

STATE OF CALIFORNIA
THE NATURAL RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES

GRANT AGREEMENT BETWEEN STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES AND

COUNTY OF TULARE

AGREEMENT NUMBER: 4600009132

UNDER THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD
CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006
(Public Resources Code Section 75026 et seq.)

THIS GRANT AGREEMENT, entered into by and between State of California, acting by and through the Department of Water Resources, herein referred to as the "State" and the County of Tulare, a public agency, in the County of Tulare, 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 OF GRANT:** This Grant is made by State to Grantee to assist in financing projects associated with the Tulare County for development of an integrated water quality and wastewater treatment program plan as appropriated through Senate Bill (SBxx1 [Perata, Stats. 2008, Chapter 6; California Water Code Division 33, Section 83002. (b)(3)(D)(iii)(A)]), hereinafter collectively referred to as "SBxx1." Grant funds may be used only as provided in this Grant Agreement for Eligible Costs as included in Exhibit A, Project Work Plan.
2. **TERM OF GRANT AGREEMENT:** The term of this Agreement begins on the date this agreement is executed by DWR and terminates on **August 31, 2014**, or when all of the Parties' obligations under this Agreement have been fully satisfied, whichever occurs earlier.
3. **SCHEDULE:** Grantee shall diligently perform or cause to be performed all work as described in Exhibit A, Project Work Plan, in accordance with Exhibit B, Project Schedule.
4. **GRANT AMOUNT:** The maximum amount payable by State under this Grant Agreement shall not exceed **\$2,000,000**.
5. **GRANTEE'S COST:** The reasonable total costs of the Project are estimated to be **\$2,000,000** which is summarized in Exhibit C, Project Budget. Grantee agrees to fund, or ensure funding of the difference, if any, between the estimate of Project costs and the Grant Amount specified in paragraph 4. Grantee cost share is estimated to be **\$0.00**.
6. **ELIGIBLE COST:** Grantee shall apply State funds received only to eligible Project Costs in accordance with applicable provisions of the law and Exhibit C, Project Budget. 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. Work performed after the date **July 1, 2010**, shall be eligible for reimbursement. Costs incurred after August 31, 2014, and prior to July 1, 2010 are not eligible for reimbursement. Reasonable administrative expenses may be included as Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, implementation, and maintenance. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the project including an appropriate pro-rata

allocation of overhead and administrative expenses that are regularly assigned to all such projects in accordance with the standard accounting practices of the Grantee.

Costs that are not reimbursable with grant funds include, but may not be limited to, the following:

- Costs incurred prior to the reimbursable date as identified in paragraph 6 of the Grant Agreement.
- Operation and maintenance costs, including post construction performance and monitoring costs.
- Purchase of equipment not an integral part of a project.
- Establishing a reserve fund.
- Purchase of water supply.
- Replacement of existing funding sources for ongoing programs.
- Support of existing agency requirements and mandates.
- 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, or land purchased prior to the effective date of this Grant Agreement.
- 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.
- Overhead not directly related to Program costs.

7. **GRANTEE RESPONSIBILITY:** Grantee and its representatives, with the authority to act for Grantee, shall be responsible for work and for persons or entities engaged in work, including, but not limited to, subcontractors, suppliers, and providers of services. Grantee and its representatives shall provide regular inspections of any construction work in progress. Grantee and its representatives shall fulfill its obligations under the Grant Agreement. Grantee shall faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A, Project Work Plan.

Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to bid disputes and payment disputes with Grantee's representatives, contractors and subcontractors. State will not mediate disputes between Grantee and any other entity concerning responsibility for performance of work.

8. **RELATIONSHIP OF PARTIES:** Grantee is solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of grant funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Grant Agreement.

9. **GRANTEE REPRESENTATIONS:** 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 Grantee in the application, documents, amendments, and communications filed in support of its request for Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

