

INTERGOVERNMENTAL GRANT ADMINISTRATION AGREEMENT

This Intergovernmental Grant Administration Agreement (hereinafter the "Agreement") is entered into on January 25, 2018 between El Dorado County (hereinafter "County") and the South Tahoe Public Utility District (hereinafter "STPUD") (each a "Party" and collectively the "Parties") at South Lake Tahoe, California, with reference to the following facts and intentions:

Section 1.

Recitals:

- A. The Department of Water Resources (hereinafter the "DWR") has provided grant funds under Grant Agreement No. 4600012061 (hereinafter "Grant Agreement") to STPUD in the amount of \$74,563 to manage and implement a portion of the 2016 Integrated Regional Water Management (hereinafter "IRWM") – Prop 1 Disadvantage Community Planning Project. Exhibit A (County Budget) and Exhibit B (County Scope of Work) are attached and incorporated into this Agreement and set out the total amount of this grant award and the tasks associated with the designated County Project: CSA #5 Erosion Control Project (hereinafter "Project").
- B. The Agreement requires that STPUD administer the funds and partner with the sub-recipient to administer and implement a portion of the Project described above.
- C. The County has the necessary capabilities and resources to implement the Project as required by the terms of the Agreement.
- D. The County and STPUD wish to document the terms and conditions of the duties associated with this Agreement.
- E. In reliance upon the recitals set forth above, and in consideration of the mutual promises herein exchanged, County and STPUD agree as set forth below.

Section 2.

STPUD Agrees:

- A. To administer the Agreement, attached hereto and incorporated by reference herein, as is fully set forth consistent with the terms of the Agreement.
- B. To process County's reimbursement requests in accordance with the grant requirements and the amounts set forth in Exhibit A described above. Eligible expenses are those expenses incurred after January 22, 2016 and must be submitted to STPUD on the designated invoice as provided.

- C. To oversee the progress of the Project in accordance with the grant requirements.
- D. To comply with all applicable Federal, State, and local laws in administering the grant funds, specifically including those set forth in the Agreement.
- E. To minimize the time elapsing between the transfer of funds and the disbursement of funds to STPUD.
- F. To furnish a Grant Contact, Lynn Nolan, or her successor, to carry out the duties for STPUD described above.
- G. To coordinate its project activities with the County and provide County copies of all documentation produced to satisfy the grant requirements.
- H. To send the necessary quarterly and final reports to:

Evon Willhoff
California Department of Water Resources
Division of Integrated Regional Water Management
901 P Street, Room 213A
PO Box 942836
Sacramento, CA 94236-0001
Tel: (916) 651-9221
e-mail: evon.willhoff@water.ca.gov

Section 3.

County Agrees:

- A. To cooperate with STPUD as reasonably required to carry out the purposes of this Agreement.
- B. To complete all applicable Federal and State Environmental Documentation (if required) and obtain and continue in effect for the duration of this Agreement all required governmental licenses and permits required for completion of the Project.
- C. To implement necessary work items for the Project as described in the Scope of Work in Exhibit B.
- D. To provide the deliverables associated with the Scope of Work as described in Exhibit B.
- E. To invoice STPUD for the above referenced services in accordance with the Agreement requirements and no more frequently than monthly.

- F. To comply with the provisions of Agreement No. 4600012061, as provided as Exhibit C attached to this agreement
- G. To furnish a Contract Administrator, John Kahling, P.E., Deputy Director Engineering, Community Development Services, Department of Transportation or his/her successor, who will be responsible for assuring that the duties described in the Scope of Work in Exhibit B

Section 4.

It is Mutually Agreed:

- A. STPUD and County intend to fulfill their obligations stated in this Agreement, but STPUD and County shall be required to fulfill this Agreement only if or to the extent that the grant funds are actually provided to STPUD by the State. In the event such grant funds are not provided, or cease to be provided, this Agreement shall automatically terminate.
- B. County may invoice STPUD for costs associated with the Scope of Services incurred after January 22, 2016 for reimbursable expenses. In no case shall County's compensation for services rendered under this Agreement exceed \$74,563.
- C. STPUD and County shall mutually hold harmless, indemnify and defend each other and their officers, agents and employees from every expense, liability, or payment by reason of injury (including death) to person or property suffered through any act or omission, including passive negligence or act of negligence, or both directly or indirectly arising from this Agreement. This provision shall not be deemed to require either party to indemnify the other against liability or damage arising from the sole negligence or willful misconduct of the other, its agents, officers or employees.
- D. This Agreement contains all of the agreements and warranties of the parties with respect to any matter covered or mentioned in this Agreement. No prior agreements, arrangements or understandings pertaining to such matters shall be effective for any purpose. No provision of this Agreement may be amended or added to except by an agreement in writing signed by each party or each party's successor in interest.
- E. Any provision of this Agreement which proves to be invalid, or illegal, shall in no way affect, impair or invalidate any other provisions of this Agreement, and such other provisions shall remain in full force and effect.
- F. Each party warrants to each other that he or she is fully authorized and competent to enter into this Agreement in the capacity indicated by his or her

signature and agrees to be bound by this Agreement as of the effective date of this Agreement.

