

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

979



SUBMITTAL DATE:
June 13, 2016

FROM: Riverside University Health System - Public Health/Community Action Partnership

SUBJECT: Approve and execute the Greenhouse Gas Reduction Fund Implementation Grant Funding Contract #16-089 with Santa Ana Watershed Project Authority (SAWPA) for the performance period of date of execution – September 30, 2017. District: All [\$85,000] 100% funded by Santa Ana Watershed Project Authority.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the Greenhouse Gas Reduction Fund Implementation Grant Funding Contract #16-089 with Santa Ana Watershed Project Authority for the term of date of execution through September 30, 2017 in the amount of \$85,000;
2. Authorize the Director of Public Health or designee to sign subsequent amendments and extensions to the agreement that do not increase the approved amount, as approved by County Counsel;
3. Authorize the Executive Director of Community Action Partnership to administer the program and sign all assurances, exhibits and reports made under the SAWPA contract; and
4. Approve and direct the Auditor Controller to make budget adjustment as specified on Schedule A.

BACKGROUND:

Summary

See page 2

BSF:lv

Sarah L Mack

Sarah Mack, Director
RUHS-Public Health

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 85,000	\$	\$ 85,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: 100% Santa Ana Watershed Project Authority
Budget Adjustment: YES
For Fiscal Year: 16/17 - 17/18

C.E.O. RECOMMENDATION:

APPROVE

BY: *Donna Shaw*

Donna Shaw

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: June 21, 2016
xc: RUHS-Public Health, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*

Deputy

Prev. Agn. Ref.:

District: All

Agenda Number:

3-80

FORM APPROVED COUNTY COUNSEL
 BY: *GREGORY P. PRIAMOS*
 DATE: 6/14/16
 Departmental Concurrence
 FISCAL PROCEDURES APPROVED
 BY: *PAUL ANGULO, CPA, AUDITOR-CONTROLLER*
 Esteban Hernandez
 A-30 Positions Added
 4/5 Vote Change Order

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Approve and execute the Greenhouse Gas Reduction Fund Implementation Grant Funding Contract #16-089 with Santa Ana Watershed Project Authority (SAWPA) for the performance period of date of execution – September 30, 2017. District: All [\$85,000] 100% funded by Santa Ana Watershed Project Authority.

DATE: June 13, 2016

PAGE: 2 of 3

BACKGROUND:

Summary (continued)

The Greenhouse Gas Reduction Fund Implementation Grant Funding Contract in the amount of \$85,000 brings Santa Ana Watershed Project Authority (SAWPA) funding to the County of Riverside. Currently, this contract is under the California Department of Water Resources (DWR). Community Action will use the Greenhouse Gas Reduction Fund Implementation Grant Funding to install 100 (at least) 1.6 gallons per flush (GPF) toilets with WaterSense certified 0.8 GPF toilets with a MAP score of (at least) 600. The program will be servicing the residences that are within the Santa Ana River Watershed and within a 76% or higher scoring CalEnviroScreen 2.0 certified census tract.

Impact on Citizens and Businesses

The Greenhouse Gas Reduction Fund Implementation Grant will allow Community Action to install no-cost water saving toilets to homes of eligible residents within Riverside County and refer them to the Water-Energy Community Action Network for the turf removal component of the project. The fund in the amount of \$85,000 will serve 100 homes.

SUPPLEMENTAL:

Additional Fiscal Information

No County General Funds will be required.

ATTACHMENTS:

Budget Adjustment

Budget Adjustment is required as specified on Schedule A attached.

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approve and execute the Greenhouse Gas Reduction Fund Implementation Grant Funding Contract #16-089 with Santa Ana Watershed Project Authority (SAWPA) for the performance period of date of execution – September 30, 2017. District: All [\$85,000] 100% funded by Santa Ana Watershed Project Authority.

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PAGE: 3 of 3

SCHEDULE A

**Community Action Partnership of Riverside County
Budget Adjustment
Fiscal Year 2016/2017**

INCREASE IN ESTIMATED REVENUE:

CAARC-21050-5200200000-781480	Program Revenue	\$85,000
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INCREASE IN APPROPRIATIONS:

CAARC-21050-5200200000-523700	Office Supplies	\$10,000
CAARC-21050-5200200000-523760	Postage-Mailing	\$ 7,500
CAARC-21050-5200200000-523780	Printing Forms	\$22,500
CAARC-21050-5200200000-536240	Other Contract Agencies	<u>\$45,000</u>

TOTAL		\$85,000
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**GREENHOUSE GAS REDUCTION FUND
IMPLEMENTATION GRANT FUNDING CONTRACT
BETWEEN THE
SANTA ANA WATERSHED PROJECT AUTHORITY**

AND

COMMUNITY ACTION PARTNERSHIP OF RIVERSIDE COUNTY

Greenhouse Gas Reduction Fund Implementation Grant Funding Contract ("Contract") is made between Santa Ana Watershed Project Authority ("SAWPA") and Community Action Partnership of Riverside County (the "Sub-Grantee"). SAWPA and the Sub-Grantee may be individually referred to as "Party", and collectively referred to as the "Parties".

WHEREAS, on XXXX, the California Department of Water Resources ("DWR") and SAWPA entered into a Water-Energy Grant Program Grant Agreement ("Grant Agreement") providing that SAWPA would serve as the program manager for the \$2,339,823 in Greenhouse Gas Reduction Funds to be disbursed to Sub-Grantees and other beneficiaries, consistent with DWR requirements; and

WHEREAS, consistent with the Grant Agreement between DWR and SAWPA, SAWPA intends to disburse to the Sub-Grantee a portion of the \$2,339,823 in grant funds for its component of the Water-Energy Community Action Network through this Contract with the Sub-Grantee; and

THEREFORE, based on the foregoing incorporated recitals and in consideration of the mutual covenants and conditions set forth in this Contract, the Parties hereby agree to the following:

SECTION 1. PROJECT DESCRIPTION

The Water-Energy Community Action Network will remove and replace approximately 260,000 square feet of turf with drought tolerant landscaping and install water-energy savings devices in residences throughout the Santa Ana River Watershed. Outreach and marketing of the Water-Energy Community Action Network will be conducted in order to register interested residents on a first come, first serve basis for installation of water-energy-saving devices

The Sub-Grantee's project ("Project") will expand their retrofit and energy-water saving program across the Santa Ana River Watershed's portion of Riverside County by completing the following actions:

Replace 100 (at least) 1.6 gallons per flush (GPF) toilets with WaterSense certified 0.8 GPF toilets with a MAP score of (at least) 600.

These actions by the Sub-Grantee will be implemented in residences that are within the Santa Ana River Watershed and within a 76% or higher scoring CalEnviroScreen 2.0 certified census tract. All old devices will be removed from the residences. The Sub-Grantee also will refer qualifying residents to the Water-Energy Community Action Network for the turf removal component of the project through their normal lines of implementing their conservation and retrofit programs. As feasible, the Sub-Grantee shall allow SAWPA to inspect the replaced toilets in close coordination with the Sub-Grantee.