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10. **PROJECT PERFORMANCE AND ASSURANCES:** Grantee agrees to faithfully and expeditiously perform or cause to be performed all project work as described in the Project Work Plan, Exhibit A, under this Grant Agreement and implement the Project in accordance with applicable provisions of the law. Grantee and its representatives shall fulfill its obligations under the Grant Agreement, and shall be responsible for the performance of the project. In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.
 11. **REQUIREMENTS FOR DISBURSEMENT:** Grantee shall, by July 31, 2011 meet all conditions precedent to the disbursement of money under this Grant Agreement, including Basic Conditions, paragraph 12. Failure by Grantee to comply by this date may, at the option of State, result in termination of the Grant Agreement under Exhibit D, Standard Conditions. For disbursements of funds for each project, Grantee shall continue to meet the Basic Conditions as well as the Conditions for Disbursement, paragraph 13.
 12. **BASIC CONDITIONS:** State shall have no obligation to disburse money for a project under this Grant Agreement unless and until Grantee has satisfied for such project the State's requirements for disbursement in accordance with the California Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 which include:
 - a) Grantee demonstrates compliance with the provisions of the Grant Agreement between State and Grantee.
 - b) Grantee demonstrates the availability of sufficient funds to complete the project.
 - c) Work that is subject to the California Environmental Quality Act (CEQA) shall not proceed under this Agreement until documents that satisfy the CEQA process are received by the DWR Point of Contact and DWR has completed its CEQA compliance. Work that is subject to a CEQA document shall not proceed until and unless approved by the DWR Point of Contact. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. Once CEQA documentation has been completed, DWR will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation.
 - d) For the term of this Grant Agreement, Grantee submits timely periodic progress reports as required by paragraph 18, Submission of Reports.
 13. **CONDITIONS FOR DISBURSEMENT:** Prior to disbursement of funds, by State for construction, Grantee shall submit to State:
 - a) Final plans and specifications certified by a California Registered Civil Engineer as to compliance with the approved project as defined in paragraph 1.
 - b) A written statement that all necessary permits, easements, rights-of-way, and approvals as may be required by other State, federal, and/or local agencies as specified in paragraph 22, permits, licenses, approvals, and legal obligations, have been obtained.
 14. **METHOD OF PAYMENT:** After the disbursement requirements in paragraph 11 are met, State will disburse the whole or portions of the Grant commitment to Grantee, following receipt from Grantee of an invoice for costs incurred, and timely progress reports as required by paragraph 18.

Invoices submitted by Grantee shall include the following information:

- a) Costs incurred for work performed in implementing the Project or contracts during the period identified in the particular invoice.

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- b) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the construction, operation, or maintenance of a project.
 - c) Any appropriate receipts and reports for costs incurred.
 - d) Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
 - i. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - ii. Invoices must be itemized based on the categories specified in the Project Budget, Exhibit C. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's grant amount, paragraph 4 and those costs that represent Grantee's and Local Project Sponsors' costs, as applicable, paragraph 5.
 - iv. Original signature and date (in ink) of Grantee's Project Manager

Payment will be made no more than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Submit the original and three (3) copies of the invoice form to the following address:

Department of Water Resources
Division of Integrated Regional Water Management
Regional Planning Branch
Attention: Aleksander Vdovichenko

Overnight/Hand Delivery Address:
901 P Street, Room 213-A
Sacramento CA 95814

Mailing Address:
P. O. Box 942836
Sacramento, CA 94236-0001

- 15. **DISBURSEMENT:** Following the review of each invoice, State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. For each project, funds will be disbursed by State in response to each approved invoice, and in accordance with the Project Budget, Exhibit C. 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 Costs.
- 16. **WITHHOLDING OF GRANT DISBURSEMENT 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 Grant Commitment and take any other action that it deems necessary to protect its interests. State may require the Grantee to immediately repay all or any portion of the disbursed grant amount with interest, consistent with its determination. State may consider Grantee's refusal to repay the requested disbursed grant amount a contract breach subject to the default provisions in paragraph 17. If State notifies Grantee of its decision to withhold the

entire grant amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and shall no longer be binding on either party.

17. **DEFAULT PROVISIONS:** Grantee will be in default under this Grant Agreement if any of the following occur:
- Breach 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;
 - Making any false warranty, representation, or statement with respect to this Grant Agreement;
 - Failure to operate or maintain projects in accordance with this Grant Agreement; or
 - Failure to make any remittance required by this Grant Agreement.

Should an event of default occur, State may do any or all of the following:

- Declare the Grant 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;
 - Terminate any obligation to make future payments to Grantee;
 - Terminate the Grant Agreement; and
 - Take any other action that it deems necessary to protect its interests.
18. **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 in both electronic and hard copy forms. If requested, Grantee shall promptly provide any additional information deemed necessary by State for approval of reports. Reports shall be presented in the formats described in Exhibit E, Report Format. The submittal and approval of reports is a requirement for initial and continued disbursement of State funds. Submittal of a Project Completion Report for the Project is a requirement for the release of any funds retained for such project.
- Quarterly Reports: Beginning July 2011, and for the duration of the Grant Agreement, Grantee shall submit to State a quarterly report which explains the status of each project described in the Project Work Plan, Exhibit A. Reports shall be submitted by the last day of January, April, July, and October for the preceding quarter. Progress reports shall summarize the work completed for each project during the reporting period. Quarterly reports shall include, for each project, a statement of progress compared to the schedule contained in Exhibit B, Project Schedule, and a comparison of actual costs to date to the budget contained in Exhibit C, Project Budget.
 - Project Completion Report: Grantee shall prepare and submit to State a separate Project Completion Report the project elements included in Exhibit A, Project Work Plan. Grantee shall submit a Project Completion Report within ninety (90) calendar days of completion of all tasks associated with the project. Each Project Completion Report shall include a description of actual work done, a final schedule showing actual progress versus planned progress, and copies of any final documents or reports generated or utilized during the project. The Project Completion Report shall also include, if applicable, certification of final project by a registered civil engineer, consistent with Standard Condition D-14 of this Grant Agreement.
 - Grant Completion Report: Upon completion of the project included in Exhibit A, Work Plan, 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 a brief description of each project completed.

