



**REGIONAL WATER AUTHORITY
SPECIAL MEETING OF THE BOARD OF DIRECTORS**

Wednesday, June 14, 2023 at 1:30 p.m.

**Fair Oaks Water District
10326 Fair Oaks Blvd
Fair Oaks, CA 95628
(916) 967-7692**

IMPORTANT NOTICE REGARDING VIRTUAL PUBLIC PARTICIPATION:

The Regional Water Authority currently provides in person as well as virtual public participation via the Zoom link below until further notice. The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker.

Join the meeting from your computer, tablet or smartphone

<https://us06web.zoom.us/j/83679455812?pwd=NTQ4OEdWbzZYT2h1M0xRc1RTdkRCUT09>

Phone: 1-669-900-6833

Meeting ID: 836 7945 5812 Passcode: 094844

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 Board 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. Board Members may request an item be removed for separate consideration.

3.1 Approve the draft meeting minutes of May 18, 2023 regular meeting

4. **PRESENTATION: LOW-INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM**

Presenters: Nichole Baxter, External Affairs, Northern CA, California American Water and Gloria Martinez, Community Resource Project

5. **INFORMATION: LEGISLATIVE AND REGULATORY UPDATE**

Presenter: Ryan Ojakian, Manager of Legislative and Regulatory Affairs

6. **APPROVE AGREEMENT WITH PARTICIPATING RWA MEMBERS FOR PROFESSIONAL LEADERSHIP DEVELOPMENT TRAINING SERVICES**

Presenter: Jim Peifer, Executive Director

Discussion/Action: Approve Agreement with Participating RWA Members for Professional Leadership Development Training Services

7. **APPROVE FUNDING AGREEMENT BETWEEN THE STATE OF CA (NATURAL RESOURCES AGENCY AND DEPARTMENT OF WATER RESOURCES) AND RWA FOR VOLUNTARY AGREEMENT EARLY IMPLEMENTATION FOR THE AMERICAN RIVER**

Presenter: Michelle Banonis, Manager of Strategic Affairs

Discussion/Action(s): (1) Approve the Funding Agreement with DWR and authorize the RWA Executive Director to execute the final Funding Agreement, subject to review and concurrence from the Executive Committee in any further changes; (2) Direct the RWA Executive Committee to review and consider approval of the final Project Agreement as authorized by RWA Policy 200.2; and (3) Direct RWA Staff to complete and file a Notice of Exemption upon execution of the Funding Agreement

8. **OPPORTUNITY FOR PUBLIC TO ADDRESS CLOSED SESSION MATTERS**

9. **CLOSED SESSION**

9.1 Conference with legal counsel concerning significant exposure to litigation pursuant to Gov. Code 54956.9(d)(2) and (e)(2): one case, claim by Cecilia Partridge.

10. **RETURN TO OPEN SESSION - ANNOUNCEMENT OF REPORTABLE ACTION IN CLOSED SESSION**

11. CLAIM FOR DAMAGES FROM CECILIA PARTRIDGE

Presenter: Ryan Bezerra, RWA Counsel

Consider (1) action on claim filed by claimant Cecilia Partridge; and
(2) delegating to the Executive Committee action on any written application by
the claimant for leave to present a late filed claim

12. Executive Director's Report

13. Directors' Comments

ADJOURNMENT

Next RWA Board of Director's Meeting:

September 14, 2023, 9:00 a.m. at the City of West Sacramento, 1110 W. Capitol Avenue, West Sacramento, CA 95691. The location is subject to change.

Next RWA Executive Committee Meeting:

June 27, 2023, 1:30 p.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights, CA 95610.

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 9, 2023



Ashley Flores, CMC
Board Secretary

RWA Board of Directors

2023 Chair: Tony Firenzi

2023 Vice Chair: Brett Ewart

California American Water

Audie Foster, General Manager

Evan Jacobs, Operations Manager

Carmichael Water District

Ron Greenwood, Board Member

Cathy Lee, General Manager

Citrus Heights Water District

Caryl Sheehan, Director

Raymond Riehle, Director

Hilary Straus, General Manager (alternate)

Rebecca Scott, Principal Operations Specialist (alternate)

City of Folsom

YK Chalamcherla, Councilmember

Marcus Yasutake, Environmental/Water Resources Director (alternate)

City of Lincoln

Holly Andreatta, Councilmember

Matthew Medill, Public Works Director

City of Roseville

Pauline Roccucci, Councilmember

Scott Alvord, Councilmember (alternate)

Sean Bigley, Assistant Environment Utilities Director

Rich Plecker, Director of Utilities (alternate)

City of Sacramento

Lisa Kaplan, Councilmember

Brett Ewart, Water Policy & Regional Planning Supervising Engineer, Vice Chair

Michelle Carrey, Supervising Engineer (alternate)

Anne Sanger, Policy and Legislative Specialist (alternate)

City of West Sacramento

Martha Guerrero, Councilmember

William Roberts, Director of Public Works and Operations

City of Yuba City

Shon Harris, Councilmember

Diana Langley, City Manager

Del Paso Manor Water District

Gwynne Pratt, Board Member

Victoria Hoppe, Acting General Manager

El Dorado Irrigation District

Pat Dwyer, Director/Board President

Jim Abercrombie, General Manager

Brian Mueller, Engineering Director (alternate)

* Names highlighted in red are Executive Committee members

Elk Grove Water District Tom Nelson, Board Chair Bruce Kamilos , General Manager
Fair Oaks Water District Randy Marx, Board Member Tom Gray, General Manager
Georgetown Divide Public Utility District Michael Saunders , Board Member Nicholas Schneider, General Manager Adam Brown, Operations Manager (alternate)
Golden State Water Company Paul Schubert, General Manager Ernie Gisler, Capital Program Manager
Nevada Irrigation District Ricki Heck, Board Member Karen Hull, Board Member (alternate) Greg Jones, Assistant General Manager Jennifer Hanson, General Manager (alternate)
Orange Vale Water Company Robert Hunter, Board Member Joe Duran, General Manager
Placer County Water Agency Robert Dugan, Board Member Tony Firenzi , Director of Strategic Affairs, Chair Andy Fecko, General Manager, (alternate) Mike Lee, Board Member, (alternate)
Rancho Murieta Community Services District Tim Maybee, Director Michael Fritschi, Interim General Manager
Sacramento County Water Agency Patrick Kennedy, Supervisor Michael Grinstead, P.E. Principal Civil Engineer
Sacramento Suburban Water District Bob Wichert, Board Member Dan York, General Manager Jay Boatwright, (alternate) Craig Locke, (alternate) Dave Jones, (alternate) Kevin Thomas, Board Member (alternate)
San Juan Water District Dan Rich, Director Greg Zlotnick, Water Resources and Strategic Affairs Ted Costa, Board President (alternate) Paul Helliker, General Manager (alternate)

RWA ASSOCIATES

Organization:	Representatives:
El Dorado Water Agency	Lori Parlin , Chair Ken Payne , General Manager (alternate)
Placer County	Ken Grehm , Director Public Works and Facilities Jared Deck , Manager Environmental Engineering
Sacramento Municipal Utility District	Paul Lau , General Manager/CEO Christopher Cole , Strategic Account Advisor Chad Adair , Energy Trading and Contracts Manager
Sacramento Regional County Sanitation District	Mike Huot , Director of Policy and Planning Terrie Mitchell , Manager Legislative and Regulatory Affairs David Ocenosak , Principal Civil Engineer Jose Ramirez , Senior Civil Engineer
Sacramento Area Flood Control Agency	Richard Johnson , Executive Director
Yuba Water Agency	Adam Robin , Government Relations Manager Willie Whittlesey , General Manager

RWA AFFILIATE MEMBERS

Organization:	Representatives:
Black & Veatch	David Carlson , Vice president
Brown & Caldwell	Paul Selsky , Water Supply Planning, Vice president LaSandra Edwards , Civil Engineer May Huang , Engineer David Zuber , Vice President
GEI Consultants	John Woodling , Vice President, Branch Manager Chris Petersen , Principal Hydrogeologist Richard Shatz , Principal Hydrogeologist
HDR, Inc.	Jafar Faghieh , Water Resources Engineer Ed Winkler , Client Development Lead
Sacramento Association of Realtors	David Tanner , Chief Executive Officer Christopher Ly , Chief Operations Officer
Stantec	Kari Shively , Vice President Vanessa Nishikawa , Principal Water Resources Engineer
West Yost Associates	Charles Duncan , President Abigail Madrone , Business Development Director Kelye McKinney , Engineering Manager I Jim Mulligan , Principal Engineer
Woodard & Curran	Ali Taghavi , Principal Jim Graydon , Senior Client Service Manager

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 Board of Directors to recognize or hear from visitors that may be attending the meeting or to allow members of the public to address the Board of Directors 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 Board of Directors 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 Board of Directors to review and consider approving the draft Minutes of the regular Regional Water Authority Board Meeting of May 18, 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 Board of Directors.

ATTACHMENTS

Attachment 1- Draft Meeting Minutes of the Regional Water Authority Board Meeting of May 18, 2023

1. CALL TO ORDER

Chair Firenzi called the regularly scheduled meeting of the Board of Directors to order at 9:00 a.m. at City of Roseville - Corporation Yard, 2005 Hilltop Circle, Roseville, CA 95747. A quorum was established of 18 participating members present in person. Individuals who were present are listed below:

RWA Board Members

S. Audie Foster, California American Water
Ron Greenwood, Carmichael Water District
Caryl Sheehan, Citrus Heights Water District
YK Chalamcherla, City of Folsom
Marcus Yasutake, City of Folsom
Matthew Medill, City of Lincoln
Pauline Roccucci, City of Roseville
Sean Bigley, City of Roseville
Lisa Kaplan, City of Sacramento
Brett Ewart, City of Sacramento
William Roberts, City of West Sacramento
Diana Langley, City of Yuba City
Gwynne Pratt, Del Paso Manor Water District
Tom Nelson, Elk Grove Water District
Bruce Kamilos, Elk Grove Water District
Tom Gray, Fair Oaks Water District
Michael Saunders, Georgetown Divide Public Utility District
Paul Schubert, Golden State Water Company
Tony Firenzi, Placer County Water Agency
Michael Grinstead, Sacramento County Water Agency
Bob Wichert, Sacramento Suburban Water District
Jay Boatwright, Sacramento Suburban Water District
Dan York, Sacramento Suburban Water District
Ted Costa, San Juan Water District
Greg Zlotnick, San Juan Water District
Paul Helliker, San Juan Water District

RWA Associate Members

None

RWA Affiliate Members

Vanessa Nishikawa, Stantec

RWA Staff Members

Jim Peifer, Josette Reina-Luken, Trevor Joseph, Ryan Ojakian, Michelle Banonis, Amy Talbot; Ashley Flores, Monica Garcia, and Andrew Ramos, legal counsel.