- G. In the event of a dispute over the interpretation, implementation, or terms of this Agreement any such dispute shall be resolved by binding arbitration between the parties under the California Arbitration Act (Code of Civil Procedure Section 1280 *et seq*). Any such arbitration shall be conducted in South Lake Tahoe, California. If the parties cannot agree on an arbitrator, one will be selected by Judge Suzanne Kingsbury of the El Dorado County Courts, or her successor.
- H. This Agreement may be terminated by either party, with or without cause, on ninety (90) days written notice to the business address of the non-canceling parties. Should either party terminate the Agreement pursuant to this paragraph, County shall be entitled to reimbursement for eligible Project costs incurred prior to the effective date of termination.
- I. The performance period of this Agreement shall be from the latest date this Agreement is signed through April 30, 2021.
- J. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.
- K. To retain or caused to be retained for access by State for audit, examinations, excerpts, and transcripts all financial and programmatic records, supporting documents, statistical records, or other records which are required to be maintained under the terms of the Agreement for a period of three (3) years from the date of submittal of the final invoice.

Section 5.

Notice provision for STPUD/County:

All notices required to be given under this Agreement shall be sent first class mail, return receipt requested to the following:

For STPUD

Lynn Nolan
Grants Coordinator
South Tahoe Public Utility District
1275 Meadow Crest Drive
South Lake Tahoe, CA 96150

For County

County of El Dorado
Department of Transportation
2441 Headington Road
Placerville, CA 95667
Att: John Kahling

SOUTH TAHOE PUBLIC UTILITY DISTRICT

By: _____
Randy Vogelgesang, President of the Board
South Tahoe Public Utility District

Dated: _____

EL DORADO COUNTY

By: _____
Michael Renalli, Chair
Board of Supervisors
El Dorado County

Dated: _____

Attest:
James S. Mitrisin
Clerk of the Board of Supervisors

By: _____

Dated: _____

EXHIBIT A

DACI Project Budget							
Project Title: <u>Project #3 - El Dorado County DAC Planning</u>							
Activities		COMPUTATION			(a)	(b)	(c)
		\$/UNIT	UNIT	QUANTITY	Requested Grant Amount	Cost Share (if any):	Total Cost
(a)	Personnel						-
(b)	Planning/Design/Engineering						
	Sr. Civil Engineer	\$ 207.08	hour	142	\$29,405.64		\$29,405.64
	Asst. in Civil Engineering	\$ 150.92	hour	272	\$41,050.24		\$41,050.24
	Sr. Engineering Tech	\$ 139.66	hour	16	\$2,234.56		\$2,234.56
	Asst. in Land Sureying	\$ 153.13	hour	12	\$1,872.56		\$1,872.56
(c)	Contractual (Design engineering/non staff)						-
(d)	Indirect Costs		hour		-		-
(e)	Grand Total (Sum rows (a) through (d) for each column)				\$74,563.00	\$0.00	\$74,563.00

(b) includes benefits (shown as billing rate)

EXHIBIT B

El Dorado County—Stormwater/Flood Control Planning

El Dorado County engineering staff will do preliminary planning on the final phase of the CSA #5 Erosion Control Project, a stormwater/flood control project in Tahoma, CA.

Task 1: Assessment and Evaluation

- Hydrology and hydraulics analysis modeling and predicting water flow
- Project feasibility report to include design alternatives and a preferred project alternative

Deliverables: Hydrology and hydraulics report; feasibility report

Key Milestones: Maps identifying current conditions on the ground, including current drainage conditions, topography, hard surface coverage, utility locations, and soil infiltration capabilities; land ownership and possible land acquisition needs will be identified; existing challenges and project elements to take advantage of will be documented; a report including design alternatives and a preferred project alternative will be developed.

Justification: This is a project development activity. The CSA #5 Erosion Control Project is a multiple-benefit project that includes water quality and drainage improvements to mitigate localized flooding. As a part of a larger water quality project, El Dorado County will provide the assessment and evaluation necessary to upgrade water quality and drainage infrastructure within a designated Disadvantaged Community Tract. Inadequate drainage results in localized flooding of residential areas and increased sediment loading in urban runoff.