19. **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 the 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. Exhibit G, Statewide Monitoring, provides guidance on such monitoring requirements.
20. **PERFORMANCE EVALUATION:** Grantee's performance under this Agreement will be evaluated by State after completion.
21. **OPERATION AND MAINTENANCE OF PROJECT:** For the useful life of the projects and in consideration of the Grant made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of the projects, and shall ensure or cause the projects to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The Grantee assumes all operations and maintenance costs of the facilities and structures; State shall not be liable for any cost of such maintenance, management, or operation. Grantee may be excused from operations and maintenance only upon the written approval of the State's Project Manager. For purposes of this Grant Agreement, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under paragraph 17, "Default Provisions."
22. **PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS:** Grantee shall be responsible for ensuring any and all permits, licenses, and approvals required for performing their obligations under this Grant Agreement are obtained, and shall comply with other applicable federal, State and local laws, rules, and regulations, guidelines, and requirements for the project described in Exhibit A, Project Work Plan, prior to disbursement of funds under this Grant Agreement.

Grantee agrees to comply with all applicable California Labor Code requirements, including prevailing wage provisions. Grantee must, independently or through a third party, adopt and enforce a Department of Industrial Relations-certified Labor Compliance Program (LCP) meeting the requirements of Labor Code section 1771.5 for projects funded by Proposition 84 (Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

Grantee's failure to comply with LCP requirements is a substantial breach of this Agreement. At the State's request, grantee must promptly submit written evidence of Grantee's compliance with the LCP requirements.

23. **NOTIFICATION OF STATE:** For each project, Grantee shall promptly notify, in writing, State 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.
 - 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 fourteen (14) calendar days prior to the event.
 - c) Completion of work on a project.
 - d) Final inspection of a project by a Registered Civil Engineer, as determined and required by State, and in accordance with Standard Condition D-14, and provide State the opportunity to participate in the inspection. Grantee shall make such notification at least fourteen (14) calendar days prior to the final inspection.
24. PROJECT MANAGERS: Either party may change its Project Manager upon written notice to the other party.
- State's Project Manager: State's Project Manager shall be the Chief, Division Integrated Regional Water Management, Department of Water Resources. State's Project Manager shall be State's representative and shall have the authority to make determinations and findings with respect to each controversy arising under or in connection with the interpretation, performance, or payment for work performed under the Grant Agreement.
 - Grantee's Project Manager: Grantee's Project Manager shall be Jean Rousseau, County Administrative Officer. Grantee's Project Manager shall be the Grantee's representative for the administration of the Grant Agreement and shall have full authority to act on behalf of the Grantee, including authority to execute all payment requests.
25. 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 sent by any of the following means: (i) by delivery in person; (ii) by certified U.S. mail, return receipt requested, postage prepaid; (iii) by "overnight" delivery service; provided that next-business-day delivery is requested by the sender; or (iv) by facsimile transmission, followed by submission of a hard copy. 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 seven (7) 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 by facsimile will be effective on the date of successful transmission, which is documented in writing. Notices shall be sent to the following addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below:

State of California
Department of Water Resources
Division of Integrated Regional Water Management
Attention: Chief, Division of Integrated Regional Water Management
Financial Assistance Branch
Post Office Box 942836
Sacramento, California 94236-0001

J. Steven Worthley, Chairman
Tulare County Board of Supervisors
County of Tulare
2800 W. Burrel Avenue
Visalia, CA 93291

26. INCORPORATION OF STANDARD CONDITIONS AND GRANTEE COMMITMENTS: The following exhibits are attached and made a part of this Grant Agreement by this reference:
- Exhibit A – Project Work Plan
 - Exhibit B – Project Schedule
 - Exhibit C – Project Budget
 - Exhibit D – Standard Conditions
 - Exhibit E – Report Format
 - Exhibit F – Grantee Resolution
 - Exhibit G – Statewide Monitoring
 - Exhibit H – Travel and Per Diem Expenses

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

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

COUNTY OF TULARE

Paula J. Landis, P.E., Chief
Division of Integrated Regional Water
Management

J. Steven Worthley, Chairman
Tulare County Board of Supervisors

Date _____

Date _____

Approved as to Legal Form and Sufficiency

Cathy Crothers
Acting Chief Counsel, Office of Chief Counsel

Date _____

EXHIBIT A PROJECT WORK PLAN

Tulare County Integrated Water Quality and Wastewater Treatment Program Plan

Scope of the Proposal

Tulare County will prepare a plan to address the drinking water and wastewater needs of rural, disadvantaged communities in the Tulare Lake Basin (Basin). The Project will culminate in the production of a final report that will contain the plan, including results and recommendations for the implementation of specific projects, to be submitted to the Legislature in August 2014. To prepare the plan, Tulare County will consult with various state, federal and local agencies, stakeholders and consultants to identify the water and wastewater problems affecting disadvantaged communities in the Basin and develop recommended solutions to address these problems through pilot projects and studies. For more information, see the attached timeline and budget.