Others in Attendance:

Katherine Willis, City of Yuba City; Brian Sanders, City of Sacramento; Ryan Bezerra, BKS Law Firm; Jace Nunes, Citrus Heights Water District; Mark Smith, El Dorado Water Agency; Chris Nelson, Carmichael Water District; Travis Franklin, Elk Grove Water District; Kirsten Peer, BKS Law Firm; Brittney Moore, Citrus Heights Water District; Soyla Fernandez, Fernandez Government Solutions; Joe Duran, Orange Vale Water Company; Ross Branch, Placer County Water Agency; Sarah Boudreau, City of Roseville; Anne Sanger, City of Sacramento; Adam Robin, Yuba Water Agency; Evan Jacobs, California American Water; Terrie Mitchell, Sacramento Regional County Sanitation District; Dan Kelly, Placer County Water Agency; Brian Hensley, Citrus Heights Water District; Jessica Law, Water Forum; Tony Barela, San Juan Water District; and Craig Locke, Sacramento Suburban Water District.

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

Executive Director Peifer requested a correction to the draft minutes of the Special Board Meeting on April 12, 2023. The amended motion needs to be amended to read as: “of approving the list of projects and include projects from member agencies that meet the criteria to be included on the list with a deadline of Friday, close of business was taken.”

A motion was made to approve the Consent Calendar, as amended.

Motion/Second/Carried Mr. Schubert moved, with a second by Mr. Gray

S. Audie Foster, California American Water; Ron Greenwood, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; YK Chalamcherla, City of Folsom; Matthew Medill, City of Lincoln; Pauline Roccucci, City of Roseville; Lisa Kaplan, City of Sacramento; William Roberts, City of West Sacramento; Diana Langley, City of Yuba City; Gwynne Pratt, Del Paso Manor Water District; Tom Nelson, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Tony Firenzi, Placer County Water Agency; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; and Ted Costa, San Juan Water District; voted yes. The motion passed.

Ayes- 18
Noes- 0
Abstained- 0
Absent- 4

4. INFORMATION/PRESENTATION: VIRTUAL MEETING PROTOCOLS

Chair Firenzi presented this discussion item to the Board of Directors to review the current use of the Zoom link for public participation.

He opened the policy discussion explaining there has been demonstrated confusion about board member use of the virtual public participation option. Recently, Board Directors that were in attendance virtually had to exit a meeting once the Board went into closed session. Chair Firenzi recommending removing the virtual public participation option to lessen such confusion.

Chair Firenzi and Andrew Ramos also discussed several scenarios where the virtual public participation might cause issues of disruption to the meeting proceedings. Regarding in person board meetings, the sentiment of the Board was to have the board members attend board meetings in person, but allowing for instances when virtual access is necessary for just cause as provided for under the Brown Act.

Direction was provided to staff to continue providing virtual access for the public and present a report at a future meeting with clear direction and recommendation regarding on how RWA will continue to provide virtual public access.

5. FY 2023-24 BUDGET

Ms. Reina-Luken presented this action item to the Board of Directors for approval of the proposed FY 2023/24 Budget.

The presentation provided an overview of those critical budget issues including potential increase in annual dues for board, associate and affiliate members, and budget expense category increases such as estimated cost of living allowance, office relocation, and PERS side payment to future unfunded liability. A zero percent (0%) increase on general membership and associate membership fees is proposed for Fiscal Year 2023-2024 (FY24). Staff salaries are within ranges assigned by the compensation survey and reflect a possible 6% for a cost-of-living allowance (COLA) and a similar combined increase in the out years. Funds in excess of the Operating Fund Designation revert to undesignated (non-restricted) cash which can later be applied towards future year expenses. The Powerhouse Science Center ("PSC")/MOSAC designation represents the difference in collection of fees

for this project versus the payments made per the PSC contract. The restrictions for the RWA subscription programs including WEP, CIMS, and RWA member-based grant programs including the Biological Opinion Support Services and Sacramento Regional Water Bank programs reflect a decrease in approximately \$259,438 from the prior year reflecting a spend down and/or completion of specific programs like the completion of the Bonneville grant program (\$242,000).

The presentation also included a discussion of potential budget transfers to staff subscription programs and the corresponding cash designations which restrict funds for specific purposes in accordance with RWA financial policies. There are two RWA subscription programs that fund staff positions and programmatic costs in its entirety including WEP and CIMS programs. For FY24, a total of 30% of WEP's staffing and office expenses will be paid for by RWA core dues as reimbursement for time that the WEP Manager spends on non-WEP related activities. For CIMS, a 10% transfer for the Manager of Strategic Affairs for time spent on non-CIMS related activities. With this transfer, WEP projects expenses in excess of revenues by approximately \$47,360 which will be paid from WEP reserves. The CIMS program covers 100% of the Manager of Strategic Affairs salary and all programmatic and administrative costs after the 10% RWA Core Transfer.

Ms. Reina-Luken also explained how the planned deficit will deplete the unrestricted cash balance next year. The RWA's Operating Designation Policy is in place and provides support if we do need to pivot for unknown costs.

A motion to approve the budget for Fiscal Year 2023/2024.

Motion/Second/Carried Mr. Schubert moved, with a second by Mr. Costa.

S. Audie Foster, California American Water; Ron Greenwood, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; YK Chalamcherla, City of Folsom; Matthew Medill, City of Lincoln; Pauline Roccucci, City of Roseville; Lisa Kaplan, City of Sacramento; William Roberts, City of West Sacramento; Diana Langle, City of Yuba City; Gwynne Pratt, Del Paso Manor Water District; Tom Nelson, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Tony Firenzi, Placer County Water Agency; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; and Ted Costa, San Juan Water District; voted yes. The motion passed.

Ayes- 18

Noes- 0

Abstained- 0

Absent- 4

6. INFORMATION/PRESENTATION: UPDATE ON FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA NATURAL RESOURCES AGENCY AND DEPARTMENT OF WATER RESOURCES AND RWA FOR VOLUNTARY AGREEMENT EARLY IMPLEMENTATION FOR THE AMERICAN RIVER

Ms. Banonis presented this information item to the Board of Directors to provide a program update specifically regarding the VA Infrastructure Funding agreement. The draft agreement went back to DWR for review the week of May 1, 2023. The biggest change to the agreement is the payment structure. Funding will not be provided up front, instead it will be a direct reimbursement mechanism.

We will also be working towards a term addressing an instance where a VA project is not approved by the State's Water Resources Control Board. What happens in the event that this occurs; we need to identify what the state's commitment and RWA's commitments will be.

Internally we need to work on the terms of potential sub agreements between funding agencies and RWA. Intertributary Agreements defines risk sharing, understanding the terms and mechanisms of these agreements. Director Ewart continues to work on risk sharing on allocations of money, water and pertaining to contributors of groundwater.

Director Bigley continues to work with the Ad hoc committee scheduling a series of meetings to work through a lot of these topics.

Ms. Banonis reported that we will continue to engage locally and with the state. We are on track to approve the agreement within this fiscal year.

Executive Director Peifer reported that the RWA has experience with and is very comfortable with the updated mechanism of funding by reimbursement. He also noted that a Special Board Meeting may be scheduled to approve the agreement before the end of the fiscal year.

7. OPPORTUNITY FOR PUBLIC TO ADDRESS CLOSED SESSION MATTERS

None.

8. CLOSED SESSION – BEGAN AT 10:30 A.M.

8.1 Public Employee Performance Evaluation Pursuant to Government Code Section 54957
Title: Executive Director

8.2 Closed session regarding labor negotiations (Gov. Code, § 54957.6.) Agency Representative(s): Directors Firenzi and Ewart
Unrepresented employee: Executive Director

9. RETURN TO OPEN SESSION AT 11:54 A.M.- ANNOUNCEMENT OF REPORTABLE ACTION IN CLOSED SESSION

No reportable action was taken on 8.1 and 8.2.

Ron Greenwood, Carmichael Water District; Diana Langley, City of Yuba City; and Josette Reina-Luken exited the meeting at 11:50 a.m.

10. CONSIDER APPROVAL OF ADJUSTMENT TO EXECUTIVE DIRECTOR COMPENSATION

Chair Firenzi presented this action item to consider the approval of the adjustment to the Executive Director's compensation. The Brown Act requires that a summary is presented of the changes recommended by the Evaluation Committee and the Executive Committee and now considered by the Board of Directors at this meeting.

The recommended changes are as follows:

- (1) Effective July 1, 2023 to increase the Executive Director's salary of eight (8%) percent this adjustment is inclusive of the merit increase required of the employment agreement, no discretionary bonus; and
- (2) Effective July 1, 2024 to increase the Executive Director's salary of seven (7%) percent this adjustment is inclusive of the merit increase required of the employment agreement, no discretionary bonus.

A motion to approve the recommended changes to the Executive Director's salary.

Motion/Second/Carried Mr. Grinstead moved, with a second by Mr. Schubert.

S. Audie Foster, California American Water; Caryl Sheehan, Citrus Heights Water District; YK Chalamcherla, City of Folsom; Matthew Medill, City of Lincoln; Pauline Roccucci, City of Roseville; Lisa Kaplan, City of Sacramento; William Roberts, City of West Sacramento; Gwynne Pratt, Del Paso Manor Water District; Tom Nelson, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Tony Firenzi, Placer County Water Agency; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; voted yes. Ted Costa, San Juan Water District; voted no. The motion passed.

Ayes- 15

Noes- 1

Abstained- 0

Absent- 6

11. EXECUTIVE DIRECTOR'S REPORT

Executive Director Peifer thanked the Board for the salary increase. He also reported that he is working with Director Bigley to provide an opportunity for Leadership Development Training Services for public employees in the region, more details to come.

12. DIRECTORS' COMMENTS

Director Foster reported that CA American Water will be participating in the Public Works Showcase at the City of Citrus Heights.

Director Bigley reported that the City continues to recharge since January under the Bureau of Water Reclamation's Section 215 Water Contract for recharge operations.

Director Roberts reported City of West Sacramento is celebrating Public Works Week.

Director Saunders thanked everyone for the endorsement for ACWA Vice President.

Director Schubert reported that Golden State Water Company is currently going through their required rate review.

Director Wichert also reported that Sacramento Suburban Water District is also taking advantage of Section 215 water for recharge.

Director Costa reported that San Juan Water District just installed a new top on their treatment plant.

ADJOURNMENT

With no further business to come before the Board, Chair Firenzi adjourned the meeting at 12:03 p.m.

By:

Anthony Firenzi, Chair

Attest:

Ashley Flores, Secretary

Agenda Item 4



Topic: Low-Income Household Water Assistance Program
Type: New Business
Item For: Presentation
Purpose: Strategic Plan Communication Goal, Objectives A-3, A-4

	Jim Peifer		Nichole Baxter
SUBMITTED BY:	Executive Director	PRESENTER:	California American Water

EXECUTIVE SUMMARY

This item is to brief the Board members on resources available for member agency customers to assist paying their utility bills.

STAFF RECOMMENDED ACTION

None. Receive and file presentation.

BACKGROUND

The Community Resource Project is a program available in Sacramento, Yuba and Sutter Counties that utilizes federal, state and utility grants to provide low-income families with services to help pay their water and wastewater bills.

Nichole Baxter from the California American Water Company will be making a presentation to the members to increase awareness of this program.

CONCLUSION

RWA Member agencies may want to make their low-income customers that are struggling to pay for their utility bills aware of this program.

Attachments

Attachment 1- Low-Income Household Water Assistance Program Flyer



Need Help Paying Your Water Bill?



Community Resource Project can help you avoid a shutoff.