EXHIBIT C

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND
CALIFORNIA RURAL WATER ASSOCIATION
AGREEMENT NUMBER 4600012061
2016 PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) DISADVANTAGED
COMMUNITY INVOLVEMENT GRANT
CALIFORNIA WATER CODE § 79740 ET SEQ.**

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

1. PURPOSE. State shall provide funding from the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1) to Grantee to assist in financing project associated with the Lahontan Funding Area pursuant to Chapter 7 (commencing with §79740) of Division 26.7 of the California Water Code, hereinafter collectively referred to as "IRWM Program." A "project" is defined as a group of activities as set forth in Exhibit A (Work Plan).
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on April 30, 2021, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement.
3. GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed \$2,450,000.
4. GRANTEE'S RESPONSIBILITY. Grantee and its representatives shall:
 - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
 - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Water Quality, Supply and Infrastructure Improvement, Act of 2014 financing.
 - c) Comply with all applicable California laws and regulations.
 - d) Implement the projects in accordance with applicable provisions of the law.
 - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the projects.
5. BASIC CONDITIONS. State shall have no obligation to disburse money for projects under this Grant Agreement until Grantee has satisfied the following conditions (if applicable):
 - a) Grantee must demonstrate the groundwater compliance options set forth on pages 11 and 12 of the IRWM Program Guidelines, dated July 2016 are met.
 - b) Grantee submits deliverables as specified in Paragraph 15 of this Grant Agreement and in Exhibit A.
 - c) Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State for each project:
 - 1) Final plans and specifications certified by a California Registered Professional (Civil Engineer or Geologist, as appropriate) for the approved projects as listed in Exhibit A of this Grant Agreement.

2) Environmental Documentation:

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

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

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

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

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

l) Overhead not directly related to the project.

8. METHOD OF PAYMENT.

- a) **Reimbursement** – Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager via Grant Review and Tracking System (GRanTS). Additionally, the original invoice form with signature and date (in ink) of Grantee's Project Representative, as indicated in paragraph 21 of this Grant Agreement, must be sent to the DWR Project Manager for approval. Invoices submitted via GRanTS shall include the following information:
- 1) Costs incurred for work performed during the period identified in the particular invoice.
 - 2) 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 Activities (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii) Sufficient evidence (e.g., receipts, copies of checks, time sheets) as determined by the State must be provided for all costs included in the invoice.
 - iv) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency (ies). After the disbursement requirements in Paragraph 5 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via U.S. mail or Express mail delivery of a "wet signature" invoice for costs incurred, and timely Quarterly Progress Reports as required by Paragraph 15 "Submission of Reports." Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number.

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

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

- a) Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
- b) Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
- c) Failure to operate or maintain project(s) in accordance with this Grant Agreement (Paragraph 16).
- d) Failure to make any remittance required by this Grant Agreement.
- e) Failure to comply with Labor Compliance Program requirements (Paragraph 14).
- f) Failure to submit timely progress reports.
- g) Failure to routinely invoice State.
- h) Failure to meet any of the requirements set forth in Paragraph 11, "Continuing Eligibility."

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

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

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

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

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

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

performed during the reporting period including: Grantee's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this Agreement.

- b) Final Report: Upon completion of the projects included in Exhibit A, Grantee shall submit to State a Final Grant Completion Report. The Final Completion Report shall be submitted within ninety (90) calendar days of completion of the projects. The Final Grant Completion Report shall include a stakeholder summary; description of involvement activities and the projects developed from those activities; discussion of findings from the needs assessment, identification of ongoing barriers, and recommendations for future activities. Retention will not be disbursed until the Final Grant Completion Report is submitted to and approved by the State.
- c) Post-Performance Reports: Grantee shall submit Post-Performance Reports, if applicable. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of a construction and implementation project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 10 years after the completed project(s) begins operation.

16. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of each project, and shall ensure or cause each project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 10, "Default Provisions."

17. STATEWIDE MONITORING REQUIREMENTS. Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with §10780) of Division 6 of California Water Code) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G (Requirements for Statewide Monitoring and Data Submittal), for web links and information regarding other State monitoring and data reporting requirements.

18. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:

- a) Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change
- b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.
- c) Final inspection of the completed work on a project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), in accordance with Standard Condition D.19 in Exhibit D. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

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

- 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.

Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses set forth in Paragraph 21. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

20. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

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

Department of Water Resources
Arthur Hinojosa
Chief, Division of IRWM
P.O. Box 942836
Sacramento CA 94236-0001
Phone: (916) 653-4736
e-mail: arthur.hinojosa@water.ca.gov

California Rural Water Association
Dustin Hardwick
Director of Resource Development
1234 North Market Boulevard
Sacramento, CA 95834
Phone: (760)920-0842
e-mail: dhardwick@calruralwater.org

Direct all inquiries to the Project Manager:

Department of Water Resources
Evon Willhoff
Division of Integrated Regional Water
Management
P.O. Box 942836
Sacramento, CA 94236-0001
Phone: (916) 651-9286
e-mail: Evon.Willhoff@water.ca.gov

Inyo-Mono Integrated Regional Water
Management Program
Holly Alpert, Ph.D.
Project Manager
1234 North Market Boulevard
Sacramento, CA 95834
Phone: (760) 709-2212
e-mail: holly@inyo-monowater.org

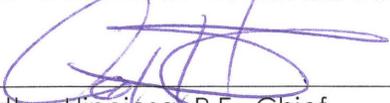
Either party may change its Project Representative or Project Manager upon written notice to the other party.

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

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

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

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES



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

Date 1/25/18

CALIFORNIA RURAL WATER ASSOCIATION



Dustin Hardwick
Director of Resource Development

Date 1-23-2018

Approved as to Legal Form and Sufficiency



Robin Brewer, Assistant Chief Counsel
Office of Chief Counsel

Date 1-24-18

EXHIBIT A WORK PLAN

This Work Plan describes the work to be performed (including deliverables) by The California Rural Water Association ("Grantee") on behalf of the Lahontan IRWM Funding Area for the Proposition 1 IRWM Disadvantaged Community (DAC) Involvement Grant Program.

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

The Lahontan Funding Area Disadvantaged Community (DACI) Involvement work plan includes 1 project that contains 8 activities, and addresses DAC water management concerns within the Funding Area. The objective of this work plan is to increase DAC involvement in Integrated Regional Water Management (IRWM) activities and opportunities. The six IRWM regions of the Lahontan Funding Area have completed needs assessments to various degrees. Not all regions will be expressly performing needs assessments through this project, but all regions will be able to complete the needs assessment table at the back of the "DACI Request for Proposals" by the end of this grant period. Past experience, of the five IRWM Regions participating in this grant, informed the selection of activities included in this work plan designed to build capacity in DAC water systems and provide resources that allow local agencies to prepare project planning documents for projects in DAC that can increase competitiveness for future funding opportunities.

Activity 1: Grant Administration

Task 1.1: Administration

Coordinate with IRWM regions within the Lahontan Funding Area to develop draft DACI grant proposal, respond to DWR comments, and submit final grant proposal. Manage grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Draft and Final DAC Involvement grant proposals
- Executed Grant Agreement
- Invoices and associated backup documentation

Task 1.2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this agreement. Prepare Draft Project Completion Report and submit to DWR for DWR Project Manager's comment and review no later than 90 days after project completion. Prepare Final Report addressing DWR's comments. The report shall be prepared and presented in accordance with the provision of Exhibit F.

Deliverables:

- Progress Reports
- Draft and Final Project Completion Report

Activity 2: Needs Assessment

Task 2.1: Inyo-Mono Needs Assessment

Develop individualized needs assessments, through a standardized template, for up to 10 DAC water systems. This work builds upon the nearly 40 needs assessments that have previously been completed. Information gathered through this task will be used to inform the Lahontan Funding Area Needs Assessment (Task 2.3).

Deliverables:

- Individual water system needs assessment reports
- Completed Needs Assessment template form

Task 2.2: Mojave Needs Assessment

Develop up to 8 water system needs assessments for DACs in the planning region. This work builds upon needs assessments that have previously been completed in the region. Information gathered through this task will be used to inform the Lahontan Funding Area Needs Assessment (Task 2.3).

Deliverables:

- Individual water system needs assessment reports
- Completed DWR Needs Assessment template form

Task 2.3: Lahontan Funding Area Needs Assessment

Conduct outreach and assess water management needs in the largest population centers in the Funding Area not currently covered by an IRWM region. This work will likely be focused on the Baker and Mountain Pass areas. Compile required information to produce a Funding Area-wide DAC needs assessment based on the DWR Needs Assessment template. The Lahontan Funding Area Needs Assessment will build off of existing regional needs assessment efforts together with those conducted as part of this grant agreement.

Deliverable:

- Lahontan Funding Area Needs Assessment

Activity 3: Education

Task 3.1: Inyo-Mono Water Conservation Education

Working with small water districts and DAC communities, develop water conservation education materials (and translate them, if necessary). Coordinate with schools in the community to teach water conservation and convene up to ten (10) public outreach meetings to promote water use efficiency practices.