Purpose, Goals and Objectives

Disadvantaged communities (DACs) in the Tulare Lake Basin region face widespread drinking water and wastewater challenges. In many cases local Integrated Regional Water Management (IRWM) planning groups have been unable to help disadvantaged communities within their planning areas address these challenges. This Project will enable Tulare County to investigate and develop solutions for disadvantaged communities that can be integrated into IRWM planning efforts for the Tulare Lake Basin region.

The purpose of this Project is to develop a plan that provides rural, disadvantaged communities with a safe, clean and affordable potable water supply and effective and affordable wastewater treatment and disposal. The final product will be an integrated water quality and wastewater treatment program plan to address the drinking water and wastewater needs of disadvantaged communities in the Tulare Lake Basin region.

The plan will include recommendations for planning, infrastructure, and other water management actions, as well as specific recommendations for regional drinking water treatment facilities, regional wastewater treatment facilities, conjunctive use sites and groundwater recharge, groundwater for surface water exchanges, related infrastructure, project sustainability, and cost-sharing mechanisms. The Project will identify projects and programs that will create long-term reliability, while optimizing the ongoing operation and maintenance (O&M) and management costs for small water and wastewater systems.

The Project will focus on the drinking water and wastewater needs of rural and unincorporated areas that meet the definition of disadvantaged community from Prop. 84 – less than 80% of the statewide median household income. This would include community water systems, wastewater systems, schools that provide their own drinking water or are served by a local water system, and rural communities with a high density of contaminated private wells.

The Tulare County Administrative Office will manage the Project in conjunction with a team of consultants and stakeholder consultation groups. An effort will be made to submit a final report to the Legislature by August 31, 2014 (See attached timeline).

Work Items Performed Under Each Task

Task 1 – Baseline Data Gathering

Tulare County will develop a database of all disadvantaged communities in the Tulare Lake Basin. The

database may include the following information:

- a. Community name and profile (population, connections, median household income, etc.);
- b. Identified water problems (e.g., drinking water (quality and supply), wastewater, drainage/stormwater, flooding problems):
 - i. Current status;
 - ii. Solutions considered to date and potential options;
- c. Location;
- d. Community water or waste water provider (e.g. Pixley Public Utility District);
- e. Community technical representative(s);
- f. Status of eligibility for funding under existing government funding programs;
- g. Date last updated

Subtask 1.1 – Data Gathering, Data Mapping, and Database Creation

Tulare County will coordinate with other local, state and federal agencies as well as appropriate organizations to collect existing data and create the database described above. It will also create a protocol for the update and maintenance of the database throughout the life of the Project. Tulare County will utilize a GIS consultant and/or staff to map the location of disadvantaged communities in the Tulare Lake Basin and other available and appropriate data in order to identify regional challenges and opportunities for regional projects. (Examples of data that might be useful include groundwater quality, surface water conveyance infrastructure, groundwater recharge areas, LAFCO boundaries, etc.) Maps may be utilized in identifying priority issues and pilot projects, as well as in developing final recommendations and illustrating recommendations in the final report.

Subtask 1.2 – Database Update and Maintenance

For the duration of the Project, the County Administrative Office will update and maintain this database, in conjunction with the California Department of Public Health and other relevant agencies. Database information and updates will be made available to Tulare Lake Basin Integrated Regional Water Management (IRWM) planning groups, relevant General Plan efforts, and other agencies as requested. This information will be provided to DWR, and upon request other agencies and the general public.

Subtask 1.3 – Database Planning

The final report will include a proposal on how the database will be maintained and updated beyond the life of the Project.

Task 2 – Stakeholder Consultation and Community Outreach

Tulare County designated consultant/s will prepare the final report in consultation with stakeholders, including representatives of disadvantaged communities throughout the life of the Project. The communities to be served will be involved in the development of any solutions to address their water and wastewater problems. Their feedback will be critical to the success of this Project because community members have a unique understanding of the problems facing their community. Because they have to live with the solutions potentially generated by the pilot project, communities must have buy-in and understand what will be needed to implement, operate, and maintain any solution to ensure that the recommendations will be successfully implemented.

Subtask 2.1 – Convening of the “Stakeholder Oversight Committee”

Tulare County staff will establish a basin-wide Stakeholder Oversight Committee comprised of community representatives (including water consumers and local water board members), as well as regulatory and funding agency representatives and other organizations working on disadvantaged community water and wastewater needs as appropriate. This body will work with the project consultant/s to identify plan priorities for the basin, pilot projects, and review draft and final recommendations, as

described in Tasks 3 and 5. All meetings will be open to the public.

Subtask 2.2 – Community Outreach

Tulare County staff will work with community outreach consultants to conduct outreach to the residents of communities that will be the subject of individual pilot projects. This process will also serve to recruit community members for participation in the Stakeholder Oversight Committee and each individual Pilot Project Stakeholder Advisory Group (see Subtask 2.3).