The Low Income Household Water Assistance Program (LIHWAP) provides funds to assist low-income households with water and wastewater bills. LIHWAP is a federally-funded state-administered program that can provide a payment or credit towards a water or wastewater (sewer) bill. We can credit a water/sewer account between \$200 and \$371 and can pay overdue bills up to \$15,000. This is a one-time program that CRP delivers to Sacramento, Yuba, and Sutter counties.

APPLY ONLINE TODAY AT
COMMUNITYRESOURCEPROJECT.ORG/APPLY

OR CALL 916-567-5200 (SACRAMENTO) OR 530-671-7590 (YUBA/SUTTER) FOR MORE INFORMATION

Community Resource Project utilizes federal, state and utility grants to provide low income families with free essential energy services. **Please use the chart below to determine eligibility.***

NUMBER IN HOUSEHOLD	1	2	3	4	5	6	7
GROSS HOUSEHOLD MONTHLY INCOME	\$2700.17	\$3531.00	\$4361.83	\$5192.75	\$6023.59	\$6854.43	\$7010.21

**Additional qualifiers apply. Meeting income guidelines alone does not guarantee receipt of any services. Call for more information*



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Topic: Legislative and Regulatory Update
Type: New Business
Item For: Information
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 an information item for the Regional Water Authority Board of Directors to receive an oral report from Ryan Ojakian, Legislative and Regulatory Affairs Manager, on legislation post House of Origin deadline.

STAFF RECOMMENDED ACTION

None. This item is for information/discussion only.

BACKGROUND

The Legislature has reached the halfway point in the legislative process. At this time, RWA is tracking 33 live bills and has a supportive position on 6 and an opposing position on 12 of those bills. Of significant interest are bills related to water rights, water efficiency, and water supply. Additionally, the state budget must be passed by June 15th and there have been a host of budget trailer bills associated with that process. Staff will provide an update on developments related to legislation and the budget.

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: Leadership Development Training
Type: New Business
Item For: Discussion/ Action
Purpose: Strategic Plan, Planning Goal, Objective D

SUBMITTED BY: Jim Peifer
Executive Director

PRESENTER: Jim Peifer
Executive Director

EXECUTIVE SUMMARY

This action item seeks to accomplish two things:

1. To make the RWA members aware of a leadership development training services program to be arranged for member agencies. The intent of the program is to provide some of the training for the next generation of member agency executives; and
2. Action to approve an agreement between the RWA and its member agencies for reimbursing the RWA for providing short term services such as training. This agreement will be used for the training and future training programs.

STAFF RECOMMENDED ACTION

A motion to approve the draft program agreement between the RWA and the participating RWA Member Agencies.

BACKGROUND

Raftelis, a consulting firm provides management consulting services, including training and leadership development to utilities and local governments. Director Bigley became aware of the services Raftelis performs and suggested the RWA could bring member agencies together who wish to have some of their staff attend leadership training that Raftelis provides.

The scope of services states that the program allows participants to spend an immersive four days focused on transformative leadership concepts, through a curriculum designed to support emerging and seasoned leaders alike. Key areas of focus include authentic leadership, strategic planning and visioning, communications and innovation, and change management. This program also includes a hands-on utility simulation, designed to provide participants the opportunity to explore the key issues and choices faced by 21st century utility organizations. The Transformative Utility Leaders program uses a blend of direct instruction, shared experiences, connection building, hands on exercise, and self-exploration to support participants' professional and leadership development.

The fee to Raftelis is \$25,000 (plus \$150 per person for optional “DiSC” training and assessment), for up to 25 participants. The member agencies would identify which of their staff would attend and pay \$1,000 (plus the optional \$150).

The RWA will contract with Raftelis and the RWA will be reimbursed by members who send staff members to the training. The training will be held at a member’s facility.

An agreement between the member agencies and the RWA will be needed to spell out the RWA’s and member’s obligations.

FINDING/CONCLUSION

In keeping with the RWA being an organization that allows members to come together to provides services for their mutual benefit, staff recommends approval of the agreement.

ATTACHMENTS

Attachment 1- Draft program agreement between the RWA and the RWA Member Agencies

Attachment 2- Raftelis Proposal dated May 10, 2023

REGIONAL WATER AUTHORITY PROGRAM AGREEMENT

UTILITY LEADERS TRAINING WITH RAFTELIS AGREEMENT (ULTRA)

This Agreement is made and entered into as of June 14, 2023, by and between the Regional Water Authority ("RWA"), a joint exercise of powers authority formed under California Government Code section 6500, and following, and the Members and Contracting Entities of RWA listed in Exhibit 1 to this Agreement, upon their execution of this Agreement (who are collectively referred to in this Agreement as "Participants"), to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the Participants.

RECITALS

A. The purpose of this Agreement is to allow for RWA Member and Contracting Entity employees to participate in a Transformative Utility Leaders course developed by Raftelis Financial Consultants, Inc. ("Raftelis").

B. RWA is a joint powers authority, formed to serve and represent regional water supply interests and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

C. The joint powers agreement ("RWA JPA") pursuant to which RWA was formed and operates, and as was amended on October 8, 2013, authorizes RWA to enter into a "Project or Program Agreement," which is defined in the RWA JPA as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the parties to the Project or Program Agreement.

D. Article 21 of the RWA JPA states: "The Regional Authority's projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name."

E. Article 22 of the RWA JPA states: "Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program,

including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

F. RWA and the Participants desire to carry out a program as more fully described below and share in the costs and benefits of the program, as a Project or Program Agreement as provided for in Articles 21 and 22 of the RWA JPA.

In consideration of the promises, terms, conditions and covenants contained herein, the parties to this Agreement hereby agree as follows:

- 1. Recitals Incorporated.** The foregoing recitals are hereby incorporated by reference.
- 2. Defined Terms.** Terms defined in the RWA JPA will have the same meaning in this Agreement.
- 3. Description of the Program.** The RWA and the Participants desire to create and carry out a Utility Leaders Training with Raftelis program (“Program”). Through a separate agreement with RWA, Raftelis will teach Transformative Utility Leaders courses for up to 25 select employees of RWA Members and Contracting Agencies per course. The Program is further described on Exhibit A. The Program allows participants to spend an immersive four days focused on transformative leadership concepts, through a curriculum designed to support emerging and seasoned leaders alike. Key areas of focus include authentic leadership, strategic planning and visioning, communications and innovation, and change management. This program also includes a hands-on utility simulation, designed to provide participants the opportunity to explore the key issues and choices faced by 21st century utility organizations. The Transformative Utility Leaders program uses a blend of direct instruction, shared experiences, connection building, hands on exercise, and self-exploration to support participants’ professional and leadership development.
- 4. Program Staffing and Resources.** RWA will utilize existing staff to implement the program.
- 5. Program Costs.** The assessments for each Participant is (a) \$1,000 per employee participating in a course, and (b) \$150 per employee participant for optional “DiSC” training assessment.
- 6. Liability.** In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Program will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed this Agreement. The total cost for the Program is estimated not to exceed \$115,000.
- 7. Role of RWA.** The RWA will (a) coordinate the date and arrange the location for each

course, (b) interface with Raftelis and course participants, (c) collect course tuition from Participants, (d) provide course incidentals, (e) coordinate course enrollment to ensure the maximum number of Members and Contracting Entities are represented at each course, and (f) coordinate course cancellation if fewer than 25 course participants are enrolled in a course, insufficient tuition is received, or an appropriate date or location is not secured.

8. Role of Participants. Participants will (a) enroll participating employees with the appropriate experience level for the Program, (b) provide RWA with contact information for the participating employee upon request, (c) timely pay tuition for participating employees upon request, and (d) if feasible, provide an appropriate location for the course at Participant's facility at no charge to RWA or the Participants.

9. Term. This Agreement will remain in effect for so long as any obligations under this Agreement or the contract between RWA and Raftelis for training services remains in effect.

10. Withdrawal. Each Participant is automatically withdrawn from this Agreement without requiring termination of this Agreement, effective upon completion of each course and payment of all fees owed by the Participant. Each withdrawing Participant will remain responsible for any indebtedness incurred by the Program and allocated to the Participant under this Agreement prior to the effective date of withdrawal. If any surplus funds remain after the withdrawing Participant has met all of its financial obligations under this Agreement, then such funds will be returned to the withdrawing Participant in proportion to the total contribution made by each Participant.

11. Amendments. This Agreement may be amended from time to time with the approval of all current Participants and RWA.

12. Privileges and Immunities. All of the privileges and immunities from liability; exemptions from laws, ordinances and rules; and all pension, relief, disability, worker's compensation and other benefits that apply to the activity of officers, agents or employees of RWA or the Participants when performing their respective functions for those agencies will, to the extent permitted by law, apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. It is further understood and agreed by RWA and the Participants that, notwithstanding anything contained herein, the employees of RWA and of each Participant shall continue to be entirely and exclusively under the direction, supervision and control of the employing party.

13. No Third Party Beneficiary. RWA and the Participants understand and agree that this Agreement creates rights and obligations solely between RWA and the Participants and is not intended to benefit any other party. No provision of this Agreement shall in any way inure to the benefit of any third person so as to constitute any such third person as a third-party beneficiary of this Agreement or any of its items of conditions, or otherwise give rise to any cause of action in any person not a party hereto.

14. Liabilities. With respect to this Agreement, RWA and the Participants expressly agree that the debts, liabilities and obligations of RWA and of each Participant shall remain the debts,

EXHIBIT 1

PROGRAM PARTICIPANTS

REGIONAL WATER AUTHORITY

UTILITY LEADERS TRAINING BY RAFTELIS AGREEMENT

EXHIBIT 2

PROGRAM DESCRIPTION

REGIONAL WATER AUTHORITY

UTILITY LEADERS TRAINING BY RAFTELIS AGREEMENT

Sacramento Regional Water Authority

Leadership Development Training Services

PROPOSAL / May 2023



May 10, 2023

Jim Peifer, Executive Director
Sacramento Regional Water Authority
5620 Birdcage Street, Ste 180
Citrus Heights, CA 95610

Subject: Proposal for Leadership Development Training Services

Dear Mr. Peifer:

We are pleased to submit this proposal to the Sacramento Regional Water Authority (RWA) for leadership development training services. Our focus has always been to help utility and local government clients solve their financial, organizational, and technology challenges. We are dedicated to providing management consulting services, including training and leadership development services, to utilities and local governments.

Our mission is to strengthen organizations for those they serve and those who work in them. We provide our clients with the best thinking and execution in organizational design, workforce development, and process improvement.

We believe our firm offers the Authority several distinct advantages:

- **A tailored and insightful approach:** Our team's approach specifically addresses the RWA's needs and will help provide a best practice-level leadership development and training program for its members. Through the Raftelis Performance Academy, Raftelis has created the only leadership development, performance improvement, and innovation training program in the country that is specifically designed to meet the unique needs of utilities and local government. The leadership development and training services that we offer are aimed at supporting high performing leaders, driving process improvement, and fostering innovation and inclusion in utility and local government organizations.

In the wake of the COVID-19 pandemic and the "great resignation," investment in personal and professional development for high-performing and high-potential staff is critical for workforce retention and succession planning.