SECTION 2. CONTRACT DOCUMENTS; ORDER OF PRECEDENCE; SUB-GRANTEE GENERAL COMMITMENT

This Contract incorporates and includes as part of its terms and conditions the Grant Agreement between DWR and SAWPA, Agreement No. 4600011089, attached hereto as **Attachment "A"**.

JUN 21 2016 3-80

2016-7-132451

In the event of any inconsistency between this Contract and the Grant Agreement, except as otherwise specifically provided, the inconsistency shall be resolved by giving precedence to the Grant Agreement.

The Sub-Grantee shall comply with all terms, provisions, conditions, and commitments of this Contract and the Grant Agreement. Such compliance shall include providing SAWPA with all deliverables, budget detail, reports, Labor Compliance Program requirements and all other documents required by the Grant Agreement.

On behalf of and for the benefit of SAWPA, Sub-Grantee shall comply with all of the obligations and requirements of the Grant Agreement as if the Sub-Grantee were the "Grantee" under the terms of the Grant Agreement. Such compliance shall be to the fullest extent necessary and as may be required by SAWPA in order to enable SAWPA to comply with the Grant Agreement as the "Grantee."

SECTION 3. ESTIMATED ELIGIBLE PROJECT COSTS; GRANT AMOUNT

The estimated and eligible reasonable cost for the Sub-Grantee portion of the Project at the time of SAWPA's and DWR's approval of the Grant Agreement is **Eighty-Five Thousand** dollars (\$85,000) for the Project.

Eligible project costs include the reasonable costs of purchasing the six new devices, installing the six new devices and removing old devices measures in eligible residences.

Subject to all of the terms, provisions, and conditions of this Contract, and subject to the availability of the grant funds, SAWPA shall disburse such grant funds in an amount not to exceed the Sub-Grantee's estimated reasonable costs. Such disbursements shall be made in monthly increments approximately 120 days after SAWPA has submitted proper invoices to the DWR for reporting periods where the Sub-Grantee has provided an invoice to SAWPA. However, SAWPA's actual grant disbursements to the Sub-Grantee under this Contract shall not exceed payments received from the DWR. SAWPA shall withhold ten percent (10.0%), of the funds requested by the Sub-Grantee for reimbursement of eligible reasonable costs until the Grant Agreement's deliverables have been executed.

If the Sub-Grantee fails or refuses to proceed with or complete the project within the deliverable dates, SAWPA shall consider such failure or refusal to be a material violation and breach of this Contract. SAWPA shall have all rights and remedies as are otherwise available to it for breach of this Contract by the Sub-Grantee.

If actual Project costs exceed the Project's estimated reasonable cost, SAWPA shall have no obligation to provide grant funds for such exceedence.

Costs not eligible for reimbursement include, but are not limited to:

- Travel and per diem costs.
- Overhead not directly related to Project costs.
- All other ineligible costs listed in Paragraph 9 of **Grant Agreement**.

Work performed after July 1, 2014 and before September 30, 2017, is eligible for reimbursement.

SECTION 4. SCOPE OF WORK AND COMPLETION OF PROJECT

The Scope of Work shall be as provided for Sub-Grantee's component project described in the **Grant Agreement**. The Parties understand that time is of the essence, and agree to expeditiously proceed with and complete the Project.

SECTION 5. DISBURSEMENT

Grant funds will be disbursed in accordance with the disbursement provisions of the **Grant Agreement**.

SECTION 6. FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS

The Sub-Grantee agrees that, at a minimum, its fiscal control and accounting procedures shall be sufficient to permit tracking 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 Contract. The Sub-Grantee shall maintain separate Project accounts in accordance with generally accepted government accounting standards and the conditions outlined in **Exhibit D of the Grant Agreement**.

SECTION 7. TERM

This Contract shall not be effective until it has been executed by SAWPA. The Term of this Contract shall be the same as the Term of the **Grant Agreement**, unless sooner terminated pursuant to the provisions of this Contract or the Grant Agreement. Notwithstanding the foregoing, the obligations of this Contract and the Grant Agreement shall continue through the life of the Project.

SECTION 8. COVENANT TO OPERATE AND MAINTAIN PROGRAM

For (at least) one year following the date of individual installation and replacement in residences by the Sub-Grantee or its contractors, the Sub-Grantee shall operate and maintain the Project. Any cost related to the measure installed, the quality and performance of the item, as well as operation, is covered under the one (1) year warranty of the manufacturer. The Sub-Grantee shall for the useful life of the Project ensure or cause to be performed the commencement and continued operation of the Project that remains in Grantee's direct control and shall ensure or cause the Project that remains in Grantee's direct control 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 for the Project that remains in Grantee's direct control; and for the Project that remains in Grantee's direct control 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. SAWPA shall not be liable for any cost of such maintenance, management, or operation. The Sub-Grantee or their successors may, with the written approval of SAWPA, transfer this responsibility to use, manage, and maintain the Sub-Grantee's Project. For purposes of the Grant Agreement, "useful life" means a period of ten (10) years; "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.

Sub-Grantee shall prepare and maintain the Project Monitoring Plan ("PMP") required by the Grant Agreement. DWR and SAWPA shall approve the PMP before the Sub-Grantee becomes eligible for grant reimbursement and implements any sampling or monitoring activities.

SECTION 8. ASSIGNMENT

Neither this Contract, nor any duties or obligations under this Contract, nor any of the Project facilities referenced in this Contract shall be assigned by any Party without the prior written consent of the other Party.

Should an assignment or transfer occur, whenever SAWPA or the Sub-Grantee are named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in SAWPA and the Sub-Grantee, and all Contract and covenants required hereby to be performed by or on behalf of SAWPA and/or the Sub-Grantee shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 9. COMPLIANCE WITH LAWS AND REGULATIONS

The Sub-Grantee agrees that it shall, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, regulations, guidelines and the Standard Conditions provided in the **Grant Agreement's Exhibit D**.

SECTION 10. ACKNOWLEDGEMENT OF CREDIT

Sub-Grantee shall include appropriate acknowledgement of credit to the State, SAWPA and to all cost-sharing partners for their support when promoting the Project or using any data and/or information developed under this Contract.

On the website for the period of the Grant Agreement, the Sub-Grantee shall state that the Project is financed in part by the State and any cost-sharing partners. The Sub-Grantee shall inform SAWPA of this addition to the website.

SECTION 11. PROJECT ACTIVITIES AND NOTIFICATION

The Sub-Grantee shall immediately notify SAWPA in writing of:

- (1) Any substantial change in the scope, budget, or work performed of the Project. The Sub-Grantee agrees that no substantial change in the scope of the Project may be undertaken until written notice of the proposed change has been provided to SAWPA, and SAWPA has given written approval for such a change;
- (2) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation. Sub-Grantee must notify SAWPA at least 20 calendar days prior to the event.
- (3) Unscheduled cessation of all major work on the Project where such cessation of work is expected to or does continue for a period of 30 calendar days or more;
- (4) Any circumstance, combination of circumstances, or condition which is expected to delay project completion for a period of 15 calendar days or more beyond the deliverable dates;
- (5) Completion of the Sub-Grantee's portion of the Project and provide SAWPA and DWR the opportunity to participate in the inspection. Sub-Grantee must notify SAWPA at least 20 calendar days prior to final inspection.