Subtask 2.3 – Convening the Pilot Project Stakeholder Advisory Groups

In order to ensure that each pilot project is developed with input from stakeholders, a separate Pilot Project Stakeholder Advisory Group will be convened for each individual pilot project or study. Each group will be comprised of members of impacted communities, regulatory and funding agencies, local water or wastewater providers, and other agencies and organizations as appropriate, in order to provide input and recommendations to the technical consultants throughout the identification and analysis of physical, management, financial, and operational alternatives to the known problems.

Subtask 2.4 – Stakeholder Involvement Report

As part of the report to the Legislature (see Task 5) a summary of the lessons learned and recommendations for improvements to the Stakeholder involvement processes described in this Task, (as well as any recommendations for incorporation of these lessons in other on-going or future planning processes) will be prepared.

Task 3 – Select and Design Pilot Projects and Studies to Develop Representative Solutions to Priority Issues

Subtask 3.1 – Identification of Priority Issues throughout the Tulare Lake Basin

In consultation with the Stakeholder Oversight Committee, the consultants will utilize the database to identify common problems associated with providing safe, reliable water and wastewater services to disadvantaged communities that can be effectively explored by further study, alternative solution development, and pilot projects. Using this list of common problems, the consultants will work with the Stakeholder Oversight Committee to identify the priority issues facing disadvantaged communities in the Tulare Lake Basin.

Subtask 3.2 – Identification of Potential Solutions to Priority Issues

For each priority issue identified in Subtask 3.1, the consultants will list the potential solutions for that particular issue. This list of issues and corresponding potential solutions will be combined with a matrix of community scenarios (i.e. the number of connections, community setting) and the resulting matrix will be used as a tool to identify potential solutions for communities throughout the basin region based on where they fall within the matrix. (See Subtask 3.3).

Subtask 3.3 – Identification and Evaluation of Representative Pilot Projects and Studies

In order to generate and select representative pilot projects and studies the Stakeholder Oversight Committee will develop a set of detailed metrics to evaluate and prioritize potential pilot projects and studies. These metrics will likely include average cost estimates for potential solution components (i.e. average capital costs, average surface water treatment costs); the severity of the public health impacts addressed; effectiveness at solving the problem; technical, managerial, and financial feasibility and affordability; long-term sustainability; whether the solution represents a regional solution; whether the project has the potential to solve a common problem in a way that can be replicated in similarly situated communities throughout the Tulare Lake Basin; and potential for funding with an evaluation of the best funding options. The priority issues identified in Subtask 3.1, the matrix developed in Subtask 3.2, and the

evaluation metrics will serve as the basis for the Stakeholder Oversight Committee and consultants to generate representative pilot projects, and studies that present potential regional solutions to the identified priority issues. Pilot projects and studies will consider the given community setting observed throughout the Tulare Lake Basin.

For example, DACs in the Tulare Lake Basin within the scope of this study can be classified into the following three settings: 1) isolated communities, 2) neighboring unincorporated communities, and 3) an unincorporated community near a city. Examples of pilot projects addressing priority issues include a pilot project to address the hypothetical priority issue of arsenic contamination in an isolated community, the lack of sewer services in several neighboring unincorporated communities, or nitrate contamination in a community on private wells near a city. Some priority issues may not be conducive to the pilot project model; these will be addressed through overarching issue studies. These studies will evaluate different models for delivery of services, governance models, or any other issue that poses a barrier to the long term sustainability of DAC drinking water and wastewater systems, as determined by the Stakeholder Oversight Committee. An example of an overarching issue study would be cost-sharing or joint management options for delivery of water services to reduce operation and maintenance costs and ensure access to professional and certified services.

For each pilot project and study identified, a preliminary budget and timeframe will be estimated, as well as potential additional resources. Tulare County will integrate the pilot projects and studies identified in this phase of the project into the database and transmit them to relevant IRWM planning groups. This information will be provided to DWR, and upon request other agencies and the general public. The Stakeholder Oversight Committee will use these metrics to establish a priority list for all identified projects, which can then be used as a guide for future funding priorities.

Subtask 3.4 – Selection of Representative Pilot Projects and Studies

Using the priority list developed in Subtask 3.3, the Stakeholder Oversight Committee will select a final roster of representative pilot projects and studies that will become the focus of the report to be submitted to the Legislature. The number of representative pilot projects and studies selected will be determined by the Stakeholder Oversight Committee, through consultation with technical consultants.

Subtask 3.5 – Preparation of Representative Pilot Projects and Studies

Once the representative pilot projects and studies have been selected through the Stakeholder Oversight Process, Tulare County and the consultants will take the following steps to prepare for each project or study:

1. Determine a final scope, budget, schedule and form of the result(s) or deliverables;
2. Identify and retain additional consultants if needed and convene a Pilot Project Stakeholder Advisory Group;
3. Determine any additional resources necessary for successful implementation

Task 4 - Implement Pilot Project Stakeholder Process to Develop Studies and Representative Solutions to Priority Issues

The consultants identified in Subtask 3.4 and 3.5 will implement the selected representative pilot projects and studies in accordance with the scope, budget, schedule and deliverables for each pilot project or study.