- **Dynamic and engaging content and course delivery:** We are passionate about supporting the personal and professional development of the public service workforce, which drives us to employ innovation and creativity throughout the process of curriculum design and course delivery. Our programs harness the power of collaboration to fast-track learning, using shared experiences, connection building, information sharing, and hands-on practice to support direct instruction. Our course materials are useful and engaging, and unique and creative graphics are used to synthesize concepts and support dialogue.

We have had significant success working with utilities and local governments to develop high-value leadership development and training services. We are confident our approach will provide the RWA with the public sector focused training and development opportunities it seeks.

We look forward to the opportunity to serve the Sacramento Regional Water Authority. Please contact Jennifer Teal should you have any questions.

Jennifer Teal, Manager
Phone: 513.818.4220 / Email: jteal@raftelis.com

Sincerely,

A handwritten signature in black ink, appearing to read 'Julia Novak'.

Julia Novak
Executive Vice President



Making our world better.

The Raftelis Charitable Gift Fund allocates profits, encourages employee contributions, and recognizes time to charitable organizations that support:

1. Access to clean water and conservation
2. Affordability
3. Science, technology, and leadership

Raftelis is investing in improved telecommunication technologies to reduce the firm's number one source of carbon emissions—travel.



Diversity and inclusion are an integral part of Raftelis' core values.

We are committed to doing our part to fight prejudice, racism, and discrimination by becoming more informed, disengaging with business partners that do not share this commitment, and encouraging our employees to use their skills to work toward a more just society that has no barriers to opportunity.

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Raftelis Performance Academy

**TRAINING THAT ADDRESSES UTILITY AND
LOCAL GOVERNMENT NEEDS**

Utilities and local governments need employees that have a wide array of leadership, analytic, and problem-solving competencies to address the issues and challenges associated with providing high-quality and equitable services that meet current and evolving community needs. Current course offerings provided by the Raftelis Performance Academy provide learning and development opportunities that help meet these needs in the following areas:

- Organizational culture
- Strategic planning
- Developing efficient workflows
- Performance measurement
- Recruitment and retention
- Building a positive work environment
- Change management
- Diversity, equity, and inclusion
- Assessing existing strategies
- Effective work planning
- Business process re-engineering
- Process mapping
- Media training
- Effective Utility Management (EUM)
- Data-driven decision making
- Crisis and risk communication
- Innovation and disruption
- Community engagement

THE RAFTELIS PERFORMANCE ACADEMY FACILITY

While training opportunities provided by the Raftelis Performance Academy can be offered at your site or virtually, we've found that many organizations are looking for an immersive program to send individuals or a whole team. Our state-of-the-art training center in Cincinnati provides flexible seating for 34 participants and break-out rooms for small-group work. Conveniently located for air and car travel, the facility also has lodging across the street.

TRAINING OPPORTUNITIES FOR ALL CAREER STAGES

Learning and development opportunities are developed to meet the needs of individuals as they progress throughout their careers:

- Entry- to mid-level analysts
- Field/line employee to supervisor transition
- Middle manager to executive transition
- First time managers

DISCOUNTED COURSE OFFERINGS

As part of this proposal, Raftelis will provide a group discount of 10% off the published tuition rate for RWA member employees who attend courses held at the Raftelis Performance Academy's Cincinnati facility for one year.



Scope of Services

To support the learning and professional development of its team, the Sacramento Regional Water Authority is seeking a public-sector focused training partner to provide on-site leadership development training for its members.

Our team has extensive experience developing and delivering high impact leadership development training programs for utility and local government clients. Our focus is on ensuring our content meets the specific needs of the organizations we assist, rather than providing a “one-size fits all” approach.

This proposal provides pricing for on-site leadership development programs during calendar year 2023 hosted by the RWA for its members. Any arrangements for tuition or fee collection between the RWA and its members will be the responsibility of the RWA.

The proposed scope of work and fee schedule includes all professional services, instructional materials, and associated travel and expenses for the proposed training program. It does not include time or expenses related to securing training locations, expendable supplies, and travel or meals for participants. Any expenses beyond those explicitly listed are the responsibility of the RWA.

Transformative Utility Leaders

PROGRAM DESCRIPTION

Participants will spend an immersive four days focused on transformative leadership concepts, through a curriculum designed to support emerging and seasoned leaders alike. Key areas of focus include authentic leadership, strategic planning and visioning, communications and innovation, and change management. This program also includes a hands-on utility simulation, designed to provide participants the opportunity to explore the key issues and choices faced by 21st century utility organizations. The Transformative Utility Leaders program uses a blend of direct instruction, shared experiences, connection building, hands on exercise, and self-exploration to support participants’ professional and leadership development.

PROGRAM LOGISTICS

- **Delivery:** Program will consist of four full, consecutive days, to be delivered in-person
- **Maximum Participants:** 25
- **Pre-work:** Prior to meeting in person, participants will be asked to consider a prior leadership or behavioral style assessment that they have completed, such as DiSC®, CliftonStrengths®, Myers-Briggs Type Indicator (MBTI®), etc., and come prepared to discuss the insights it spurred.
- **Fee:** \$25,000 per offering. An optional DiSC® Management profile assessment is available for participants for an additional fee of \$150 per participant.
- **Scheduling:** Sessions are typically scheduled Tuesday through Friday, 8:30 – 4:30. The Raftelis team has availability throughout the remainder of the year to schedule one or more course sessions. A \$5,000 deposit is required to reserve each scheduled session.

Instructors

Jennifer Teal

MANAGER

PROFILE

Jennifer has over 20 years of public sector experience, including ten years of leadership experience in local government. She has a wide array of expertise in organizational assessment, process improvement, financial management, strategic planning, and leadership development. Jennifer is a certified Lean Six Sigma Black Belt. Her commitment to empowering others has led to the implementation of numerous lean management projects that improve the efficiency and quality of government services and the development of in-house process improvement and innovation academies in multiple communities. She is a skilled facilitator, trainer, and problem solver, having led several organizations through the development of strategic plans, detailed implementation plans, and performance measurement systems.

Jennifer began her local government career as an undergraduate intern with the Village of Lincoln Heights, Ohio, where she developed a parks plan and several grant applications for the community. After working for the Department of Homeland Security and the Department of Defense, Jennifer returned to local government to manage the business operations of the City of Colorado Springs' Stormwater Enterprise. There, she oversaw the business, finance, customer service, IT, and GIS functions of a \$16 million/year utility responsible for maintaining and improving stormwater infrastructure.

In Gahanna, Ohio, Jennifer worked as the deputy finance director, chief financial officer, and finally, city administrator. In her finance roles, Jennifer was instrumental in guiding the City out of the recession while strengthening its financial position and management strategies. Jennifer led the City through a bond rating increase, multiple debt issuances, the development of key financial policies, and multiple rounds of union negotiations. Working with the elected leadership, Jennifer transformed the City's budget and financial reporting processes to align with best practices and Government Finance Officer Association award standards and developed the community's first Citywide strategic plan.

Jennifer is active in the local government industry, has presented at several conferences, and co-authored a recent peer-reviewed article on process improvement in the public sector for the *Journal of Public Integrity*. She is also a lecturer at the Ohio State University John Glenn College of Public Affairs, where she teaches graduate and undergraduate seminars in Local Government Administration.



Specialties

- Strategic Planning
- Facilitation
- Organizational assessment
- Training and curriculum development
- Performance management
- Business process improvement
- Lean process development and implementation

Professional History

- Raftelis: Manager (2022-present)
Senior Consultant (2020-2022);
Associate, The Novak Consulting Group (2019-2020)
- The Ohio State University: Lecturer (2019-present)
- J Teal Consulting: Principal Consultant (2017-2019)
- City of Gahanna, Ohio: City Administrator (2016-2017), Chief Financial Officer (2011-2015), Deputy Finance Director (2009-2011)
- City of Colorado Springs, Colorado - Stormwater Enterprise: Business Administrator (2007-2009)
- Missile Defense Agency: Financial Manager (2006-2007)
- Department of Homeland Security: Budget Analyst (2003-2006)
- George Mason University: Budget Assistant (2001-2003)
- Village of Lincoln Heights, Ohio: Economic Development Intern (1999)

Education

- Master of Public Administration - George Mason University (2003)
- Bachelor of Arts in Urban Planning and Public Administration - Miami University (2000)

Certifications

- Lean Six Sigma Black Belt Certification
- Everything DiSC® Certification

Professional Memberships

- International City/County Managers Association (ICMA)
- Engaging Local Government Leaders (ELGL)

Darin Thomas

VICE PRESIDENT

PROFILE

Darin is a seasoned utility industry leader. With an educational background in mechanical engineering, he has been a thought leader in the water and wastewater industry for over 35 years. He has a track record of developing and delivering innovation to the industry, which has resulted in significant economic savings for hundreds of utility organizations. Darin is a skilled utility industry consultant helping utility organizations implement transformational changes that span the areas of cross-jurisdictional cooperation, business process optimization, strategic planning, and adoption and use of technologies to enhance operational performance.

KEY PROJECT EXPERIENCE

- Sewerage and Water Board of New Orleans – Strategic Planning and Performance Improvement Consulting (2021 – Present)
- Brownsville Public Utilities Board (TX) – Strategy Development and Implementation (2018 – Present)
- Charlotte Water (NC) – Strategy Development, Organizational Assessment and Change Implementation (2018 – Present)
- Pittsburgh Water and Sewer Authority (PA) – Change Management, Creator of the Watermark Academy and Vision Provider for Headwater Performance Dashboard (2019 – 2020)
- City of Tampa Water Department (FL) – Utility EUM Assessment, Strategy Development and Organizational Development Needs Assessment (2018 – 2019)
- Louisville Water Company (KY) – Strategy Development (2018)
- Des Moines Metropolitan Wastewater Reclamation Authority (IA) – Strategic Planning (2019)
- Metro Wastewater Reclamation District (CO) – Strategic Planning and Organizational Capacity Needs Consulting (2016 – 2017)
- District of Columbia Department of Public Works – Strategic Planning and Workforce Training & Development Assessment (2018 -2019)
- DC Water – Strategic planning and Performance Improvement Consulting (2013 – 2016)
- Montgomery County Environmental Services (OH) – Strategic Planning and Performance Management (2017-2018)
- Newport News Waterworks – EUM Assessment and Strategic planning (2016-2018)
- Metro Nashville Water Services – EUM Assessment and Strategic Planning (2015 – 2017)
- City of Baltimore Commission of Public Works – Strategic Planning, Organizational Assessment, Continuous Improvement Consulting (2015 -2017)
- Metropolitan St. Louis MSD – Management Audit and EUM Assessment (2012)
- Sanitary District No. 1 (KY) – Strategic Planning (2012)
- Mount Pleasant Water Works (SC) – Strategic Planning and Performance Management (2011 – 2014)
- Greensboro Water Resources (NC) – Strategic Planning (2020 – Present)
- Winston-Salem/Forsyth Utility Commission – Strategic Planning (2018)
- Rivanna Water, Sewer and Solid Waste Authority (VA) – (2018-2019)



Professional History

- Raftelis: Vice President (2017-present); Director of Management Consulting (2010-2016)
- ARCADIS US, Inc.: Vice President (2001-2010)
- EarthTech: Business Unit Manager (1099-2001)
- Self Employed Innovations Consultant (1995-1999)
- ADS Environmental Services, Inc.: Vice President (1990-1995)
- Stord Bartz Inc.: Applications Engineer (1987-1990)
- Nutech Engineers: Project Engineer (1985-1987)

Professional History

- Bachelor of Science in Mechanical Engineering – Michigan Technology University (1985)

Certifications

- Denver Peak Academy – Lean/Six Sigma Blackbelt (2017)

Steven Drew

PRINCIPAL CONSULTANT

PRFFILE

Steve has over 40 years of experience in water utility management, municipal government leadership, and private consulting. He began his career with the City of Greensboro, NC Water Resources Department where he served at all levels of technical and managerial positions including electronics technician, superintendent, water supply division, and department operations manager until becoming Director of Water Resources utility in 2011. Steve served as assistant city manager before retiring from public service in 2020. Before joining Raftelis, Steve worked as a private consultant in the areas of executive recruitment, technical subject matter review, and RFP development. Steve has extensive experience working in the areas of organizational improvement, governance, strategic planning, continuity of operations, disaster preparedness, capacity development, and capital improvement.