SAWPA shall notify the Sub-Grantee of any public or media event publicizing the accomplishments of the Project.

SECTION 12. PAYMENT OF PROJECT COSTS

The Sub-Grantee shall provide for and make payment for all Project costs. All costs and payments for the Project shall be paid by the Sub-Grantee promptly and in compliance with all applicable laws. All grant disbursements will be reimbursements.

SECTION 13. WITHHOLDING OF GRANT DISBURSEMENTS

SAWPA may withhold all or any portion of the grant funds provided for by this Contract in the event that:

- (1) The Sub-Grantee has violated, or threatens to violate, any term, provision, condition, or commitment of this Contract;
- (2) The Sub-Grantee fails to maintain reasonable progress toward completion of the Project; or
- (3) DWR directs SAWPA to withhold any such grant funds.

SECTION 14. MONTHLY INVOICING

Invoices shall be completed on a State-provided invoice form and shall meet the following format requirements:

- (1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
- (2) Invoices must be itemized by toilet at a cost of \$850 per toilet. The amount claimed for reimbursement for installation shall include the residential address and the type/amount of device(s) installed at the residence.
- (3) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's grant amount

SECTION 15. MONTHLY PROGRESS REPORTS

Monthly Progress Reports shall be completed using the templates provided as shown in **Attachment B**. Monthly Progress Reports shall provide:

- (A) A brief description of the work performed, activities, milestones achieved,
- (B) Documentation of the devices installed by residence including the physical address of the residence, photos of the manufacturing details of the replaced toilet (showing the specified GPF), and receipts of purchase of the installed toilets;
- (C) Copies of the closeout documentation certified by the resident stating they received the installation of the device(s), which include the physical address of the residence receiving the benefit;
- (D) Deemed water savings per toilet;

- (E) Any accomplishments as well as any problems encountered in the performance of the work.
- (F) Training material used to educate field technicians on proper installation of the toilets.

The first monthly report shall cover the period between July 1, 2014, and March 31, 2016, and be submitted no later than ~~April 15, 2016~~ ^{August 15, 2016} to SA WPA, with future reports due on successive month increments. Future monthly reports shall be due fifteen (15) calendar days after the preceding month. Monthly Progress Reports are required until the final Monthly Progress Report is due on October 15, 2017.

SECTION 16. RECORDS AND REPORTS

(A) Without limitation on the requirement that Project accounts be maintained in accordance with generally accepted government accounting standards, the Sub-Grantee shall comply with the records and reporting requirements imposed by the Grant Agreement, and shall also:

- (1) Establish an official Project file that documents all significant actions relative to the Project;
- (2) Establish separate accounts that adequately and accurately itemizes and describes all amounts received and expended on the Project, including all grant funds received under this Contract;
- (3) Establish separate accounts that adequately and accurately itemizes and describes all income received which is attributable to the Project, specifically including any income attributable to grant funds disbursed under this Contract;
- (4) Establish an accounting system that adequately and accurately itemizes and describes final total costs of the Project, including both direct and indirect costs; and
- (5) Establish such accounts and maintain such records as may be necessary for the State, DWR and SAWPA to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations.

(B) The Sub-Grantee shall require all Project contractors and subcontractors to maintain books, records, and other material relative to the Project in accordance with generally accepted accounting standards, and to require that such contractors and subcontractors retain such books, records, and other material until June 30, 2021. The Sub-Grantee shall require that such books, records, and other material shall be subject, at all reasonable times, to inspection, copying, and audit by SAWPA, DWR or its authorized representatives.

(C) The Sub-Grantee shall maintain its books, records and other material concerning the Project in accordance with generally accepted government accounting standards and as required by the Grant Agreement.

(D) All documents required or requested to be provided to SAWPA shall be submitted electronically in the native format (e.g. Microsoft Word, Microsoft Excel, etc.). All documents shall be public domain or the property of SAWPA once submitted.

(E) The Sub-Grantee agrees to expeditiously provide, during work on the Project and until June 30, 2021, such reports, data, information and certifications as may be reasonably required by SAWPA or DWR. Such documents and information shall be provided in electronic format.

SECTION 17. PROJECT REVIEW AND EVALUATION; FINAL REPORTS AND AUDIT

(A) SAWPA may perform a project review or otherwise evaluate the project to determine compliance with the Contract at any time or if questions about the proper use or management of the funds arise. SAWPA may review or evaluate the Sub-Grantee for compliance with the terms and conditions of the Contract. The project review and evaluation may be performed by SAWPA or may be contracted to a responsible third party. Any findings and recommendations of the project review and evaluation shall be addressed by the Sub-Grantee within 60 days of the date such findings and recommendations are provided to the Sub-Grantee and before the next invoice is paid by SAWPA.

(B) In addition to the documents and deliverables required to be provided by the Grant Agreement, by October 15, 2017, the Sub-Grantee shall provide to SAWPA, a final Project Completion Report on the Project. The Project Completion Report shall include, at a minimum, all of the following:

- (1) A description of the completed project including purpose, goals, activities completed and participants, the general performance characteristics (e.g. the residences modified and type of modifications) of the Sub-Grantee's portion of the Project, any goals not achieved or only partially achieved, lessons learned, a summary of all documents submitted to SAWPA in compliance with this Contract and the Grant Agreement, and copies of any final documents or reports generated or utilized during a project. The summary shall also contain a description of startup activities, problems encountered, corrective measures completed as well as any changes or amendments to the project.
- (2) A final cost summary listing the total Project cost, total Project costs eligible for grant funding under the Grant Agreement and this Contract, total amount of grant funds received, and other financial information as may be reasonably required by the DWR to verify Sub-Grantee's entitlement to grant funds, to assure program integrity, and to comply with federal requirements.

The report shall be accompanied by such other financial information as may be required by SAWPA or DWR to verify Sub-Grantee entitlement to grant funds, to assure program integrity, and to comply with any federal or state requirements. A duly authorized representative of the Sub-Grantee shall certify the report as correct.

- (3) A final schedule showing actual progress versus planned progress.

Upon request, the Project Completion Report shall include certification of installation of the devices by a general contractor licensed in the state of California.

(C) SAWPA may call for an audit of financial information relative to the Project, where SAWPA determines that an audit is desirable to assure program integrity or where such an audit becomes necessary because of federal or state requirements. Where such an audit is called for, the audit shall be performed by a Certified Public Accountant independent of the Sub-Grantee and at the cost of the Sub-Grantee. The audit shall be in the form required by SAWPA.