Subtask 4.1 – Implementation of the Pilot Project Stakeholder Process

In consultation with the Pilot Project Stakeholder Advisory Group convened for each pilot project, the

consultants will further develop and evaluate the possible solutions generated in Subtask 3.2, gather data to determine their effectiveness, and conduct feasibility studies to determine a recommended solution.

Subtask 4.2 – Generation of Recommendations from Representative Pilot Projects or Studies

For each representative pilot project or study, the consultants will work with the corresponding Pilot Project Stakeholder Advisory Group to develop final recommendations. These recommendations will be integrated into the final report to the Legislature, used to update the database, and transmitted to IRWMPs, General Plan processes, and other agencies, as appropriate. This information will be provided to DWR, and upon request other agencies and the general public. Final recommendations will, at a minimum, include the following:

1. A description of the particular problem being addressed and identification of specific communities facing that problem in similar settings throughout the Tulare Lake Basin, for which these recommendations may also be applicable;
2. A description of the solution recommended by the pilot project and any other lessons learned over the course of the study or project (regional impact?);
3. Funding opportunities available to implement the recommended solutions, including the preparation of funding applications when possible;
4. A discussion of steps that may be taken to insure long-term sustainability of the implemented program for the Tulare Lake Basin; and
5. Identification of any obstacles or barriers to implementation of the recommended solution and a proposal for how to eliminate those obstacles or barriers, if applicable.

If appropriate and time and money permit, the consultants may also conduct preliminary engineering, environmental compliance reports (*i.e.*, CEQA & NEPA), conduct water testing, geotechnical work (including test wells if necessary) and design in order to implement the recommended approaches for some pilot projects.

Task 5 – Preparation and Finalization of the Report to the Legislature

Subtask 5.1 – Preparation of Draft Report

The consultants will prepare a draft report incorporating the results of each representative pilot project or other study to be reviewed by the Stakeholder Oversight Committee before finalizing the report and submitting it to the Department of Water Resources and the Legislature.

Subtask 5.2 – Recommendations on Integration with other Agencies

Because various state, federal, and local agencies are involved directly in the provision of drinking water and wastewater services or provide regulatory oversight of drinking water and wastewater systems, the final report will include recommendations on how the Tulare Lake Basin Disadvantaged Community Water Plan can be integrated into these existing planning and funding processes and disseminated to the appropriate agencies. In particular, the report will provide specific recommendations, data, and projects that should be integrated into the various Integrated Regional Water Management Plans in the Tulare Lake Basin. The report will also make recommendations on how state, federal, and local agencies can provide funding and other support to move each pilot project through to completion. The database, priority issues, and evaluation metrics created by the consultants and Stakeholder Oversight Committee will serve as a guide for prioritization of projects that become eligible for funding under existing and new funding programs to assure the largest benefit possible to DACs.

Subtask 5.3 - Finalization of the Report

The consultants will work with Tulare County to incorporate suggestions from the Stakeholder Oversight

Committee's review of the draft report and finalize the report for submission to the Legislature.

Subtask 5.4 – Submission of the Report to the Department of Water Resources

Once the report has been finalized by the consultants and approved by Tulare County, it will be submitted to the Department of Water Resources to be prepared for submission to the Legislature.

EXHIBIT B

PROJECT SCHEDULE

The proposed project schedule is included in this section below.

rmm 020709

**Tulare County Integrated Water Quality and Wastewater Treatment Program Plan
Master Schedule Overview**

Activity	2011												2012												2013												2014				
	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	January	February	March	April	May	June	July	August			
Task 1 - Baseline Data Gathering	[Solid black bar]																																								
Subtask 1.1 Data Gathering, Data Mapping, and Database Creation	[Solid grey bar]																																								
Subtask 1.2 Database Update and Maintenance	[Solid grey bar]																																								
Subtask 1.2 Database Planning													[Solid grey bar]												[Solid grey bar]																
Task 2 - Stakeholder Consultation and Community Outreach	[Solid black bar]																																								
Subtask 2.1 Convening of the "Stakeholder Oversight Committee"	[Solid grey bar]																																								
Subtask 2.2 Community Outreach													[Solid grey bar]												[Solid grey bar]																
Subtask 2.3 Convening the Pilot Project Stakeholder Advisory Groups													[Solid grey bar]												[Solid grey bar]																
Subtask 2.4 Stakeholder Involvement Report																									[Solid grey bar]																
Task 3 - Select and Design Pilot Projects and Studies													[Solid black bar]																												
Subtask 3.1 Identification of Priority Issues throughout the Tulare Lake Basin													[Solid grey bar]																												
Subtask 3.2 Development of Representative Pilot Projects and Studies													[Solid grey bar]																												
Subtask 3.3 Evaluation of Representative Pilot Projects and Studies													[Solid grey bar]																												
Subtask 3.4 Selection of Representative Pilot Projects and Studies													[Solid grey bar]																												
Subtask 3.5 Preparation of Representative Pilot Projects and Studies													[Solid grey bar]																												
Task 4 - Implement Pilot Project Stakeholder Process													[Solid black bar]																												
Subtask 4.1 Implementation of the Pilot Project Stakeholder Process													[Solid grey bar]																												
Subtask 4.2 Generation of Recommendations from Representative Pilot Project or																									[Solid grey bar]																
Task 5 - Preparation and Finalization of the Report to the Legislature																									[Solid black bar]																
Subtask 5.1 Preparation of Draft Report																									[Solid grey bar]																
Subtask 5.2 Recommendations on Integration with other Agencies																																					[Solid grey bar]				
Subtask 5.3 Finalization of the Report																																					[Solid grey bar]				
Subtask 5.4 Submission of the Report to the DWR																																					[Solid grey bar]				
Submission of the Report to the Legislature																																					[Red vertical line]				