Steve's wide range of experience has informed his extensive technical knowledge and administrative expertise in the areas of water and wastewater operations, asset management, regulatory compliance, general utility management, executive leadership, assessment, and affecting positive organizational change. As a result, City leadership consistently trusted his recommendations, leading to development and implementation of strategies that addressed a wide range of improvements, upgrades, and efficiencies regarding physical assets, operations, and associated fiscal impact.

Over the course of Steve's career, he has been a passionate advocate and innovator for organizational improvement and culture change. During the 1990's, Steve worked with the City's Human Resources Department's Training Division to develop its first front-line supervisor and mid-level management development program known as Leadership 2000. From there he participated in curriculum review, served as instructor, and was consulted on Executive Leadership Program development. His passion has always been to learn, foster good working relationships, and provide leadership in areas of Equity and Inclusion and Diversity Training, as well as working to change broken organizational culture to one where every employee respects and understands the responsibility each person has for one another.

Steve was instrumental in developing WaterMARK Academy, (Management, Accountability, Relationships, Key Performance Indicators), where employees throughout the Utility were provided the requisite training and guidance so that they could successfully work together as a team to define and develop the details of MARK, as well as develop an action plan that incorporated established core values of the City organization and the Utility. The WaterMARK Academy continues to improve and stays refreshed with employee leadership at all levels of the program.



Specialties

Strategic Planning
Organizational Assessments
Continuity & Resiliency of Utility Operations
Workforce Development
Diversity & Inclusion
M/WBE Support and Development
Disaster Preparedness
Crisis Management
Media Communications
Governance

Professional History

- Raftelis: Principal Consultant (2022)
- Independent Consultant (2020-2022)
- City of Greensboro, NC: Interim Assistant City Manager (2018–2019), Water Resources Utility Director (2012–2020), Operations Manager (2010-2012), Water Supply Division Manager (2010-2012), Superintendent of Plant M&O (1989-2001), Electronics Technician & Plant Mechanic (1979-1989)

Education

Bachelor of Arts Political Science –
University of North Carolina at Greensboro
(1985)

Certifications

- NC "A" Surface and "C" Well Water Treatment Facility Operator
- NC Water/Wastewater Maintenance Technologist
- Public Executive Leadership Academy, UNC School of Government
- Micro MBA, Virginia Tech AWWA Utility Leadership

Professional Memberships

- American Water Works Association
- Water Environment Federation
- NC One Water
- NC Water Operator's Association
- Society of Maintenance and Reliability Professionals
- National Forum for Black Public Administrators (Life-Time Honorary Membership)
- Toastmasters International (2008 – 2018)
- US Coast Guard Auxiliary - division staff officer – retired (1992-2012)

Catherine Carter

SENIOR MANAGER

PROFILE

Catherine has more than a decade of experience facilitating local government and utility strategic planning processes, as well as considerable expertise conducting assessments of organizational effectiveness practices. With a background in public administration and environmental management, she possesses extensive stakeholder engagement, process design, research, and analytical skills.

Catherine has led or supported numerous strategic planning engagements, ranging in size from governing body retreats to set community goals to large-scale, full organizational efforts involving hundreds of internal and external stakeholders. Recent experience includes governing body retreats with Lafayette (CO), Nantucket (MA), Johnson City (TN), and Minot (ND). Examples of department-level strategic plans include the Sewerage and Water Board of New Orleans (LA), the District of Columbia Department of Public Works (DC), the City of Austin Communication and Technology Management Department (TX), Charlotte Water (NC), and Nashville Metro Water Services (TN). Finally, Catherine has also recently facilitated full-municipality or county strategic plans with the Cities of Gaithersburg (MD) and Avondale (AZ), the Town of Shrewsbury (MA), and Jefferson County (CO).

In addition to strategic planning activities, Catherine has also conducted management studies and organizational assessments. She specializes in issues related to water, wastewater, and stormwater utilities; customer service policies and practices; and other challenges facing public sector organizations across the country. Major initiatives in the last few years include a customer service assessment for Fairfax Water (VA), which included the organization's first-ever customer satisfaction survey; development of a governance framework and structure for the Western Intake Partnership (NC), an organizational structure review and support for realignment for the Anchorage Water and Wastewater Utility (AK), and customer policy manual updates for San Diego Public Utilities (CA) and Pinellas County Utilities (FL).



Specialties

- Strategic planning
- Facilitation
- Organizational assessment
- Staffing analysis
- Strategy monitoring and implementation
- Risk and resiliency assessment
- Business process improvement
- Comparative industry analyses

Professional History

- Raftelis: Senior Manager (2022-present); Manager (2019-2021); Senior Consultant (2016-2018); Consultant (2013-2015); Associate Consultant (2011-2012)
- Mecklenburg County Waste Management Advisory Board (appointed term: 2019-2021)
- The Institute for Sustainable Development (2009-2011)

Education

- Master of Public Administration - University of North Carolina Charlotte (2017)
- Master of Environmental Management - Duke University (2011)
- Bachelor of Science in Business/Economics, Biology, Environmental Studies - Randolph-Macon College (2009)

Certifications

- Certified DiSC Facilitator
- Change Management & Leadership Certification - Cornell University (2019)
- American Water Works Association Risk & Resiliency Certification (2019)

Professional Memberships

- AWWA
- ELGL
- Solid Waste Association of North America

Fees

The per-offering fee for the Transformative Utility Leaders course is \$25,000.

The optional per-participant fee for the DiSC® Management profile is \$150.

Any arrangements for tuition or fee collection between the RWA and its organizations will be the responsibility of the RWA.

The proposed scope of services and associated fee includes all professional services and instructional materials for each proposed course. It does not include time or expenses related to securing training locations, expendable supplies, and travel or meals for participants. Any expenses beyond those explicitly listed are the responsibility of the RWA.

A deposit of \$5,000 is required to secure the chosen date, and the remainder will be invoiced following completion of the course.

The Sacramento Regional Water Authority accepts the terms of this engagement letter at a cost of \$25,000 per course offering:

Approved: _____

Date: _____

Name of Signatory: _____

Title: _____

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	
SUBMITTED BY:	Manager of Strategic Affairs	PRESENTER: Michelle Banonis
		Manager of Strategic Affairs

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. The funds will be provided to certain RWA member agencies to construct projects.

STAFF RECOMMENDED ACTION

- (1) Approve the Funding Agreement with DWR and authorize the RWA Executive Director to execute the final Funding Agreement, subject to review and concurrence from the Executive Committee in any further changes;
- (2) Direct the RWA Executive Committee to review and consider approval of the final Project Agreement to the RWA Executive Committee as authorized by RWA Policy 200.2; and
- (3) Direct RWA Staff to complete and file a Notice of Exemption upon execution of the 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 on June 1, 2023 through final payment plus three years, with work being 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 three years following.

The Funding Agreement, attached as Exhibit A, 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

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.

Agenda Item 7

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 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.

DWR representatives have stated that the Funding Agreement needs to be fully executed no later than June 30, 2023. If the RWA Board approves the Funding Agreement, then it will undergo DWR's final approval process, including further review by DWR's legal counsel. It is possible DWR may require additional revisions to the agreement. Given the short timeline for approving any DWR changes and executing the agreement, RWA staff recommend that the RWA Board approve the Funding Agreement in substance and authorize the RWA Executive Director to sign the Funding Agreement, subject to review and concurrence from the Executive Committee in any changes required by DWR.

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. The proposed project agreement is described in the next section.

PROJECT AGREEMENT

In addition to the Funding Agreement, the participants will need to collectively participate in a Project Agreement with RWA. 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.

A draft of the Project Agreement is included as Exhibit B. The Project Agreement will undergo further revision to conform to the terms of the final Funding Agreement following DWR review. RWA staff recommend that the RWA Board direct further review and possible approval of the final Project Agreement to the Executive Committee. This action is consistent with RWA Policy 200.2, which delegates review and approval of program and project agreements to the Executive Committee.

California Environmental Quality Act

As discussed further below, approval of the proposed Funding Agreement is exempt from the California Environmental Quality Act (CEQA) because all of the projects proposed for funding would be conditioned on the satisfaction of CEQA through existing or future CEQA analysis to be conducted by the project sponsors.

The proposed Funding Agreement contains several terms relevant to CEQA. First, Paragraph 6, “Basic Conditions,” requires all funded projects to comply with CEQA to the satisfaction of DWR. Second, Exhibit A, “Work Plan,” contains a term stating that the projects proposed for funding and flow contribution obligations are not binding on any party until CEQA has been completed. RWA’s approval of the proposed Funding Agreement is exempt from CEQA for several related reasons.

First, CEQA’s definition of a “project” expressly excludes funding agreements which do not involve commitment to any specific project which may result in a potentially significant physical impact on the environment. (Cal. Code Regs., tit. 14, § 15378, subd. (b)(4).) The proposed Funding Agreement would authorize RWA to use state funds for a suite of potential future projects. However, the RWA action to approve the agreement would not constitute approval of the underlying projects, which would remain with the project sponsors. Nor would approval of the Funding Agreement result in potentially significant physical impacts on the environment, because none of these projects may receive state funds through RWA until CEQA has been satisfied.

Second, State CEQA Guidelines Section 15061(b)(3) excludes the Funding Agreement from CEQA under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. As discussed above, the proposed Funding Agreement is solely a funding agreement, and would not authorize any project construction without CEQA compliance.

Third, under State CEQA Guidelines Section 15004(b)(4), public agencies may enter into pre-project approval agreements provided that the agreement:

- (A) Conditions the agreement on compliance with CEQA;

- (B) Not bind any party, or commit to any definite course of action, prior to CEQA compliance;
- (C) Not restrict the lead agency (here, the RWA Member or Contracting Agency) from considering any feasible mitigation measures and alternatives, including the "no project" alternative; and
- (D) Not restrict the lead agency from denying the project.

The Funding Agreement includes all of the conditions required by Section 15004(b)(4) to be a pre-project approval (preliminary) agreement.

Fourth, some or all of the RWA Members and Contracting Agencies who would ultimately receive funds under the Funding Agreement have already satisfied CEQA for their proposed projects. The proposal to use state funds for construction of the proposed projects would not trigger additional CEQA analysis because the selection of a source for project funds could not cause new or different impacts to the physical environment.