Deliverables:

- Water education materials
- School workshop curricula
- Public meeting agendas

Activity 4: Community Outreach

Task 4.1: Ongoing DAC Outreach for Tahoe-Sierra IRWM (TSIRWM) Region

Develop outreach materials for DACs in the TSIRWM Region that describes IRWM and the purpose of IRWM partnerships, provides contact information and identifies water management project planning opportunities. This Task also includes the facilitation of up to four outreach meetings in targeted DACs, distribution of new outreach materials, and updates to the TSIRWM website.

Deliverables:

- TSIRWM outreach materials
- Outreach meeting agendas and meeting minutes
- Updated contact list for DAC representatives

Task 4.2: Inyo-Mono Region Community Outreach

Conduct outreach activities by visiting DACs at appropriate times (i.e., evening meetings or existing board meetings) to educate stakeholders about the IRWM process and increase participation in IRWM efforts. Up to 30 individual outreach visits may occur over the term of the grant. The outreach visits will focus on newly designated DACs and Economically Distressed Areas (EDAs), tribal DACs and DACs/EDAs that have not received outreach in over two years.

Deliverables:

- Outreach meeting agendas and meeting notes
- List of attendees at outreach meeting

Activity 5: Engagement in IRWM Efforts

Task 5.1: Engaging DACs in IRWM Activities in the Inyo-Mono Region

Convene regularly scheduled (approximately quarterly) Inyo-Mono IRWM Group meetings and Administrative Committee meetings in various parts of the Inyo-Mono Region to improve attendance and participation by DACs in the IRWM decision-making process. Travel reimbursement funds will be made available to DAC representatives. Communicate with DACs through a variety of methods such as website, emails, newsletters, phone calls, and surveys, etc., to maintain contact with DACs. Additionally, form a DAC Advisory Group and meet at least semi-annually during the grant period to discuss agreement progress and future plans.

Deliverables:

- IRWM Group and Administrative Committee meeting agendas and meeting notes
- Newsletters
- DAC Advisory Group meeting notes and list of attendees

Activity 6: Facilitation

Task 6.1: Lahontan Basins Region Facilitated Project Development Workshops

Conduct up to five project development workshops throughout the Lahontan Basins Region for DAC water users and small underserved agencies. The workshops will include discussion of the project application process and breakout sessions to address individual project proponents' applications. Some of the projects identified through this activity will be selected for further project development support through the Lahontan Basins' Project Development Activities (Activity 7, Task 7.1).

Deliverables:

- Project Development Workshop sign-in sheets
- Workshop presentations
- Summary of potential project applications

Task 6.2: Facilitated Lahontan Funding Area-wide Meetings

Coordinate a series of facilitated Lahontan Funding Area-wide workshops to share results, successes, and lessons learned from the DACI grant activities on a Funding Area-wide scale and to improve the work as the Funding Area proceeds through the grant. One area-wide meeting per year (approximately 3 meetings) will be held at different locations throughout the Lahontan Funding Area. Each meeting will include at least two representatives from each IRWM region, preferably including a

DAC representative from each region. One of the meetings will include specific work related to Tribal outreach and engagement in the IRWM process.

Deliverables:

- Workshop agendas, meeting materials and notes
- Workshop sign-in sheets

Activity 7: Technical Assistance

Task 7.1: Lahontan Basins Technical Assistance

Conduct up to five (5) income survey(s), data acquisition and analysis, and mapping efforts for regional water delivery systems. Data and mapping services will be combined with targeted Median Household Income surveys to establish eligibility for DAC status in rural areas in the region.

Deliverables:

- Income survey(s) for block groups with potential DAC status
- Data and maps depicting income survey results
- Summary of data and maps produced for regional water delivery systems

Task 7.2: Technical Assistance in the Inyo-Mono Region

Subtask 7.2.1 - Identify specific technical assistance needs for selected DAC water system in the Inyo-Mono IRWM region. When possible, work will be conducted in the non-IRWM region as well. Technical assistance may include one or more of the following services: Circuit rider assistance with water and wastewater system operations and infrastructure assessment; a menu of services for water systems based on the Mojave Water Agency's Small Water Systems Assistance Program; and up to 15 group trainings on various topics, such as rate structures, budgets, water quality sampling, etc.

Subtask 7.2.2 – Convene up to three workshops to present technical information regarding the hydrology and geology in the Owens Valley. The presentations will cover the current state of knowledge regarding the water balance in the Owens Valley and will be designed to make the scientific information on these topics more accessible for DACs and Native American Indian Tribes in the valley.

Subtask 7.2.3 – Conduct up to ten (10) community workshops to assist water suppliers and communities to better understand the Sustainable Groundwater Management Act (SGMA) and prepare for its implementation. Including outreach to affected DACs in the Indian Wells Valley basin, such as Inyokern and Searles Valley, and in the northern part of the Owens Valley in the Tri-Valley area DAC communities of Benton and Chalfant to assist in navigating the SGMA planning process.