SECTION 18. PROJECT CLOSEOUT DOCUMENTATION

To ensure that that the Project is closed out in a manner that provides an auditable file for SAWPA, Sub-Grantee shall follow a close-out procedure that includes payment of all subcontracts, completion of all punch lists, defects correction, satisfaction of warranty or guarantee issues, and any other requirements for the completion of the scope of work. Such close-out procedures shall include those procedures contained in the Grant Agreement or otherwise required by SAWPA and DWR.

SECTION 19. TERMINATION; IMMEDIATE REPAYMENT; INTEREST

(A) SAWPA may terminate this Contract at any time prior to completion of the Project for Sub-Grantee's violation of any provision of this Contract upon written notice by SAWPA of the violation and failure of Sub-Grantee to come into compliance within a reasonable time as established by SAWPA.

(B) In the event of such termination, the Sub-Grantee agrees, upon demand, to immediately repay to SAWPA an amount equal to the amount of grant funds disbursed to the Sub-Grantee prior to such termination. In the event of termination, prejudgment interest shall accrue on all amounts due from the date that notice of termination is mailed to the Sub-Grantee to the date of full repayment by the Sub-Grantee.

(C) SAWPA may terminate this Contract should DWR terminate SAWPA as program manager, or terminate funding for this Contract or the Project or should DWR terminate its standard agreement with SAWPA on this Project. Upon such DWR-caused termination, SAWPA shall not be liable to Sub-Grantee for any damages, costs or expenses resulting from such termination.

SECTION 20. DAMAGES FOR BREACH AFFECTING TAX EXEMPT STATUS

In the event that any breach of any of the provisions of this Contract or other action by the Sub-Grantee shall result in the loss of tax exempt status for any bonds, or if such breach shall result in an obligation on the part of the SAWPA to reimburse the federal government by reason of any arbitrage profits, the Sub-Grantee shall immediately reimburse SAWPA and/or DWR in an amount equal to any damages paid by or loss incurred by the State due to such breach.

SECTION 21. ARBITRATION

Any dispute which may arise under this Contract by and between the SAWPA and the Sub-Grantee, including the Sub-Grantee's subcontractors, laborers, and suppliers, shall be submitted to binding arbitration. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California, and all other applicable laws. Unless the Parties stipulate in writing to the contrary, prior to the appointment of the arbitrator, all disputes shall first be submitted to non-binding mediation.

SECTION 22. COSTS AND ATTORNEY FEES

In the event of arbitration or litigation between the parties hereto arising from this Contract, it is agreed that the prevailing party shall be entitled to recover reasonable costs and attorney fees.

SECTION 23. WAIVER

Any waiver of any rights or obligations under this Contract or the Grant Agreement shall be in writing and signed by the Party making such waiver, and approved by SAWPA and the DWR.

SECTION 24. AMENDMENT

This Contract may be amended at any time by mutual written agreement of the Parties.

SECTION 25. SAWPA REVIEWS; SUB-GRANTEE AS INDEPENDENT CONTRACTOR

(A) The Parties agree that review or approval of the Project or Project plans and specifications by SAWPA is for administrative and eligibility purposes only and does not relieve the Sub-Grantee of its responsibility to properly plan and implement the Project. As between SAWPA and the Sub-Grantee, the Sub-Grantee agrees that it has sole responsibility for proper planning and implementing its portion of the the Project.

(B) The Sub-Grantee is an independent contractor exclusively responsible for the design and implementation of the specific project funded by this Contract and that the Sub-Grantee is not acting as SAWPA's agent, nor is SAWPA acting as an agent of the Sub-Grantee.

SECTION 26. INDEMNIFICATION

(A) The Sub-Grantee shall defend, indemnify and hold harmless SAWPA and DWR and their directors, commissioners, officers, employees, agents and assigns (collectively the "Indemnified Parties") against any and all losses, claims, damages or liabilities, joint or several, including attorneys fees and expenses incurred in connection therewith, to which such Indemnified Parties may become liable in connection with or arising from this Contract, and the transactions, funding and construction activities contemplated by this Contract. Sub-Grantee shall reimburse Indemnified Parties for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of or related to this Contract, and the transactions, funding and construction activities contemplated by this Contract. Sub-Grantee shall indemnify and save the Indemnified Parties harmless from and against any claims, losses, damages, attorneys fees and expenses arising from any and all contracts, contractors, subcontractors, suppliers, laborers, and any other person, entity or corporation furnishing or supplying such services, materials or supplies in connection with Sub-Grantee's Project funded, in part, by this Contract. Sub-Grantee shall indemnify and save Indemnified Parties harmless from any and all claims, losses, damages, attorneys fees and expenses that may arise from any breach or default by Sub-Grantee in the performance of its obligations under this Contract, or any act of negligence by the Sub-Grantee or any of its agents, contractors, subcontractors, servants, employees or licensees concerning the subject matter of this Contract or the Project. Sub-Grantee shall indemnify and hold the Indemnified Parties harmless from any and all claims, losses, damages, attorneys' fees and expenses arising out of the completion of the Project or the authorization of payment of Project Costs to or by the Sub-Grantee. No indemnification is required under this Section for claims, losses or damages arising out of the sole and exclusive misconduct or negligence under this Contract by SAWPA.

(B) The Sub-Grantee understands and agrees that it has complied and will comply with CEQA and the State CEQA Guidelines for the project which is the subject matter of this Grant Funding Contract. Sub-Grantee understands and agrees that it is ultimately and solely responsible, as the lead agency, for compliance with CEQA and any mitigation measures required for the Project. The Sub-Grantee hereby agrees to indemnify, defend and hold harmless SAWPA and the DWR from any and all claims or actions related to this Project that may be made by any third party or public agency alleging, among other things, violations of CEQA or the State CEQA Guidelines.

(C) In addition to complying with the insurance requirements contained in the **Grant Agreement**, including Section 23 and 50 of **Exhibit D of that Agreement**, the Sub-Grantee shall ensure that adequate insurance coverage is provided by Sub-Grantee and/or its contractors and subcontractors on the Project funded, in part, by this Contract. Such insurance shall include adequate coverage for comprehensive commercial general liability, business auto liability, workers compensation liability, professional and errors and omissions liability insurance. Such insurance coverage shall, at a minimum, insure against

injuries to third parties, damage to property owned by third parties, physical damage to the enrolled residences through the Project, theft of equipment and supplies intended for the Project, delays in Project completion, delays in Project Completion due to strikes and governmental actions, liquidated damages, employee injuries and work-related illnesses, design errors resulting in increased project costs, and nonperformance by the contractors and subcontractors. Such insurance coverages shall be provided by admitted insurance companies authorized to do business in the State of California, and with a minimum "Best's Insurance Guide" rating of "A:VII". The Sub-Grantee shall name the SAWPA and the State, and both their officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Contract.

SECTION 27. PROJECT AND INFORMATION ACCESS

The Sub-Grantee agrees to ensure that SAWPA, DWR, or any authorized representative thereof, shall have reasonable access to the Project site at all reasonable times during Project construction, and thereafter for the useful life of the Project.