RWA staff recommend that the Board find the approval of the Funding Agreement is exempt from CEQA and authorize RWA staff to prepare and file a Notice of Exemption under CEQA. The actual construction of the projects proposed for funding will remain subject to CEQA as a condition of funding.

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 Board approve the Funding Agreement with the State of California and continue to work with funding recipients on the Project Agreement.

Attachments

Attachment 1 –Agreement between the State of California and RWA

Attachment 2 – Draft Project Agreement between RWA and Member Participants

**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 ____ 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 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, 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. **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. **FUNDING RECIPIENT COST SHARE.** Funding Recipient agrees to fund the difference between the actual 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. 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."
- 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 by a California Registered Civil Engineer as to compliance for the Project as listed in Exhibit A of this Funding Agreement.
 - ii. Costs incurred for work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting shall not become Eligible Project Costs as defined by 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
 - 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.

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

7. 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. **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 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.
- 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. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- J. Land and right-of-way acquisition.
- K. 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. Payment of Federal and State taxes.
- M. 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. Costs incurred for any work for which State's concurrence in Lead Agency's CEQA documents required but not received prior to the deadline for request funds in Paragraph 2, "Term of Funding Agreement."

9. METHOD OF PAYMENT.

After the disbursement requirements in Paragraph 6 “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, 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. 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 B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. 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 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 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)>
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

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.17, "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.

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. 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.17, "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.
17. 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.

18. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant 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. 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

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

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

<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_____

DRAFT

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.

Funding Recipient will act in a coordination role with the LPSs by (1) working with the LPSs to identify a subset of the LPS Projects listed below to design and construct with 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 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 Progress Reports
- Final Completion Report

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 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.]

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 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, 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.

EXHIBIT B**BUDGET****Project Administration by Funding Recipient**

CATEGORY	FUNDING AMOUNT	ALL OTHER COSTS	TOTAL COST
Project Administration	XXX	XXX	XXX
TOTAL COSTS:			

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.]

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

CATEGORY	START DATE	END DATE
Project Administration	June 1, 2023	3/31/2026

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

DRAFT

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

- 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 F**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 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 not proceed 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 not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to 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.

- 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. 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. 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. GOVERNING LAW: This Funding Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.20. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. 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. TIMELINESS: Time is of the essence in this Funding Agreement.
- D.45. 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. 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. 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.

REGIONAL WATER AUTHORITY
AMERICAN RIVER TERMS for ECOSYSTEM SUPPORT and
INFRASTRUCTURE ASSISTANCE NEEDS (ARTESIAN)
PROJECT AGREEMENT

This Agreement is entered into as of June 14, 2023 by Regional Water Agency, a California joint powers authority (“RWA”) and the RWA Members and Contracting Entities listed in Exhibit A (collectively “Participants”) who execute this Agreement and agree as follows:

1. Recitals

This Agreement is made with reference to the following background recitals:

1.1. The purpose of this Agreement is to create the American River Terms for Ecosystem Support and Infrastructure Assistance Needs (ARTESIAN) Project to govern administration of state funds provided to RWA on behalf of the Participants for early implementation of the American River region’s 2019 Voluntary Agreement proposal.

1.2. RWA is a joint powers authority, formed to serve and represent regional water supply interests and to assist its members in protecting and enhancing the reliability, availability, affordability, and quality of water resources.

1.3. The joint powers agreement pursuant to which RWA was formed and operates (“RWA JPA”), authorizes RWA to enter into a “Project or Program Agreement,” which is defined as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the parties to the Project or Program Agreement.

1.4. Article 21 of the RWA JPA states: “The Regional Authority’s projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition, or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name.”

1.5. Article 22 of the RWA JPA states: “Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits

and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program, including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

1.6. As further described in this Agreement, RWA and the Participants desire to carry out a project and share in the costs and benefits of a project as provided for in Articles 21 and 22 of the RWA JPA.

1.7. As part of the (unratified and unexecuted) 2019 Voluntary Agreement proposal (“2019 VA Proposal”) for the American River region, American River groundwater providers, including the Participants, proposed to make available 30 thousand acre-feet (“TAF”) of water available through groundwater replenishment in up to 3 of 8 Dry (D) or Critical (C) years¹ through a combination of existing or new facilities and the Sacramento Regional Water Bank. This water will be released from upstream storage through Folsom Reservoir by Reclamation or will materialize downstream of Folsom Reservoir in the Lower American River as a result of reduced surface water diversions. Groundwater replenishment for flows made to the Lower American River will be completed no later than March 1 of the following calendar year. The 2019 VA Proposal included a request from American River groundwater providers for a combined amount of \$55 million for infrastructure to make this water available.

1.8. On June 14, 2023, the RWA Board of Directors approved a form of funding agreement (“Funding Agreement”) between RWA and the California Natural Resources Agency (“CNRA”) and the Department of Water Resources (“DWR”) effective June 1, 2023 under which CNRA and DWR will fund up to \$55 million in groundwater infrastructure projects through RWA as funding recipient in exchange for RWA obtaining commitments from the Participants to make available the 30 TAF according to the 2019 VA Proposal.

1.9. Upon the effective date of the Funding Agreement, the parties desire for this Agreement to govern their respective rights and obligations with respect to administration of state funding under the Funding Agreement.

¹ Based on the Sacramento Valley Index as defined under the Revised State Water Resources Control Board’s Decision 1641.

2. Definitions

The following defined words and terms shall apply in this Agreement:

2.1. Call Year: A year type identified in this Agreement and the State Agreement in which outflow through groundwater replenishment will be provided and “called for” after assessing conditions through the Operations Review Group. This would occur in three out of eight D or C year types out of the eight-year Agreement term, beginning in 2025. If the total of C and D years from and including 2025 and 2032 is fewer than three, then the State may implement another call year in a D year from and including 2033 and 2036. Specific details of this flow contribution are defined in Exhibit 2, Appendix X and Exhibit 4.

2.2. Annual Flow Accounting Report (“AFAR”): A document to be produced annually to record the volume of outflow released by Reclamation at Folsom Dam, the flow volumes paid back from the Participants to Reclamation, and report a detailed accounting of which Participants made water available, the total volumes provided, mechanisms used to replenish water, deficits in contributions, over-production of contributions, any mitigation to make up for any Participant’s inability to meet its replenishment obligations, and a discussion of any challenges or lessons learned.

2.3. Master Flow Ledger (“MFL”): A document that will be updated regularly throughout the term of the Agreement to keep an accounting of outflow releases and replenishment. It will serve as a ledger that will summarize the total amount of water provided by each Participant and keep a running tally of total groundwater replenished by the region, provided as an estimate of the amount of water paid back during the current reporting period and the total amount paid back to-date. The MFL will carry forward from year-to-year through the Agreement term. When developing the MFL, Reclamation and the Participants will look at existing resources and sources of information to pull into its development.

2.4. Operations Review Group (“ORG”): The ORG will consist of operations and/or technical staff from Reclamation and each Participant who makes groundwater available for outflow. The ORG will serve as a collective entity to meet, review, confer, and report on water accounting for American River outflow.

2.5. Replenishment: The amount of water made available by Participants to fill the volumes released by Reclamation out of Folsom Reservoir.

2.6. Replenishment Schedule: An informed estimate that provides an explanation and forecast of how and when Participants are anticipating to pay back water releases that Reclamation has made available from Folsom Reservoir.

2.7. Readiness Review: A convening of Participants and other American River water providers with obligations to make outflow available meeting and discussing each agency's overall readiness to perform and meet their agreed-upon obligations for the upcoming year. The Readiness Review will include the preparation of the Replenishment Schedule.

3. Term. This Agreement will remain in effect for as long as any obligations under this Agreement remain outstanding.

4. Project Description

4.1. The project that RWA and the Participants create through this Agreement involves using state funds granted to RWA for Participants to design and construct a suite of proposed groundwater infrastructure projects which will make additional water supply capacity available for agencies that provide groundwater. These projects are identified in Exhibit 1 of this Project Agreement. This also includes making outflow available through 30 thousand acre-feet (TAF) of groundwater substitution in up to three D or C years, and related reporting and coordination requirements, a schedule for which is provided as Exhibit B, all as further described in this Agreement.

4.2. Eligible Participants in this Project are those RWA Members or Contracting Entities who have one or more projects identified in Exhibit 1.

4.3. The Project will become effective upon the execution of this Agreement by all of the named Participants on Exhibit 1.

5. RWA Responsibilities

5.1. RWA shall administer the Funding Agreement and this Agreement for the benefit of the Participants, including:

- Coordinating and administering all aspects of this Agreement;
- Coordinating invoicing and reimbursement to DWR for projects funded under the Funding Agreement; and,
- Preparing and submitting reports required by the Funding Agreement.

5.2. RWA will subgrant a portion of those funds granted to RWA under the Funding Agreement to each Participant for reimbursement of eligible project costs up to the project amounts identified in Exhibit 1. RWA shall not be responsible for payment of any amounts in excess of the project amounts identified in Exhibit 1 without written modification of this Agreement. Participants shall invoice RWA for eligible project-related costs, in arrears.

5.3. Each Participant shall reimburse RWA for any erroneous or disallowed disbursement of state funds. Reimbursement shall occur within 30 days of written demand by RWA.

5.4. RWA shall not be obligated to disburse any remaining unpaid portion of state funds unless and until sufficient funds identified for allocation to a Participant are released by the state to RWA for expenditure under the Funding Agreement. RWA shall expeditiously seek the release of state funds held by the state for projects funded by this Agreement.

6. Participant Responsibilities

6.1. Participants, acting as Local Project Sponsors under the Funding Agreement, shall have sole responsibility for design, construction, management, oversight, compliance, operations, maintenance and legal compliance for the projects funded by this Agreement.

6.2. The Participants shall also assume certain RWA obligations under the Funding Agreement with respect to their projects funded under this Agreement. The specific responsibilities assumed by each Participant are identified in Exhibit 2 of this Project Agreement.

6.3. Participants in this Project Agreement are obligated to complete their funded projects and meet all reporting requirements in a timely manner, as well as providing an obligated portion of groundwater contributions to outflow, , as specified in Figure 4. This includes participating in a regional total of 30 TAF available from groundwater substitution in up to three D or C years out of eight years of the Agreement.

6.4. RWA will have no obligation to prepare and submit invoices or take any other actions on behalf of, or liability for failing to take any action in regard to obtaining reimbursement for, any Participant that breaches one or more of its responsibilities provided in this Agreement or Exhibit 2 hereof and that fails to cure such breach promptly after receipt of notice from RWA of the breach and requirements for curing the breach.

6.5. To ensure an external evaluation of water made available in support of the VA nets the 30 TAF of groundwater, participants agree that commensurate reductions of groundwater extractions at a level equal to or greater than water commitments during non-Dry or Critical years is vital.

6.6. Flow Contribution.

6.6.1. Each Participant agrees that, following a regional arrangement with Reclamation, it will make available the agreed-upon quantity of outflow in up to three out of eight D or C years, provided in Exhibit 4.

6.6.2. Assuming Reclamation provides outflow from Folsom Dam as early as March 1 of a call year, Participants will begin to replenish releases made by Reclamation as early as March 1 by reducing surface water diversions and providing groundwater substitution. The timing to achieve this complete replenishment from groundwater will rely on the rate of demand for water within the region but shall not go beyond March 1 of the following calendar year.

