

~~D.41~~D.40. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Funding Recipient shall be reimbursed for all reasonable expenses incurred up to the date of termination.

~~Comment: Clause D.42 – Delete or modify this paragraph, if the program guidelines exclude reimbursement of travel costs. Also, for check with the DIRWM Financial Assistance Branch for possible alternative language for the designated headquarters locations.~~

~~D.42~~D.41. TRAVEL: Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Funding Agreement. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources for excluded employees. These rates may be found at: <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.

~~D.43~~D.42. THIRD PARTY BENEFICIARIES: The parties to this 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.44~~D.43. TIMELINESS: Time is of the essence in this Funding Agreement.

D.45-D.44. UNION ORGANIZING: Funding Recipient, by signing this Funding Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Funding Agreement. Furthermore, Funding Recipient, by signing this Funding Agreement, hereby certifies that:

- A. No State funds disbursed by this Funding Agreement will be used to assist, promote, or deter union organizing.
- B. Funding Recipient shall account for State funds disbursed for a specific expenditure by this Funding Agreement to show those funds were allocated to that expenditure.
- C. Funding Recipient shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
- D. If Funding Recipient makes expenditures to assist, promote, or deter union organizing, Funding Recipient will maintain records sufficient to show that no State funds were used for those expenditures and that Funding Recipient shall provide those records to the Attorney General upon request.

D.46-D.45. VENUE: The State and the Funding Recipient 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 Funding Recipient hereby waives any existing sovereign immunity for the purposes of this Agreement.

D.47-D.46. WAIVER OF RIGHTS: None of the provisions of this Funding 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 Funding Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Funding 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.

EXHIBIT E

[INSERT MOTION TO AUTHORIZE FROM RWA BOARD ACTION.]

DRAFT

EXHIBIT**E****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:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each Project, discuss the following at the Project level:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next year.
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project
- Electronic copies of any data collected, not previously submitted

- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

Additional Information

- Benefits derived from the Project, with a discussion of such benefits provided, including anticipated capacity made available and added flexibility to the American River regional water supply.

GRANT COMPLETION REPORT

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

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion whether the level, type, or magnitude of benefits of each project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; and a summary of final funds disbursement for each project.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
 - Grantee Name
 - Implementing Agency (if different from Grantee)
 - Grant Agreement Number
 - Project Name
 - Funding grant source
 - Report number
- Post-Performance Report schedule
- Time period of the annual report
- Project Description Summary
- Discussion of the project benefits, including performance of operational groundwater infrastructure.
- Discussion of challenges in providing the replenishment of flows to the American River for releases made at Folsom Reservoir from the American River region's enhanced facilities (e.g., Bureau of Reclamation not releasing flows out of Folsom Reservoir, changed hydrologic conditions, etc.).
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
Any additional information relevant to or generated by the continued operation of the project.

Exhibit G

REQUIREMENTS FOR 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.

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: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Funding Recipient can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, Funding Recipient will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit E. Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

In the near future, DWR's WDL will be replaced by the California Statewide Groundwater Elevation Monitoring program (CASGEM). Once this Program comes online Funding Recipient will then submit groundwater level data to CASGEM. Information regarding the CASGEM program can be found at: <http://www.water.ca.gov/groundwater/casgem/>.

Exhibit H

STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES FOR FUNDING RECIPIENTS

The following provides a list of documents typically required by State Auditors and general guidelines for Funding Recipients. List of documents pertains to both State funding and Funding Recipient's Funding Match and details the documents/records that State Auditors would need to review in the event of this Funding Agreement is audited. Funding Recipients should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

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

State Funding:

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

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies 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 Funding Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Funding Agreement budget line items.
3. Reimbursement requests submitted to the State for the Funding 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 grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Funding Agreement related correspondence.

Exhibit I**LOCAL PROJECT SPONSORS, AGENCY DESIGNATIONS, AND PROJECT LOCATIONS**

The Funding Recipient has assigned, for each project, a Local Project Sponsor (LPS). LPSs may act on behalf of the Funding Recipient for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below. All projects listed here are Priority 1 Projects.