SECTION 28. OPINIONS AND DETERMINATIONS

Where the terms of this contract provide for action to be based upon the opinion, 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 and capricious.

IN WITNESS THEREOF, the parties have executed this Contract on the dates set forth below.


SANTA ANA WATERSHED PROJECT AUTHORITY

Dated: July 5, 2016

By: 
Celeste Cantu, General Manager

**COMMUNITY ACTION PARTNERSHIP OF RIVERSIDE COUNTY
Sub-Grantee**

Dated: JUN 21 2016

By: 
~~Executive Director~~ Chairman, Board of Supervisors

JOHN J. BENOIT

Typed Name

ATTEST: Kecia Harper-Ihem, Clerk

By: , deputy

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND
SANTA ANA WATERSHED PROJECT AUTHORITY
4600011089**

**Water-Energy Grant Program
Funded by the Greenhouse Gas Reduction Fund
As Authorized in Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11)**

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 the Santa Ana Watershed Project Authority (SAWPA), a public agency 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 Greenhouse Gas Reduction Fund (Health and Safety Code Section 39710 et seq.) to Grantee to assist in financing projects associated with Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11) hereinafter collectively referred to as the "Water-Energy Grant Program."
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 December 31, 2017, 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 indicated on page 8.
3. TOTAL PROJECT COST. The reasonable Total Cost of the Project is estimated to be \$2,859,823.
4. GRANT AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$2,339,823.
5. GRANTEE COST SHARE. Grantee agrees to fund the difference between the Total Project Cost, and the Grant Amount (amount specified in Paragraph 4). Cost Share will not be reviewed by the State for invoicing purposes; however, the Grantee is required to maintain all financial records associated with the project in accordance with Exhibit H (State Audit Document Requirements).
6. 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 Greenhouse Gas Reduction Fund financing.
 - c) Comply with all applicable California laws and regulations.
 - d) Implement the Project in accordance with applicable provisions of the law.
 - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the project.
7. BASIC CONDITIONS. State shall have no obligation to disburse money for project under this Grant Agreement until Grantee has satisfied the following conditions (if applicable):
 - a) Grantee demonstrates the availability of sufficient funds to complete the project by submitting the most recent year-end financial statement.
 - b) For the term of this Grant Agreement, Grantee submits timely Progress Reports as specified by Paragraph 17, "Submission of Reports" and Appendix C, Schedule.
 - c) Grantee submits deliverables as specified in Paragraph 17 of this Grant Agreement and in Exhibit A.
 - d) 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 project as listed in Exhibit A of this Grant Agreement.
 - 2) Environmental Documentation:
 - i) Copies of all applicable final environmental permits,
 - ii) Documents that satisfy the CEQA process,

- 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 document(s) and State notice of verification of environmental permit submittal.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to 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.

- 3) A monitoring plan as required by Paragraph 19, "Project Monitoring Plan Requirements."
8. 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. Any and all money disbursed to Grantee under this Grant Agreement and any and all interest earned by Grantee on such money shall be used solely to pay Eligible Project Costs, as defined in Paragraph 9.
9. ELIGIBLE PROJECT COST. Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible project costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction/implementation. Reasonable administrative expenses may be included as Total Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, and implementation. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the project including the portion of overhead and administrative expenses that are directly related to the project included in this Agreement in accordance with the standard accounting practices of the Grantee. Work performed on the project after July 1, 2014 shall be eligible for reimbursement.

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

- a) Costs, other than those noted above.
 - b) Operation and maintenance costs, including post construction performance and monitoring costs.
 - c) Purchase of equipment not an integral part of a project.
 - d) Establishing a reserve fund.
 - e) Purchase of water supply.
 - f) Monitoring and assessment costs for efforts required after project construction is complete.
 - g) Replacement of existing funding sources for ongoing programs.
 - h) Travel and per diem costs (per diem includes subsistence and other related costs).
 - i) Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
 - j) 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.
 - k) 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 shall be tracked as part of the Grantee cost share.
 - l) Overhead not directly related to project costs.
10. METHOD OF PAYMENT. Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager via Grant Review and Tracking Systems (GRanTS). Additionally, the original invoice form with signature and date (in ink) of Grantee's Project Representative, as indicated on page 8 of this

Agreement, must be sent to the DWR Project Manager for approval. Invoices submitted via GRANTS shall include the following information:

- a) Costs incurred for work performed in implementing the project during the period identified in the particular invoice.
 - b) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the project during the period identified in the particular invoice for the implementation of a project.
 - c) Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
 - 1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - 2) Invoices must be itemized based on resource categories (i.e., line items) 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).
 - 3) Sufficient supporting documentation (e.g. receipts, copies of checks, time sheets) as determined by the State must be provided for all costs included in the invoice. Cost Share shall be accounted for separately in the progress reports.
 - 4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's Grant Amount, as depicted in Paragraph 4.
 - 5) 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). If Grantee fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.
11. 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 12, 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 12, "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.
12. DEFAULT PROVISIONS. Grantee 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.
 - d) Failure to make any remittance required by this Grant Agreement.
 - e) Failure to comply with Labor Compliance Program requirements (Paragraph 16).
 - 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 13, "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:

- i. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- ii. Terminate any obligation to make future payments to Grantee.
- iii. Terminate the Grant Agreement.
- iv. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this 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.

13. 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 Act (CWC§10610 et. seq.) and Sustainable Water Use and Demand Reduction, Part 2.55. of Division 6 (CWC§10608 et. seq.);
 - b) An agricultural water supplier must maintain compliance with Sustainable Water Use and Demand Reduction, Part 2.55 of Division 6 of the (CWC§10608 et. seq.);
 - c) Grantee's diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the CWC;
 - d) Grantees that have been designated as monitoring entities under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program must maintain reporting compliance, as required by CWC§10932 and the CASGEM Program.
14. 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 Project. 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.
15. RELATIONSHIP OF PARTIES. Grantee is solely responsible for design, construction, and operation and maintenance of project 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.
16. LABOR COMPLIANCE. Grantee agrees to comply with all applicable California Labor Code requirements and Standard Condition D.28 in Exhibit D. Grantee must meet the requirements of Labor Code section 1771.5 by monitoring and enforcing prevailing wage requirements on public works projects that receive state funding and on other projects that are legally required to use the Department of Industrial Relations Compliance Monitoring Unit.

At the State's request, Grantee must promptly submit written evidence of Grantee's compliance with the LCP requirements.
17. 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. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRANTS). 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 Project Completion Report is a requirement for the release of any funds retained for such project.