6.6.3. Each Participant represents and warrants that it has and will maintain for the term of this Agreement sufficient water rights or rights to contract water to meet its outflow obligation under this Agreement. Each Participant further represents and warrants that it will take actions to the satisfaction of RWA and the other Participants to ensure that the agreed quantity of water is made available for outflow from Folsom Reservoir.

7. Project Coordination and Funding

7.1. Project Committee. The Participants hereby form a Project Committee consisting of one representative (and one or more alternates) designated by each Participant. The Project Committee will meet as necessary from time to time to administer and implement this Agreement on behalf of the Participants.

7.2. Sharing in Project Costs and Benefits

7.2.1. Each Participant will pay an apportioned share of project management costs ("Management Fee"), which include all estimated project management expenses (see section XXX of this Agreement) for the duration of the Project. The Grant Award and Management Fee for each Participant is shown in Exhibit 1. Except as otherwise authorized in this Agreement, a Participant's Management Fee shall not exceed the amount shown in Exhibit 1. A portion of the Management Fee of each of the Participants will be funded directly through the grant award. That portion will not be directly reimbursed to the Participants but will be used to cover a portion of RWA's project management costs. This results in the Net Grant Award shown in Exhibit 1, which will be directly reimbursed to the Participants.

7.2.2. The Project Committee will authorize the repayment of any surplus funds, including any excess Management Fees, to the Participants on an apportioned share basis reflecting the amount of the payments made by each of the Participants.

7.3. Collaboration Schedule. In order for there to be coordination among the Participants and ensure efficient, effective, and collaborative engagement of the implementation of outflow replenishment associated with this Agreement, a schedule has been developed as guidance for making recommendations and ultimate decisions. This schedule is provided as Exhibit 4.

7.4. Commitment to Participate in a Readiness Review

7.4.1. In early February of each year during the eight-year term of the agreement, a group comprised of one member from each of the Participants and other American River water providers, as necessary, with obligations to make outflow available will convene and discuss each agency's overall readiness to perform and meet their agreed-upon obligations (Readiness Review). From this conversation, parties will understand their commitments and will prepare to meet their current year's obligations.

7.4.2. As part of the Readiness Review, Participants will provide a Replenishment Schedule by March 15 of each call year. The Replenishment Schedule will provide an explanation and forecast of how and when Participants are anticipating to pay back water releases that Reclamation has made from Folsom Reservoir. The Replenishment Schedule will also include whether replenishment would pass through Folsom Reservoir. If a Participant is making replenishment available at or above Folsom Reservoir, then Reclamation would physically see this water showing up in the lake and it would reflect in the overall accounting of Folsom storage. Passing through Folsom Reservoir is important as Reclamation will need to account for replenishment of flows downstream. Since downstream pay back of released outflow to the Lower American River is anticipated to come from groundwater providers via a reduction in surface diversions and increased groundwater production (i.e., groundwater replenishment), Reclamation will need to use the Participant's predicted and real-time estimates of replenishment to keep an accounting. A designated RWA representative will compile feedback from each Participant to create the Replenishment Schedule and to submit it to Reclamation.

7.5. Commitment to Participate in the Operations Review Group

7.5.1. A determination on whether releases will be made on an annual basis will be recommended by the ORG) By mid-February of each year of the eight- year Agreement term, the ORG will walk through various potential scenarios for the forthcoming water year, which includes the review of current information and forecasts, and discussion of potential risks that could cause changes to planned flow releases or replenishment.

7.5.2. If it appears to be a C or D year type, the ORG will discuss whether there should be environmental outflow, provided through groundwater substitution, in that year. Depending on current conditions, whether calls of a certain year

type were made in prior years, whether future potential call years may have more favorable conditions for flow releases, uncertainty related to initial Central Valley Project allocations, or other varying factors, the ORG may make a recommendation to Participants to make outflow releases that year or to hold off on providing outflow until a potential future year.

7.5.3. If the ORG determines that it will be a year that outflow will be provided (a “call year”), then it will also recommend a flow release schedule and assess biological conditions in the Lower American River to determine optimum timing and volumes of releases.

7.6. Flow Accounting

7.6.1. Starting as early as the week of March 1 or when Reclamation begins releasing outflow from Folsom Reservoir, the Master Flow Ledger (MFL) will begin keeping track of releases at Folsom Reservoir and of the following replenishment by Participants. The MFL will provide a running tally of outflow and replenishment, provided as an estimate of the amount of water paid back to Folsom storage during the current reporting period and the total amount paid back to date within the year. The ledger will be placed in a readily and publicly accessible and version-controlled location. The ledger will be updated weekly throughout the year until committed replenishment volumes are fulfilled. Each Participant will provide weekly updates to the MFL during the course of their replenishment period.

7.6.2. In January following a call year, the ORG shall convene to review the accounting from Reclamation and the Participants and “true up” real-time flow numbers with actual volumes accounted for after outflows are fully replenished in Folsom Reservoir and through MFL accounting. These verified numbers will then be placed into an annual report summarizing findings, the Annual Flow Accounting Report (AFAR).

7.6.3. By February 1 of the year following a call year, the ORG will prepare and complete the AFAR. The AFAR will be made available after water is substantially replenished from all intended sources. This document will verify the flow volumes paid back and report a detailed accounting of which Participants made water available, the total volumes provided, mechanisms used to replenish water, deficits in contributions, over-production of contributions, any mitigation to make up for any Participant’s inability to meet its replenishment obligations, and a discussion of any challenges or lessons learned.

7.6.4. The MFL will be ongoing across all years of the term of the Agreement and is intended to carry forward into future years. This will allow Participants to have the ability to compare relative contributions across years, enable potential payback between Participants, and create multi-annual reports and assessments, as needed.

7.7. Role of RWA. The Executive Director of RWA will: (a) ensure that the interests of Members and Contracting Entities of RWA who do not participate in this Project are not adversely affected in performing this Agreement, (b) provide information to the Participants on the status of implementation of the Project, (c) assist the Project Committee in carrying out its activities under this Agreement, and (d) administer implementation of the grant on behalf of RWA and the Participants consistent with the determinations of the Project Committee and the provisions of this Agreement.

7.8. RWA Project Management Expenses. Upon execution of this Agreement, each Participant agrees to pay their Management Fee as required. Payments will be due and payable upon RWA's presentation of an invoice to each Participant.

As part of the project management budget of \$##### (including legal fees, data collection and retrieval, report preparation, project management, project audits, and other activities necessary to complete the project), each Participant will pay RWA the amount shown in Exhibit 1 as its Management Fee. The Participant Local Share Management Fee of \$##### being collected represents the difference between the amount to be reimbursed by DWR and the total project management budget. The total amount of \$##### to manage the grant is based on a cost estimate developed by RWA staff, which is attached as Exhibit 3. While none are anticipated at this time, any fee increases above the not-to-exceed budget would require a written amendment to this Agreement approved by each Participant.

8. Breach; Termination; Withdrawal

8.1. Any Participant's failure to perform any material obligation under this Agreement is a material breach of the Agreement. In the event of a material breach, the non-defaulting Participants or RWA may provide the defaulting Party with written notice of the breach and specify a reasonable opportunity to cure. If the defaulting Participant fails to cure a material breach after such notice and a reasonable opportunity to cure, the non-defaulting Participants and RWA may terminate this Agreement upon 30 days written notice to the defaulting Participant identifying the reason for termination.

8.2. This Agreement also may be terminated by mutual written agreement of the parties.

8.3. Termination for Lack of Funding. The primary source of funding for this Project is the State of California under the Funding Agreement. If state funding is reduced, deleted, or delayed by the budget process or other budget control actions, RWA shall provide written notice to the Participants either suspending or canceling the Agreement.

8.4. Withdrawal. A Participant may withdraw from this Agreement at any time, effective upon sixty days' notice to RWA and the other Participants, provided that the withdrawing Participant will not be entitled to a refund of any portion of its initial Project

costs and initial Management Fee payment. Participants who have already submitted invoices and accepted state funds from RWA under the Funding Agreement shall provide immediate reimbursement of all funds received.

9. Project Liability and Indemnity

9.1. In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Project will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those RWA Members and/or Contracting Entities who have not executed this Agreement.

9.2. Participants acknowledge that RWA entered into the Funding Agreement at their request and for their benefit. Participants agree to indemnify, defend, protect, and hold harmless RWA and its officers, employees, agents, Members, and Contracting Entities from and against any claims, liability, losses, damages and expenses (including attorney, expert witness, and litigation costs), including, but not limited to, any matter tendered to RWA for indemnification or defense under the Funding Agreement that arise out of, pertain to, or are related to this Agreement or the Funding Agreement. This indemnity provision will not apply to any claim or matter arising from the sole negligence or willful misconduct of Indemnitees. Participants' obligations under this indemnification provision shall survive the termination of this Agreement.

9.3. Each Participant agrees to indemnify, defend, protect, and hold harmless RWA and its officers, employees, agents, Members, and Contracting Entities, and each other Participant and their officers, employees, and agents, from and against any claims, liability, losses, damages and expenses (including attorney, expert witness, and litigation costs) that arise out of, pertain to, or are related to the facilities funded through this Agreement or the flow contribution obligations provided for in this Agreement.

10. General Provisions

10.1. Recitals. The Recitals in Section 1 are incorporated into and shall constitute a part of this Settlement Agreement.

10.2. Amendments. This Agreement may be amended from time to time with the approval of all of the Participants and RWA.

10.3. Authority. Each person signing this Agreement on behalf of a party represents and warrants that he or she has the authority and capacity to make the promises set forth in this Agreement.

10.4. Compliance with Laws. Each party shall comply with all applicable federal, state, and local laws, statutes, and regulations.

10.5. Cooperation. Each party to this agreement agrees to do all things that may be necessary, including, without limitation, the preparation and execution of documents which may be required hereunder, in order to implement and effectuate this Agreement.

10.6. Notice. Any notice to be given under this Agreement may be made by: (a) depositing in any United States Post Office, postage prepaid, and shall be deemed received at the expiration of 72 hours after its deposit; (b) transmission by electronic mail; or (c) personal delivery.

10.7. Counterparts. This Agreement may be executed by the parties in counterpart, each of which when executed and delivered shall be an original and all of which together will constitute one and the same document.

10.8. Governing Law. Except as otherwise required by law, the Agreement shall be interpreted, governed by, and construed under the laws of the State of California.

[Signatures on Following Page]

[Participant Signature Blocks on Separate Pages]

EXHIBIT 1

PROJECT PARTICIPANT AWARDS AND FEES

#	Organization	Project Name	Grant Award	All Other Cost	Total Cost	Local Share Management Fee
0	Regional Water Authority	Grant Administration				
1						
2						
3						
		Total				

EXHIBIT 2

PARTICIPANT/LOCAL PROJECT SPONSOR OBLIGATIONS UNDER CNRA AND DWR VOLUNTARY AGREEMENT EARLY INFRASTRUCTURE FUNDING

Each Participant listed in Exhibit 1, acting as a Local Project Sponsor, has agreed in accordance with the Project Agreement that it will fully and timely perform all Local Project Sponsor obligations. Under Article XXX of the CNRA and DWR Voluntary Agreement Early Infrastructure Funding agreement between RWA and DWR (“Funding Agreement”), each Local Project Sponsor is required to act on behalf of RWA for the purposes of individual project management, oversight, compliance, and operations and maintenance, and to act on behalf of RWA in the fulfillment of RWA’s responsibilities under the agreement.