Subtask 7.2.4 – Produce a GIS-based project database focused on DAC projects in the Inyo-Mono region to visualize data about conceptual, planned, and completed projects; including the development of a new online project upload form that will feed directly into the database and the online mapping system.

Subtask 7.2.5 – Interview approximately 20 to 25 water operators, board members, and others associated with water systems and compile information from the interviews into a database to retain institutional knowledge and ongoing accessibility.

Deliverables:

- Logs of technical assistance provided
- Training schedules and sign-in sheets
- Meeting announcements, notes and sign-in logs from Owens Valley and SGMA workshops

- Summary of GIS-based project database and website screenshots
- Summary of interviews conducted for database

Task 7.3: Mojave IRWM Technical Assistance

Implement technical assistance as a continuation of the existing Small Water Systems Assistance Program which includes activities such as, rate studies, energy analysis, engineering support, leak detection, master plans and generalized technical assistance. The region will also offer technical assistance, if needed to the communities in the non-IRWM portion of the Lahontan Funding Area.

Deliverables:

- Summary of technical assistance provided, including the communities served, the type of assistance provided and any relevant documents produced
- Copies of water rate studies and associated analyses, if applicable
- Energy analysis reports, if applicable
- Completed master plans, if applicable

Activity 8: Project Development Activities

Task 8.1: Lahontan Basins IRWM Region Project Development Activities

Provide project development support for selected projects. The recipients of the DAC project development funding will be determined using a scoring matrix to rank the DAC projects submitted for the 2015 Proposition 84 grant together with projects identified during the facilitated workshops described under Task 6.1. The highest-ranking projects lacking technical components will be selected for project development, which will include, as needed, the development of environmental, engineering and/or design documents.

Deliverables:

- Summary and results of project ranking process
- Technical environmental, engineering, and/or design documents for potential DAC projects

Task 8.2: Tahoe-Sierra Project Development Activity

The Tahoe-Sierra Regional Water Management Group will coordinate with DACs in the Tahoe-Sierra IRWM Region to identify one or more projects to be developed using the DACI grant funding. First, the RWMG will work with identified potential project sponsors to select and finalize projects. Project sponsors and/or consultants will be required to develop a detailed scope of work, budget, and schedule for the proposed project development activities. Proposed projects will be submitted to DWR for approval prior to beginning project development activities. The identified project(s) will be added to the agreement via a grant agreement amendment.

After DWR approves the activities and associated scopes of work, budgets, and schedules, the RWMG will coordinate with project proponents to implement the agreed upon projects. The local project sponsor(s) will either complete the project in-house or retain a consultant to do so. The deliverables identified in the projects' scopes of work will be submitted to DWR after the project development activities have been completed.

Task 8.2 Deliverables

- Draft scopes of work, budgets, and schedules, including deliverables, for project development activities in the Tahoe-Sierra IRWM Region to be undertaken using DACI grant funding for DWR approval

- Final scopes of work, budgets, and schedules, including deliverables, for project development activities in the Tahoe-Sierra IRWM Region to be undertaken using DACI grant funding for DWR approval
- Deliverables identified in the final scopes of work

Task 8.3: City of South Lake Tahoe – Stormwater/Flood Control Planning

Develop two preliminary reports to support the completion of the Sierra Boulevard Project, a multi-benefit project that includes water quality and drainage improvements to mitigate localized flooding of a designated Severely Disadvantage Community Tract. Develop the Existing Drainage Conditions Report, to ensure local flooding and water quality issues are evaluated. This report will develop maps, and will identify opportunities, constraints, and potential land ownership and acquisition requirements. Additionally, prepare a Drainage Condition Assessment Report to identify the preferred project alternative for the upgrades to water quality and drainage infrastructure that will mitigate localized flooding and reduce sediment loading in urban runoff.

Deliverables:

- Final Existing Drainage and Condition Report
- Final Feasibility Report

Task 8.4: El Dorado County– Stormwater/Flood Control Planning

Conduct hydraulic modeling and produce a feasibility report for design alternatives for a flood control project in a residential DAC tract in Tahoma to reduce localized flooding and sediment loading. The feasibility report will include the selection of the preferred alternative.