Local Project Sponsor Agency Designation**Sponsored Project: Mistywood Aquifer Storage and Recovery (ASR) Well**

Sponsor Agency: City of Roseville

Agency Address: 2005 Hilltop Circle
Roseville, CA 95747

Project Location: Lat: 38.771294; Long: -121.31834

Sponsored Project: Campus Oaks ASR Well

Sponsor Agency: City of Roseville

Agency Address: 2005 Hilltop Circle
Roseville, CA 95747

Project Location: Lat: 38.791801; Long: -121.321859

Sponsored Project: Elk Grove Automall Well

Sponsor Agency: Sacramento County Water Agency

Agency Address: 827 7th Street, Room 301
Sacramento, CA 95814

Project Location: 38°24'07.8"N 121° 23'24.9"W

Sponsored Project: Poppy Ridge Storage Tank

Sponsor Agency: Sacramento County Water Agency

Agency Address: 827 7th Street, Room 301
Sacramento, CA 95814

Project Location: 38°23'24.2"N 121°24'53.9"W

Sponsored Project: Well 84 – Antelope/Don Juilo (ASR-equipped)

Sponsor Agency: Sacramento Suburban Water District

Agency Address: 3701 Marconi #100
Sacramento, CA 95821

Project Location: Lat. 38d 42m 29s N, Long. 121d 19m 53s W

Sponsored Project: Wells 81, 82, and 83 – Antelope/North Poker

Sponsor Agency: Sacramento Suburban Water District

Agency Address: 3701 Marconi #100
Sacramento, CA 95821

Project Location: Lat 38d 42m 14s N, Lon 121d 20m 43s W

Sponsored Project: Ladera and Winding Way ASR Wells

Sponsor Agency: Carmichael Water District

Agency Address: 7837 Fair Oaks Boulevard
Carmichael, CA 95608

Project Location: Ladera: 4501 Ladera Way (38.645436, -121.298551).
Winding Way: 4513 Charleston Dr (38.645519, -121.306841)

Sponsored Project: Groundwater Well Capacity Enhancements

Sponsor Agency: City of Sacramento

Agency Address: 1395 35th Avenue
Sacramento, CA 95822

Project Location: Sites under consideration include:

38°39'4.32"N, 121°28'10.26"W
38°38'50.88"N, 121°27'33.40"W
38°36'43.54"N, 121°28'47.11"W
38°35'48.98"N, 121°27'32.57"W
38°35'46.81"N, 121°25'38.60"W
38°33'19.01"N, 121°25'0.89"W
38°27'11.26"N, 121°24'52.51"W

Sponsored Project: Well 168**Sponsor Agency:** City of Sacramento**Agency Address:** 1395 35th Avenue
Sacramento, CA 95822**Project Location:** 38°38'56.54"N, 121°26'54.10"W**Sponsored Project:** Upgrade of Existing Connection Between Golden State Water Company with Sacramento County Water Agency in the Cordova System (Mercantile and Foyer)**Sponsor Agency:** Golden State Water Company**Agency Address:** 3005 Gold Canal Drive
Rancho Cordova, CA 95670**Project Location:** Mercantile: Lat. 38.601016, Long. -121.261133; Femoyer: Lat. 38.574722, Long. -121.291418**Sponsored Project:** ASR Well Equipping**Sponsor Agency:** Citrus Heights Water District**Agency Address:** 6230 Sylvan Road
Citrus Heights, CA 95610**Project Location:** 7725 Highland Avenue, Citrus Heights, CA 95610

Sponsored Project: Northridge Well Replacement

Sponsor Agency: Fair Oaks Water District

Agency Address: 10326 Fair Oaks Boulevard
Fair Oaks, CA 95628

Project Location: 38.659635609867514, -121.25559110698903

Sponsored Project: Well 4 or Well 5

Sponsor Agency: Orange Vale Water Company

Agency Address: 9031 Central Avenue
Orangevale, CA 95662

Topic: Executive Directors' Report
Type: New Business
Item For: Information
Purpose: General

SUBMITTED BY: Jim Peifer
Executive Director

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This is an information item for the Executive Director to provide a briefing on important activities, reports, communications, advocacy, and other updates.

STAFF RECOMMENDED ACTION

None. This item is for information/discussion only.