The Grant Agreement is attached as Appendix X to this Exhibit 2 and made a part hereof. The attached draft agreement will be replaced as necessary with any amended drafts and, when executed, with the final document. RWA will provide each Participant with a copy of the executed final Grant Agreement. Any new or amended terms and conditions in subsequent versions of the Grant Agreement will govern over the similar terms and conditions stated in this Exhibit 2.

Each Participant will include all applicable provisions in this Exhibit 2 as contract terms, conditions or specifications in any consulting, construction or other contract let to a contractor or subcontractor to carry out any portion of a project funded under the Grant Agreement.

With reference to the attached Grant Agreement, each Participant is required to:

I. Financial Provisions [INSERT TERMS FROM FINALIZED FUNDING AGREEMENT]

- A. Grant Reimbursable Share.
- B. Basic Conditions.
- C. Eligible Project Costs.
- D. Invoice Information.
- E. Accounting and Deposit of Funding Disbursement.

II. Permitting and Environmental Compliance

- A. Environmental Compliance.
- B. Permits, Licenses, and Approvals.

III. Reporting and Audit Obligations

- A. Submission of Reports.
- B. State Audits.
- C. Disposition of Equipment.
- D. Retention.

IV. Project Construction and Operation

- A. Labor Code Compliance.
- B. Operation and Maintenance of Project.
- C. Acknowledgement of Credit.
- D. Competitive Bidding and Procurement.
- E. Performance Bond.
- F. Priority Hiring Considerations.
- G. Inspections and Certification by Engineer.

V. Regulatory Requirements

- A. Child Support Obligations.
- B. Drug-Free Workplace.
- C. Nondiscrimination.
- D. Americans With Disabilities Act.
- E. Groundwater Monitoring.

VI. Miscellaneous Provisions

- A. Computer Software.
- B. Project Monitoring Plan Requirements.
- C. Notification of State.
- D. Prohibition Against Disposal of Project Without State Permission.
- E. Indemnification.

EXHIBIT 2, APPENDIX A

**PARTICIPANT/LOCAL PROJECT SPONSOR OBLIGATIONS UNDER CNRA AND
DWR VOLUNTARY AGREEMENT EARLY INFRASTRUCTURE FUNDING,
AMENDMENT 1 BETWEEN RWA AND DWR**

[To be inserted in final executed agreement]

EXHIBIT 3

RWA COST ESTIMATE – GRANT MANAGEMENT (*EXAMPLE*)

[To be inserted in final executed agreement]

Project Management Tasks	Staff	Hrs	Rate	Total
Finalize Grant Agreement with DWR	Mgr of Tech Services	12	210	\$2,520
Prepare Project Agreement	Legal Counsel	2	345	\$690
	Project Research Asst.	8	105	\$840
Grant Agreement Support to Grant Recipients (includes modification requests)	Mgr of Tech Services	16	210	\$3,360
	Project Research Asst.	84	105	\$8,820
Conduct and Document Grant Recipient Meetings (up to 2 meetings)	Mgr of Tech Services	4	210	\$840
	Project Research Asst.	8	105	\$840
Compile and Submit Requirements for Disbursement for Projects (includes Performance Monitoring Plan)	Mgr of Tech Services	2	210	\$420
	Project Research Asst.	24	105	\$2,520
Prepare Invoices for Grant Reimbursement to DWR	Mgr of Tech Services	4	210	\$840
	Admin/Finance Manager	8	135	\$1,080
(up to 8 total)	Project Research Asst.	128	105	\$13,440
Prepare Quarter Reports to DWR (up to 8)	Mgr of Tech Services	4	210	\$840
	Project Research Asst.	128	105	\$13,440
Prepare Project Completion Reports	Mgr of Tech Services	3	210	\$630
	Project Research Asst.	12	105	\$1,260
Prepare Grant Completion Report	Mgr of Tech Services	2	210	\$420
	Project Research Asst.	24	105	\$2,520
Coordination Meetings with DWR (up to 4 meetings)	Mgr of Tech Services	8	210	\$1,680
	Project Research Asst.	16	105	\$1,680
Post Project Monitoring	Project Research Asst.	12	110	\$1,320
Total RWA Project Management Cost				\$60,000

EXHIBIT 4

Flow Contribution Provided by Participants In Three Out of Eight Dry or Critical Years

[We will include provisions here for a potential finding on SDF and what that means.]

Exhibit 5
Schedule for Making Outflow From Groundwater Substitution Available for the Lower American River

Actions to occur in up to three D or C years out of eight years, or one additional D year in the following three years if there are not three D or C years in the initial eight-year period

	Reclamation/State Actions Related to Tributary Actions		American River-Specific Actions				
February		Mid-February: Initial CVP Allocations	Early February (every year): Participants convene to determine readiness	Mid-February (every year): Reclamation and Participants convene the ORG for scenario and risk planning	End of February (every year): ORG makes recommendation on whether outflows will be provided in the current water year.		
March	March: Initial Release of B-120	Late March/Early April: CVP Allocation Updates	By March 15: Participants to provide a Replenishment Schedule to define quantities and timing of payback, including whether replenishment is expected to pass through Folsom Reservoir or occur in the Lower American River		March – April: Release of 30 TAF of outflow through Folsom or to the Lower American River through replenishment in 3 D or C years		
April	April: B-120 Update						
May				Reclamation to share with Participants actual volumes of outflows released from Folsom			
June							
July							
August						March – March (or ending sooner if replenishment is completed sooner): Master Flow Ledger (MFL) accounting based on reporting of groundwater replenishment	
September							
October							
November							
December							
January				First week of January: ORG to convene to “true up” replenished outflow to date.			
February				By February 1: Preparation and completion of an Annual Flow Accounting Report (AFAR)			

Agenda Items #8-10

Closed Session Material TBD

Agenda Item 11

CLAIM FOR DAMAGES FROM CECILIA PARTRIDGE

Staff Report for Cecilia Partridge Claim

To: RWA Board of Directors
From: Andrew Ramos, RWA Counsel
Re: Claim for Damages from Cecilia Partridge

Recommendation

- (1) Direct RWA staff and counsel to provide notice that the claim was not timely filed as required by Government Code section 911.3, subdivision (a); and,
- (2) Delegate to the Executive Committee action on any written application by the claimant for leave to present a late filed claim.

Background

RWA received the attached letter dated May 6, 2023. RWA legal counsel has reviewed the letter and determined that it should be treated as a claim for damages under the California Government Claims Act (Gov. Code, §§ 900, et seq.)

Claims against public entities for alleged damages like the ones described in the claimant's letter must be filed within six months of accrual. (Gov. Code, § 911.2, subd. (a).) When a late claim is filed, a public entity is obligated to provide notice to the claimant that the claim was not timely filed and that the claimant may apply for permission to file a late claim. (Gov. Code, §§ 911.3-911.4.) Once an application is filed, the public entity has 45 days to grant or deny the application.

In this case, RWA legal counsel has determined that the alleged damages described in the claimant's letter occurred, if at all, more than six months before May 6, 2023. Therefore, RWA is required to provide notice described above. Because an application for permission to file a late claim must be heard within 45 days, and RWA's Board of Directors meets bimonthly, RWA staff recommend delegating to the Executive Committee action on the application if one is filed.

Attachment

Letter from Cecilia Partridge dated May 6, 2023

May 6, 2023

Jim Peifer
RWA/SGA Executive Director
5620 Birdcage St., #180
Citrus Heights, CA 95610

Emailed and sent via UPSP

Dear Mr. Peifer

This is notification that I am seeking compensation as the result of one of your direct orders during the pandemic. I was singled out from all other employees during this time when I should have been the employee least likely to be expected to be given your mandatory order.

I am seeking compensation for the costs I incurred during the two years during the pandemic when I was the only employee who was forced to work 40 hours a week in the RWA/SGA office while all other employees worked remotely. During that time, I was never given the option to work remotely, it was a mandatory order to work in the office. At the time I was considered at risk due to my age. The cost of my commute with the extremely high gas prices at the time averaged \$21.30 per week for two years in addition to a 45 minute to hour commute each day when I could have remained working remotely and easily performed my duties. There was not a substantial reason for me to work in the office during that time. The expenses and commute time that I incurred were not incurred by any other employee.

All of the stated facts constitute elder abuse/discrimination as I should have been allowed to continue to work remotely. Your order was in direct violation of State and Federal Executive Orders and guidelines defying proper procedures during the pandemic.

I look forward to your response.

Sincerely,

[Redacted Signature]

Cecilia Partridge

[Redacted Address]

cc: Attorney Chris Sanders
Attorney Andrew Ramos

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.

FUNDING

Congressionally Directed Funding - Senators Dianne Feinstein and Alex Padilla requested up to \$10 million in funding for the Sacramento Regional Water Bank for planning and constructing needed infrastructure in requests submitted to the Senate Committee on Appropriations.

SGMA Grants - The California Department of Water Resources announced a recommendation to provide over \$3.5 million in grant funding for projects and activities that recharge the groundwater basin, monitor groundwater conditions, study water quality contamination, and improve water modeling. These project and activities aid in maintaining basin sustainability and supporting the Sacramento region's communities in the North American Subbasin. The amount includes funding for all components requested, including nearly all of the funding necessary for SGA to complete SGMA-required annual reporting for the next five years and five-year update to the Groundwater Sustainability Plan. You can see the complete list of projects funded on page 2 [here](#).

WATER BANK

Advisory Committee - The Program Advisory Committee met recently to discuss governance, CEQA and legal services needed for the project. The next meeting is scheduled for July 6th.

Sacramento Central Groundwater Authority – Mr. Joseph made a presentation on the Water Bank to the SCGA Board of Directors on May 31st.

OUTREACH

Coffee and Conversation – Jay Ziegler, Delta Watermaster and former policy director for the California Office of The Nature Conservancy, participated in the ongoing RWA program, Coffee Chat on Wednesday, June 7 at 10 a.m.

Sacramento Bee Editorial Board – RWA staff met with Robin Epley at the City of Roseville Well #8 to brief her on groundwater recharge and the status of the Water Bank development. Ms. Epley is an opinion writer for the Sacramento Bee.

WATER USE EFFICIENCY

Outreach - RWA's Water Efficiency Program is launching its 2023 Outreach and Advertising campaign—Summer Strong—focused on promoting water smart people, practices and plants that are tough enough to muscle through the Sacramento region's hot summers and also withstand drought. New tools and graphics are being added to the Be Water Smart Tool Kit to help members promote messaging. For access to the tool kit, contact Program Manager Amy Talbot at atalbot@rwah2o.org.

The 2022 RWA Water Efficiency Year in Review is available [here](#). The report details program results for grant-funded programs, regional rebates, outreach and advertising, including over \$125,000 in value earned by placing television and radio public service announcements with regional media outlets.

The RWA Water Efficiency Program partnered with a local theater arts organization to submit a \$300,000 grant proposal that would fund water conservation education in local schools. The grant is part of the Capital Region Creative Corps program, and results are expected to be announced in June.

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 Regional Water Authority Board of Directors 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.