Deliverables:

- Hydrology and Hydraulics Report
- Final Feasibility Report

Task 8.5: Project Development in the Inyo-Mono Region

Manage consultant contracts to provide project development services for a small number of DAC water and wastewater projects. The projects will be selected through an outreach and prioritization process undertaken by the Inyo-Mono Regional Water Management Group, and may include projects previously identified in the Inyo-Mono IRWM Plan. New and/or additional projects will be solicited by the RWMG through identified successful channels of stakeholder communication (meetings, emails, website) and will be submitted to the Program using an online form. The RWMG will then evaluate and rank projects to receive project development assistance through a set of criteria the Group will collaboratively develop specifically for this grant. Depending upon the project, activities may include project planning and the preparation of design, specifications and environmental documents.

Deliverables:

- Project development documents for selected projects (e.g., plans, designs, specifications, environmental documents, etc.)

Task 8.6: Mojave Public Utilities District (PUD) Nitrate Blending Project

Provide planning services for a well water blending project for Well 30 that is currently out of service due to high nitrate levels. The project will involve creating a SCADA-controlled system and the infrastructure needed to blend water from other wells (with low nitrate levels) with water originating from Well 30 to reduce nitrate levels and provide a more reliable municipal water supply. Activities in this task will likely include: CEQA, topographic surveying, geotechnical investigation and report,

engineering plans and specifications, and permitting.

Deliverables:

- Environmental documentation
- Geotechnical investigation and report
- Final plans and specifications
- Permits

Task 8.7: California City Water Mains Replacement Project

Complete environmental documents and engineering necessary for the replacement of approximately 29 miles of existing water mains and the installation of approximately 29 miles of new water lines in the city. The upgraded and new water mains will assist California City to improving system reliability by updating the aging infrastructure and by reducing water loss.

Deliverables:

- Environmental documentation
- Final plans and specifications

**EXHIBIT B
BUDGET**

Activity	Grant Amount	Total
Activity 1: Grant Administration	\$171,074	\$171,074
Activity 2: Needs Assessment	\$20,700	\$20,700
Activity 3: Education	\$18,790	\$18,790
Activity 4: Community Outreach	\$99,055	\$99,055
Activity 5: Engagement in IRWM Efforts	\$54,030	\$54,030
Activity 6: Facilitation	\$123,208	\$123,208
Activity 7: Technical Assistance	\$1,100,562	\$1,100,562
Activity 8: Project Development Activities	\$862,581	\$862,581
Total	\$2,450,000	\$2,450,000

**EXHIBIT C
 SCHEDULE**

Schedule		Mar-16 to Jan-18	Mar-18	Jul-18	Oct-18	Jan-19	Mar-19	Jul-19	Oct-19	Jan-20	Mar-20	Jul-20	Oct-20	Jan-21
1	Grant Administration													
	Executed Agreement	*												
	Quarterly Reports		*	*	*	*	*	*	*	*	*	*	*	
	Final Report													*
2	Needs Assessment										*			
3	Education													
4	Community Outreach													
5	Engagement in IRWM Efforts													
6	Facilitation													
7	Technical Assistance													
8	Project Development Activities													
<p>Asterisk connotes a single event within a month (it could be 'executed' or submitted at any time within that month)</p>														

EXHIBIT D
STANDARD CONDITIONS

D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

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

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

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

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

- D.5) AMERICANS WITH DISABILITIES ACT:** By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.
- D.6) APPROVAL:** This Agreement is of no force or effect until signed by all parties to the agreement. Grantee may not submit invoices or receive payment until all required signatures have been obtained.
- D.7) AUDITS:** State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of Projects, with the costs of such audit borne by State. After completion of the Projects, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 10 or take any other action it deems necessary to protect its interests.

Pursuant to Government Code §8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three years after final payment under this Grant Agreement with respect to all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after project completion or final billing, whichever comes later.

- D.8) BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for the Proposition 1 Implementation Grant Program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.
- D.9) CALIFORNIA CONSERVATION CORPS:** As required in Water Code §79038(b), Grantee shall examine the feasibility of using the California Conservation Corps or community conservation corps to accomplish the habitat restoration, enhancement and protection activities listed in the Exhibit A, Work Plan, and shall use the services of one of these organizations whenever feasible.
- D.10) CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 et seq.). Information on CEQA may be found at the following links:

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

California State Clearinghouse Handbook:
https://www.opr.ca.gov/docs/SCH_Handbook_2012.pdf

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

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

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

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

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

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

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

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

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

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

D.28) NONDISCRIMINATION: During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code §12990 (a-f) *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, §7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.

D.29) NO DISCRIMINATION AGAINST DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies by signing this Grant Agreement, under penalty of perjury under the laws of State of California that Grantee is in compliance with Public Contract Code §10295.3.

D.30) OPINIONS AND DETERMINATIONS: Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

D.31) PERFORMANCE AND ASSURANCES: Grantee agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in Exhibit A (Work Plan) and to apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law.

D.32) PRIORITY HIRING CONSIDERATIONS: If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code §11200 in accordance with Public Contract Code §10353.