EXHIBIT C PROJECT BUDGET

The cost estimate to complete the proposed Work Plan for this project is \$2,000,000, as presented in the Project Budget below.

Tulare County Integrated Water Quality and Wastewater Treatment Program Plan

																				With Contingency						
PHASE	TASK	Tulare Co	Tulare Co	Tulare Co	Tulare Co	Tulare Co	Consultant	Consultant	Consultant	Consultant	Consultant	Consultant	Consultant	Consultant	Consultant	Consultant	Consultant	Consultant	Travel	Mileage	Meetings	Report Production	Task Fee	Contingency	Task Fee	
		Program Manager	Program Accounting	Database Programmer	GIS Specialist	Env Services Specialist	Project Manager	Principal Engineer	Senior Engineer	Associate/EIT Engineer	Engineering Technician	GIS Specialist	Hydro Geologist	Env Specialist	Public Outreach Specialist	Rate Planning Specialist	Project Administrator	Admin Assistant						15%		
Task 1	Baseline Data Gathering																						\$ 52,220.00	\$ 7,833.00	\$ 60,053.00	
																									Target	\$ 60,000.00
Subtask 1.1	Data Gathering, Data Mapping, and Database Creation	20	12	10	8		4	4															\$ 7,260.00	\$ 1,089.00	\$ 8,349.00	
Subtask 1.2	Database Update and Maintenance	40	24	72	80	40	4	4															\$ 32,720.00	\$ 4,908.00	\$ 37,628.00	
Subtask 1.3	Database Planning	8	16	8	40		8	8						8									\$ 12,240.00	\$ 1,836.00	\$ 14,076.00	
Task 2	Stakeholder Consultation and Community Outreach																						\$ 130,320.00	\$ 19,548.00	\$ 149,868.00	
																									Target	\$ 150,000.00
Subtask 2.1	Convening the Stakeholder Oversight Committee	12	4	6			30	30		24				24		24	18		250				\$ 20,030.00	\$ 3,004.50	\$ 23,034.50	
Subtask 2.2	Community Outreach	12	2	6			50	42						220		34	18	1000	2000	2000			\$ 51,120.00	\$ 7,668.00	\$ 58,788.00	
Subtask 2.3	Convening the Pilot Project Stake Holder Advisory Groups	12	2	6			42	34	42		50	50	50	20	74	20	34	18					\$ 55,130.00	\$ 8,269.50	\$ 63,399.50	
Subtask 2.4	Stakeholder Involvement Report	12	2	6			5	5															\$ 4,040.00	\$ 606.00	\$ 4,646.00	
Task 3	Select and Design Pilot Projects and Studies to Develop Representative Solutions to Priority Issues																						\$ 178,225.00	\$ 26,733.75	\$ 204,958.75	
																									Target	\$ 205,000.00
Subtask 3.1	Identification of Priority Issues throughout the Tulare Lake Basin	20	2				20	20	64	40	56	56	40	16	8		4	8					\$ 43,000.00	\$ 6,450.00	\$ 49,450.00	
Subtask 3.2	Identification of Potential Solutions to Priority Issues	20	2				32	40	60	48	21	20	24	16	8		4	8					\$ 38,595.00	\$ 5,789.25	\$ 44,384.25	
Subtask 3.3	Identification and Evaluation of Representative Pilot Projects and Studies	20	2	20			40	24	44	36	24	24	24	16	8	40	4	8	500	500	1000		\$ 44,640.00	\$ 6,696.00	\$ 51,336.00	
Subtask 3.4	Selection of Representative Pilot Projects and Studies	20	2		24		8	8		8			5				2	5					\$ 10,070.00	\$ 1,510.50	\$ 11,580.50	
Subtask 3.5	Preparation of Representative Pilot Projects and Studies	20	2			16	32	32	32	64	24	24	12	16	12		4	8				5000	\$ 41,920.00	\$ 6,288.00	\$ 48,208.00	
Task 4	Implement Pilot Project Stakeholder Process to Develop Studies and Representative Solutions to Priority Issues																						\$ 1,085,460.00	\$ 162,819.00	\$ 1,248,279.00	
																									Target	\$ 1,248,200.00
Subtask 4.1	Implementation of the Pilot Project Stakeholder Process	132	32	8	40		540	540	600	1000	1550	1300	250	580	250	500		160	500	2000	2000		\$ 898,910.00	\$ 134,836.50	\$ 1,033,746.50	
Subtask 4.2	Generation of Recommendations from each Representative Pilot Project or Study	132	32	8	40		130	100	140	210	170	124	100		100	100		60			10000	\$ 186,550.00	\$ 27,982.50	\$ 214,532.50		
Task 5	Preparation and Finalization of the Report to the Legislature																						\$ 133,960.00	\$ 20,094.00	\$ 154,054.00	
																									Target	\$ 155,000.00
Subtask 5.1	Preparation of Draft Report	12	2	2	2		32	32	32	48	64	64	32	32	32	32		20					\$ 53,140.00	\$ 7,971.00	\$ 61,111.00	
Subtask 5.2	Recommendations on Integration with Other Agencies	12	2	3		3	30	24		24					12		16						\$ 15,860.00	\$ 2,379.00	\$ 18,239.00	
Subtask 5.3	Finalization of the Report	12	2	12			48	40		40		40	20	20		40		16					\$ 37,280.00	\$ 5,592.00	\$ 42,872.00	
Subtask 5.4	Submission of the Report to the DWR	12	2		40		16	16					8	8				16	500	500	2000	10,000	\$ 27,680.00	\$ 4,152.00	\$ 31,832.00	
	Total units	528	144	167	274	59	1071	1003	1014	1542	1959	1707	560	724	744	744	110	387	2500	5250	7000	25000	1580185	237027.75	0	
	Subtotal	\$73,920	\$14,400	\$18,370	\$32,880	\$8,850	\$149,940	\$160,480	\$141,960	\$154,200	\$186,105	\$187,770	\$78,400	\$101,360	\$89,280	\$111,600	\$7,700	\$23,220							\$1,817,212.75	
	County of Tulare Administrative Overhead (10%)																									\$ 181,721.28
	Total Cost	\$73,920	\$14,400	\$18,370	\$32,880	\$8,850	\$149,940	\$160,480	\$141,960	\$154,200	\$186,105	\$187,770	\$78,400	\$101,360	\$89,280	\$111,600	\$7,700	\$23,220	\$0	\$0	\$0	\$0				\$1,998,934.03
	Target Cost																									\$2,000,000.00