- Progress Reports: Grantee shall submit progress reports on a regular and consistent basis to meet the State's requirement for disbursement of funds. The reporting period shall not exceed one quarter in length. 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, Project 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.
 - Project Completion Report: Grantee shall prepare and submit to State a separate Project Completion Report for the project included in Exhibit A. Grantee shall submit a Project Completion Report within ninety (90) calendar days of project completion. Project Completion Report(s) shall include, in part, a description of actual work done, any changes or amendments to the project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Project Completion Report shall also include, if applicable, certification of final project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Standard Condition D.19 in Exhibit D. A DWR "Certification of Project Completion" form will be provided by the State.
 - Grant Completion Report: Upon completion of all projects included in Exhibit A, Grantee shall submit to State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Project Completion Report for the final project to be completed under the Grant Agreement. The Grant Completion Report shall include reimbursement status, a brief description of each project completed, and how those projects will reduce greenhouse gas emissions, water use and energy use as a result of project implementation. Retention for the last project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted to and approved by the State.
18. 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 the project that remains in Grantee's direct control and shall ensure or cause the project that remains in Grantee's direct control 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 for projects that remain in Grantee's direct control; and for projects that remain in Grantee's direct control 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 project 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 12, "Default Provisions."
19. PROJECT MONITORING PLAN REQUIREMENTS. Exhibit A of this Grant Agreement shall contain activities to develop and submit to State a Project Monitoring Plan. Along with guidance provided in Exhibit I, "Project Monitoring Plan Components," the Project Monitoring Plan should also include:
- a) Baseline (pre-project) water use and energy use.
 - b) Proposed savings

- c) Brief discussion of how water and energy savings will be monitored.
- d) Methodology of monitoring.
- e) Frequency of monitoring.
- f) Location of monitoring points.
- g) Performance targets

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

20. 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 Section 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.
21. 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 substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the work plan, schedule or term, and budget.
 - 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.
22. 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 24. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
23. 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.

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

Department of Water Resources
Arthur Hinojosa, P.E., Chief
Chief, Division of IRWM
P.O. Box 942836
Sacramento CA 94236-0001
Phone: (916) 651-9220
e-mail: Arthur.Hinojosa@water.ca.gov

Santa Ana Water Project Authority
Celeste Cantu
Project Director
11615 Sterling Avenue
Riverside, CA 92503
951-354-4220
ccantu@sawpa.org

Direct all inquiries to the Project Manager:

Department of Water Resources
Michael Weil
Division of Integrated Regional Water Management
770 Fairmont Ave., Suite 102
Glendale, CA 91302-1035
818-549-2328
Michael.Weil@water.ca.gov

Santa Ana Water Project Authority
Ian Achimore
Senior Watershed Manager
11615 Sterling Avenue
Riverside, CA 92503
951-354-4233
iachimore@sawpa.org

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

25. 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
Exhibit I – Project Monitoring Plan Components

Attachment A

Grant Agreement No. 4600011089
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IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Santa Ana Watershed Project Authority

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

Celeste Cantu
Project Director

Date _____

Date _____

Approved as to Legal Form and Sufficiency

Spencer Kenner, Assistant Chief Counsel
Office of Chief Counsel

Date _____

**EXHIBIT A
WORK PLAN**

Project Name: Water-Energy Community Action Network (Project)

IMPLEMENTING AGENCY: Santa Ana Watershed Project Authority (SAWPA)

PROJECT DESCRIPTION:

The Water-Energy Community Action Network Program (WECAN) will retrofit approximately 260,000 square feet of residential turf in the Santa Ana River Watershed and expand the water-energy programs for three Community Action Partnerships in the Santa Ana River Watershed by installing water-saving devices in approximately 100 residences. The Program is a regional approach consistent with the Santa Ana River Watershed Integrated Regional Water Management Plan, the One Water One Watershed 2.0 Plan, and includes outreach, technical assistance, training, community engagement, and water-energy saving retrofits to disadvantaged community (DAC) residents who meet the following criteria:

- Reside in a 76% or higher scoring CalEnviroScreen 2.0 census tract;
- Reside in the Santa Ana River Watershed

Task 1 Direct Project Administration and Management

SAWPA will respond to DWR's reporting and compliance requirements associated with the grant administration. SAWPA will manage the grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. SAWPA shall prepare invoices including relevant supporting documentation for submittal to DWR. SAWPA shall maintain administrative responsibilities associated with Project such as coordinating with partnering agencies, and the project managers responsible for implementing the project contained in this agreement, and managing consultants/contractors.

SAWPA will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation and compiling the information into a DWR invoice packet.

SAWPA will be responsible for submitting progress reports as well as draft and final project completion reports containing items per the agreement.

Deliverables:

- Invoices and associated backup documentation
- Progress Reports
- Draft and Final Project Completion Report
- Other Applicable Project Deliverables

Task 2 Environmental Documentation

Three Notice of Exemptions (NOE) under CEQA will be prepared and filed. The Environmental Information Form (EIF) will be submitted.

SAWPA will comply with all applicable state and federal environmental requirements for this Project and will submit the related documentation, if required.

Deliverables:

- Environmental Information Form (EIF)
- Completed Notice of Exemptions (NOE) filed with three County Clerk's offices

Task 3 Project Monitoring Plan

SAWPA shall develop and submit a Project Monitoring Plan to track and quantify the performance of the Project. The Project Monitoring Plan will discuss the goal of the monitoring, how the monitoring will be

accomplished, the frequency of monitoring, the monitoring point locations, etc. The Project Monitoring Plan will describe the applicable project benefits including water and energy savings, GHG reductions, etc., and explain how the Project benefits will be quantified. The Monitoring Plan should result in data collected that allows for a comparison of baseline and post-project benefits in the Project Completion Report. The Project Monitoring Plan shall be submitted prior to disbursement of State funds for implementation or monitoring activities.

Deliverables:

- Project Monitoring Plan

Task 4 Project Implementation4.1 Contract Services

SAWPA shall conduct activities necessary to secure a contractor and award the contract including developing bid documents, prepare advertisement and contract documents for contract bidding, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Proof of Advertisement of bid(s)
- Award of contract(s)
- Notice(s) to proceed

4.2 Implementation Administration

SAWPA shall review contractor submittals, answer requests for information, and issue work directives. Administration duties include documentation of pre-implementation conditions, preparing change orders, addressing questions of contractors on site, reviewing/updating the project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, and notifying contractor if work is not acceptable.

Deliverables:

- Notice(s) of Completion

4.3 Implementation Activities**Subtask 4.3.1 Smartscape Manuals and Program Workshops**

Orange County Coastkeeper will expand its ongoing Smartscape Program to provide landscaping workshops and a landscaping manual. Implementation activities include:

- Orange County Coastkeeper will create a bilingual landscape manual focused on maintaining retrofitted residential landscapes with drought tolerant plantings in the Southern California climate. The manual, which will be available for free to interested residents at community meetings and through outreach conducted by SAWPA and its project partners such as local water agencies, will include information on climate, plant types, and irrigation parameters.
- Orange County Coastkeeper will hold workshops in the communities (up to three in each county) by discussing the manual and information on climate, plant types and irrigation parameters. Orange County Coastkeeper will also give a general overview of the Water-Energy Community Action Network Program including the other water-energy benefits available.