D.33) PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Projects, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant Agreement, without prior written permission of

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

- D.34) REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.35) RETENTION:** Notwithstanding any other provision of this Grant Agreement, State may, for each project, withhold five percent (5.0%) of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 15, "Submissions of Reports", except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Final Report" is submitted to and approved by State. State shall disburse retained funds to the Grantee.
- D.36) RIGHTS IN DATA:** Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act., Government Code §6250 *et seq.* Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.37) SEVERABILITY:** Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.38) STATE REVIEWS:** The parties agree that review or approval of project applications, documents, permits, plans, and specifications or other project information by the State is for administrative purposes only and does not relieve the Grantee of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the projects.
- D.39) SUSPENSION OF PAYMENTS:** This Grant Agreement may be subject to suspension of payments or termination, or both, and Grantee may be subject to debarment if the State determines that:
- a) Grantee, its contractors, or subcontractors have made a false certification, or
 - b) Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.40) SUCCESSORS AND ASSIGNS:** This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.41) TERMINATION BY GRANTEE:** Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing

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

- D.42) TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 9, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 10.
- D.43) TERMINATION WITHOUT CAUSE:** The State may terminate this Grant Agreement without cause on 30 calendar days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.44) THIRD PARTY BENEFICIARIES:** The parties to this Grant Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.45) TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.46) TRAVEL:** Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Agreement. Travel and per diem expenses to be reimbursed under this Agreement shall be at the same rates the State provides for unrepresented employees in accordance with the provisions of Title 2, Chapter 3, of the California Code of Regulations and shall be reimbursed consistent with the rates current at the time of travel. These rates are published at: <http://www.calhr.ca.gov/employees/Pages/travel-meals.aspx>, or its successor website. For the purpose of computing such expenses, Grantee's designated headquarters shall be: 1234 North Market Boulevard Sacramento, CA 95834. No travel outside the Lahontan or Sacramento River Funding Areas shall be reimbursed unless prior written authorization is obtained from the State's Project Manager.
- D.47) VENUE:** The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.48) WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.
- D.49) WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of §3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Grant Agreement and will make its contractors and subcontractors aware of this provision.

**EXHIBIT E
AUTHORIZING RESOLUTION**

**RESOLUTION NO. 007
RESOLUTION OF THE BOARD OF DIRECTORS OF CALIFORNIA
RURAL WATER ASSOCIATION ACCEPTING CALIFORNIA
DEPARTMENT OF WATER RESOURCES LAHONTAN FUNDING AREA
DISADVANTAGED COMMUNITIES INVOLVEMENT GRANT FUNDS**

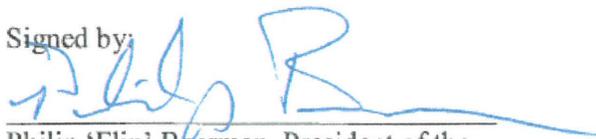
WHEREAS, the California Rural Water Association submitted a proposal to the Department of Water Resources for funding for needs assessments and technical assistance to increase involvement, build capacity towards achieving self-sufficiency, provide resources to DACs in the California Rural Water Association service area,

WHEREAS, California Rural Water Association has been notified that its proposal for a grant under the State of California Proposition 1 Water Quality, Supply, and Infrastructure Improvement Act of 2014 Grant Program has been selected for funding, and

NOW, THEREFORE, be it resolved, that the California Rural Water Association Board of Directors accepts the Grant funds and designates Dustin Hardwick to execute an agreement with the Department of Water Resources on behalf of the Association and designates Dustin Hardwick, as the Association's representative to sign reimbursement claims and approve progress reports.

PASSED AND ADOPTED at regular meeting of the Board of Directors of the California Rural Water Association, on June 16, 2017.

Signed by:



Philip 'Flip' Boerman, President of the
Board of Directors of the
California Rural Water Association

EXHIBIT F
REPORT FORMATS AND REQUIREMENTS

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

PROGRESS REPORTS

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

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

FINAL REPORT

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

Executive Summary

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

Stakeholder Summary

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

Involvement Activity Summary

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

Findings

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

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

Looking into the Future

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

EXHIBIT G
REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL

Surface and Groundwater Quality Data

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

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

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: http://www.waterboards.ca.gov/gama/geotracker_gama.shtml. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program.

Groundwater Level Data

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

EXHIBIT H
STATE AUDIT DOCUMENT REQUIREMENTS GUIDELINES FOR GRANTEES

State Audit Document Requirements

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

Internal Controls:

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

State Funding:

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

Contracts:

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

Invoices:

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

Cash Documents:

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

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

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

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

Project Files:

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