BACKGROUND

This agenda item is a standing item to provide an opportunity for the Executive Director to report to the Executive Committee on important activities, reports, communications, advocacy, and other updates.

Temporary Staffing Needs – One of the RWA staff will be on temporary leave during the latter part of this year and into next year. The RWA will need to obtain temporary staffing with administrative skills to backfill during the absence, however we are finding this to be a challenge in the current labor market. The RWA will need to be creative in obtaining the services including potentially utilizing consulting services, retired annuitants, or borrowing from the staff of willing member agencies.

Office Move – This will be the last Executive Committee meeting at the Birdcage St. office. The July 25th Executive Committee meeting will be at 2295 Gateway Oaks Drive, Suite 100, Sacramento CA, 95833.

The staff's last day at the Birdcage office will be June 30th. Moving and IT installation will occur during the first week of July and the new office will be open on July 10th.

SGA 25th Anniversary Event - The Sacramento Groundwater Authority is celebrating its 25th anniversary this year. RWA is planning a special Symposium for September to mark the occasion. Details to come!

Coffee Chat - RWA welcomed Jay Ziegler, Delta Watermaster and former policy director for the California Office of the Nature Conservancy, as guest speaker during a June 7 Coffee and

Conversation event. Mr. Ziegler shared thoughts on the importance of data analytics in advancing water management in the Delta and beyond, fostering equitable enforcement of water rights, his vision for an ideal water bond and other topics. You can access the recording [here](#).

Sacramento Bee Opinion Writer Robin Epley – The RWA team continued to promote the Water Bank and build a relationship with influential Sacramento Bee Opinion Writer Robin Epley during a tour of Roseville’s ASR Well 8. The RWA team briefed her on groundwater recharge and the current progress of the Water Bank development, emphasizing the progressive nature of water banking as a crucial approach to water management in California, as well as the need to incentivize recharge statewide through the California Water Supply Solutions Act of 2023 (SB 659).

Water Use Efficiency Program - The RWA Water Efficiency Program is launching a new pilot project with local craft brewers to raise awareness among brewery customers about the importance of clean, reliable water for great beer and how to preserve our water resources—beer’s critical component. The project targets a growing CII market with more than 70 craft breweries in the RWA area and provides an opportunity to capture the public’s attention for water efficiency utilizing new and creative messengers in a non-drought year.

The RWA Water Efficiency Program has been recommended to receive a \$300,000 grant to fund a new water conservation education program in local schools. Submitted in partnership with a local theater arts organization, the grant is part of the [Capital Region Creative Corps](#) program, and is estimated to fund 400 classroom presentations on water efficiency in 2024. The final step is Sacramento City Council approval in July.

Water Bank - The RWA released a foundational framework for the Water Bank that describes the overall strategy, process, and considerations related to its development and implementation. The Goal, Objectives, Principles, and Constraints (GOPC) document sets the direction for developing the Water Bank’s operations, governance, communication and engagement, environmental compliance, and more. You can read the GOPC [here](#).

Mr. Joseph made a presentation to the Sacramento Central Groundwater Authority on May 31st as part of our continuing coordination with the Groundwater Sustainability Agencies in the North American Subbasin and South American Subbasin.

The next Program Advisory Committee for the Sacramento Regional Water Bank is scheduled for Thursday, July 6 at 10:30 a.m. at Stantec (Hybrid option available), please let Trevor know if you plan to attend in person.

Remote Meetings – Western City has included an article titled “What cities need to know about the state’s new remote meeting law.” The article is helpful for all public agencies that need to comply with the Brown Act. The link to the article is:
<https://www.westerncity.com/article/what-cities-need-know-about-states-new-remote-meeting-law>

Topic: Board Directors' Comments
Type: New Business
Item For: Information
Purpose: Routine

SUBMITTED BY: Jim Peifer
Executive Director

PRESENTER: Tony Firenzi
Chair

EXECUTIVE SUMMARY

This is an information item to provide an opportunity for the RWA Executive Committee to report on any updates from their agency, comments, request future agenda items, recommendations, and questions.

STAFF RECOMMENDED ACTION

None. This item is for information only.

BACKGROUND

This agenda item is a standing item to provide an opportunity to report on any updates from their agency, comments, request future agenda items, recommendations, and questions.