Deliverables:

- Final bilingual landscape manual
- Sign in sheets and talking points for workshops

Subtask 4.3.2 Outreach

SAWPA will provide community outreach using a central program manager and hotline operator. Implementation activities include:

- SAWPA will hire, or provide internally, a central program manager and hotline operator to serve for an up to 24 month period. SAWPA will train the central program manager and hotline operator on the residential enrollment guidelines for the Program and the processes for installing the water and energy saving retrofits by contractors and the project partners.
- SAWPA and the central program manager will identify residents that meet the criteria of a +76% scoring tract, and with the help of the hotline operator, conduct outreach to eligible residents by contacting residents, enrolling and guiding them through the Program's paperwork such as documenting the amount of turf grass in their lawn and the wait time for the retrofit by the turf removal landscaper contractor to occur. Some outreach may be conducted through holding workshops and attending meetings.
- SAWPA may work with project partners to establish a referral process whereby a GIS-based tool will be developed that can look-up addresses to determine if members of the public reside within an eligible +76% scoring tract.
- The hotline operator will answer questions from enrolled and interested residents and channel communication from residents to SAWPA, the project partners who will be installing the non-turf measures, the central program manager, the landscape contractor, etc.

Deliverables:

- Outreach documents that can include pamphlets, posters, signs and presentation material
- Training material, if applicable

Subtask 4.3.3 Purchasing of Water-Saving Devices

The Center for Sustainable Energy may serve as a point of contact with SAWPA and any SAWPA contractors for the Water-Energy Community Action Network Program in order to provide guidance on the installations of water-energy savings measures such as the installation of thermostatic shut-off valves, faucet aerators and low-flow showerheads. Implementation activities may include:

- Training outreach field personnel
- Purchasing water-energy saving devices such as thermostatic shut-off valves, faucet aerators and low-flow showerheads to be used by the Community Action Partnerships.

It is possible that instead of the Center for Sustainable Energy, SAWPA or the three Community Action Partnership organizations may complete this task themselves.

Deliverables:

- Document receipts of appliances purchased in the quarterly invoices, if applicable
- Training material, if applicable

Subtask 4.3.4 Installation of Water-Saving Devices

The Community Action Partnerships of Riverside County, San Bernardino County, and Orange County will provide enrolled residents with water/energy saving measures. Implementation activities involve the installation of water-saving devices including:

- Low-flow toilets,
- Low-flow showerheads,
- Thermostatic shutoff valves,
- Faucet aerators,
- Water heaters, and

- Water heater blankets.

SAWPA staff will provide the Community Action Partnership staff with a GIS-based tool to focus on residents that meet the criteria of a +76% scoring tract to ensure savings go to DAC residents. The non-turf water-energy saving retrofits will be marketed broadly across the counties within the Santa Ana River Watershed.

Deliverables:

- Documentation of devices installed
- Residential closeout documentation, upon request
- Deemed water-energy savings per device

Subtask 4.3.5 Installation of Turf Measures

SAWPA staff will hire a landscape contractor who can retrofit approximately 260,000 square feet of turf over an up to two year period. SAWPA staff will work with wholesale and retail water agencies in the watershed that have existing turf grass removal/retrofit programs and a central landscape contractor. Implementation activities include:

- Enroll residents and provide available installation dates.
- Remove high water using turf grass and replace with drought tolerant plantings along with low flow sprinkler irrigation systems, if needed. Contractor will also be responsible for complying with all applicable local laws, ordinances, and other restrictions. The water saving retrofit will include the direct planting of plants that require minimal irrigation and the disposal of yard waste.

Implementation will occur in:

- Area A: The cities and surrounding area of Fontana, Rialto, Colton, Bloomington and Rancho Cucamonga in San Bernardino County, within Fontana Water Company and West Valley Water Districts service areas;
- Area B: The cities and surrounding area of Jurupa Valley and Eastvale in Riverside County within the service area of Jurupa Valley Community Services District. If funds available, the Project can extend into the eastern portion of the Eastern Municipal Water District service area in Riverside County; and
- Area C: The service area of the City of Santa Ana Water Resources Division in Orange County

Deliverables:

- Documentation of turf removed
- Residential closeout documentation, upon request
- Deemed water savings per square foot of turf removed

**EXHIBIT B
BUDGET**

Project Budget			
Line Item	Grant Funding**	Cost Share*	Total
Personnel Services These individuals must be employed by the Grantee. If CEQA, construction services, or other work is done by Grantee's employee, costs are incurred in this category.	\$150,000	\$0	\$150,000
Grantee Expenses All Grantee expenses directly associated with the project.	\$2,515	\$0	\$2,515
Professional and Consultant Services Outreach Consultant(s)	\$313,645	\$0	\$471,115
Construction/Implementation Costs	\$1,873,663	\$520,000	\$2,236,193
TOTAL	\$2,339,823	\$520,000	\$2,859,823

*Cost Share will not be reviewed for invoicing purposes; however, the Grantee is required to maintain all financial records associated with the project in accordance with Exhibit H (State Audit Document Requirements)

**The Water-Energy Grant Program will not reimburse for energy-only related costs.

**EXHIBIT C
SCHEDULE**

Task #	Task Name	Start	Due Date
1	Direct Project Administration and Management	Date this Grant Agreement is executed by State (Execution date is the date the State signs this Grant Agreement indicated on page 8)	December 31, 2017
	Progress Reports and Invoicing	July 01, 2015	Within 30 days after the end of each quarter of calendar (for example, progress report for 2 nd quarter is due by July 30)
	Draft Project Completion Report and Invoicing	October 15, 2017	October 31, 2017
	Final Project Completion Report and Invoicing	November 15, 2017	November 30, 2017
	Request for Retention Invoice	December 31, 2017	December 31, 2017
2	Environmental Documentation	July 01, 2015	November 30, 2015
3	Project Monitoring Plan	July 01, 2015	December 31, 2015
4	Implementation	July 01, 2015	September 30, 2017
4.1	Contract Services	July 01, 2015	September 30, 2017
4.2	Implementation Administration	December 1, 2015	September 30, 2017
4.3	Implementation Activities	December 1, 2015	September 30, 2017

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

- a) **Separate Accounting of Funding Disbursements and Interest 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, disbursements, and interest earned on expenditures 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.
- 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 Project or using any data and/or information developed under this Grant Agreement.

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 Section 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 Project, with the costs of such audit borne by State. After completion of the Project, 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 12 or take any other action it deems necessary to protect its interests.

Pursuant to Government Code Section 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 this 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 for purposes of this program, 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 section 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: http://www.opr.ca.gov/m_stateclearinghouse.php
- 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 section 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) 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, Section 1090 and Public Contract Code, Sections 10410 and 10411, for State conflict of interest requirements.
- a) **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
 - b) **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
 - c) **Employees of the 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, Cal. Gov't 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 Section 8355(a)(1).
 - b) Establish a Drug-Free Awareness Program, as required by Government Code Section 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 Sections 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 INSPECTION AND CERTIFICATION BY REGISTERED PROFESSIONAL:** Upon completion of the construction project, and as determined by State, 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 Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. 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) LABOR CODE COMPLIANCE:** The Grantee will be required to keep informed of and take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, but not limited to, Section 1720 *et seq.* of the California Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5) and payment of prevailing wages for work done and funded pursuant to these Guidelines, including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.
- D.29) MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits B and C which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the Project budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Project Manager in writing.
- D.30) 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 (Gov. Code §12990 (a-f) *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 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.31) 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 section 10295.3.
- D.32) 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.33) 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.34) 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 Section 11200 in accordance with Pub. Contract Code §10353.
- D.35) 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 Project, 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.36) 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.37) RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) until January 1, 2016 and ten percent (10.0%), thereafter, 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 17, "Submissions of Reports" as follows: At such time as the "Project Completion Report" required under Paragraph 17 is submitted to and approved by State, State shall disburse the retained funds as to that project to Grantee, 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 "Grant Completion Report" is submitted to and approved by State.
- D.38) 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., Cal. Gov't 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.39) 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.40) 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 project.
- D.41) 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.42) 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.43) 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.44) TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 12, 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 12.
- D.45) TERMINATION WITHOUT CAUSE:** The State may terminate this Agreement without cause on 30 days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.46) THIRD PARTY BENEFICIARIES:** The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.47) TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.48) TRAVEL:** Grantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement.
- D.49) 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.50) WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of Section 3700 of the California 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. 2014-10

**A RESOLUTION OF THE COMMISSION OF THE
SANTA ANA WATERSHED PROJECT AUTHORITY
AUTHORIZING PREPARATION AND SUBMITTAL OF AN APPLICATION
TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES
TO OBTAIN A 2014 WATER-ENERGY GRANT**

WHEREAS, the Santa Ana Watershed Project Authority is recognized by the State of California as the regional planning agency to coordinate, prepare, and implement Integrated Regional Water Management Plans within the Santa Ana River Watershed;

WHEREAS, the Santa Ana River Watershed's Integrated Regional Water Management Plan, the One Water One Watershed 2.0 Plan, includes the goals of conserving additional water through water use efficiency and conservation measures, engaging with Disadvantaged Communities in the watershed, and reducing green-house-gas emissions and energy consumption from water resource management;

WHEREAS, the Santa Ana Watershed Project Authority desires to facilitate the implementation of this project, the Water-Energy Community Action Network (WE CAN) Program, for the benefit of the watershed; and

WHEREAS, the Santa Ana Watershed Project Authority will work with the California Department of Water Resources to meet established deadlines for entering into a financial assistance agreement;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Santa Ana Watershed Project Authority (SAWPA) authorizes the preparation and submission of an application to the California Department of Water Resources in order to obtain a 2014 Water-Energy Grant pursuant to Senate Bill No. 103 Section 11 (2013-2014 Regular Session), and to enter into an agreement to receive a grant for the Water-Energy Community Action Network (WE CAN) Program.

BE IT FURTHER RESOLVED, that the General Manager of the Santa Ana Watershed Project Authority, or designee, is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement and any amendments thereto, with California Department of Water Resources.

ADOPTED this 16th day of December, 2014

SANTA ANA WATERSHED PROJECT AUTHORITY

By: 
Phil Anthony, Chair

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, describe the work performed including:

Project Status

Describe the work performed during the time period covered by the report, organized by Exhibit A, "Work Plan" tasks/subtasks/categories, including but not limited to:

- Updates on all ongoing tasks.
- Estimates of the percent (%) complete.
- Discussion of any project related work completed this reporting period.
- Milestones or deliverables completed/submitted.
- Impediments to completion of any task.
- Photos documenting progress.

Cost Information

For each project provide the following:

- A comparison of project task(s) percent complete with percent invoiced.
- A list of any changes approved to the budget in accordance with Grant Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan.

Schedule Information

A list of any changes approved to the Schedule in accordance with Grant Agreement and a revised schedule, by task, if changed from latest reported schedule.

Anticipated Activities Next Quarter

Provide a description of anticipated activities for the next quarterly reporting period.

PROJECT COMPLETION REPORT

Project Completion Reports shall generally use the following format.

Executive Summary

Provide a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- Description of actual work completed and any deviations from Exhibit A. List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided:

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Self-Certification that the Project meets the stated goal of the Grant Agreement (e.g. 100-year level of flood protection, HMP standard, PI-84-99, etc.)
- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

Costs and Dispositions of Funds

Provide a list of:

- The date each invoice was submitted to State
- The amount of each invoice
- The date(s) the check(s) was/were received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Grant Agreement.
- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
 - Project cost information, shown by material, equipment, labor costs, and any change orders
 - Any other incurred cost detail
 - A statement verifying separate accounting of funding disbursements
- Summary of project cost including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed; and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

Additional Information

- Benefits derived from the project, with quantification of such benefits provided, if applicable.
- A final project schedule showing actual progress verse planned progress as shown in Exhibit B.
- Certification by a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
- Submittal schedule for the Post Performance Report and an outline of the proposed reporting format.

GRANT COMPLETION REPORT

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

Executive Summary**Reports and/or products**

- Brief comparison of work proposed in the original grant application and actual work done.
- Brief description of the projects completed and how they will reduce greenhouse gas emission and reduce water and energy use.
- If applicable, a short discussion on how the IRWM Plan will assist in reducing dependence on Delta water supplies.
- If applicable, a discussion of the water supply or water quality benefits to Disadvantaged Community(ies) as part of this Grant Agreement

Cost & Disposition of Funds Information

- A summary of final funds disbursement for each project.

Additional Information

- A final schedule showing individual project's actual progress duration verse planned progress.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the Program was conducted in accordance with the approved work plan and any approved modifications thereto. Discussion of the synergies of the completed projects, including the integration of project benefits and a comparison of actual benefits versus those discussed in the original proposal.

- Submittal schedule for the Post Performance Reports for each of the projects in this Grant Agreement.

EXHIBIT G
REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL

Surface and Groundwater Quality Data

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

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

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

Groundwater Level Data

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

EXHIBIT H
STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES
FOR GRANTEES

State Audit Document Requirements

The list below details the documents/records that State Auditors typically reviews 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 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.

EXHIBIT I
PROJECT MONITORING PLAN COMPONENTS

Introduction

- Goals and objectives of project
- Site location and history
- Improvements implemented

Project Monitoring Plan

- Proposed water and energy savings
- Monitoring Metrics (ex: Kg CO₂e greenhouse gas, acre-feet/MG of water, or KWh energy)
- Special Environmental Considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)
- Performance Targets, (water use reduction, energy use reduction, and greenhouse gas emission reduction)
- Method of Reporting (ex: paper reports, online databases, public meetings)
- Frequency of Duration Monitoring and Reporting (pre-and-post monitoring frequency)
- Frequency and Duration of Maintenance Activities
- Responsible Party (who is conducting monitoring and/or maintenance) Implementing responsibility (i.e., who is responsible for monitoring and maintenance)
- Adaptive Management Strategies (i.e., what happens when routine monitoring or maintenance encounters a problem)