EXHIBIT D STANDARD CONDITIONS

D.1 ACCOUNTING AND DEPOSIT OF GRANT DISBURSEMENT:

SEPARATE ACCOUNTING OF GRANT DISBURSEMENT 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 Local Project Sponsors, 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.

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.

REMITTANCE OF UNEXPENDED FUNDS: Grantee, within a period of sixty (60) calendar days from the final disbursement from State to Grantee of grant funds, shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not needed to pay Eligible Project Costs.

D.2 ACKNOWLEDGEMENT OF CREDIT: Grantee and Local Project Sponsors shall include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the IRWM Program or associated grant funded projects or using any data and/or information developed under this Grant Agreement. During construction or implementation of each project, Grantee or Local Project Sponsors shall install a sign at a prominent location which shall include a statement that the project is financed under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, administered by State of California, Department of Water Resources. Grantee shall notify State as each sign has been erected by providing them with a site map with the sign location noted and a photograph of each sign.

D.3 AMENDMENT: No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.

D.4 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.5 AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the Program, with the costs of such audit borne by State. After completion of the Program, State may require Grantee to conduct a final audit, 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 take any action it deems necessary to protect its interests.

Grantee agrees that the awarding department, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant Agreement. Grantee agrees to maintain such records for a possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any contract related to performance of this Agreement.

D.6 BUDGET CONTINGENCY: If the Budget Act of the current year and/or any subsequent years covered under this Grant Agreement does not appropriate sufficient funds for the IRWM 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 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.7 COMPETITIVE BIDDING AND PROCUREMENTS: Grantee and Local Project Sponsors 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.8 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.9 CONFLICT OF INTEREST:

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.

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.

- D.10 DELIVERY OF INFORMATION, REPORTS, AND DATA:** Grantee agrees to expeditiously provide, during work on the IRWM Program and throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.11 DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than 30 days prior to submission of the final project invoice, a final inventory list of equipment purchased with grant funds provided by State. Grantee shall consult with State on the scope of the inventory not less than 60 days prior to the submission of the final project invoice. The inventory shall include all items with a current estimated fair market value of more than \$500 per item. Within 60 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.12 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 Director, Department of Water Resources, 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.13 DRUG-FREE WORKPLACE REQUIREMENTS:** Grantee, Local Project Sponsors, and their contractors or subcontractors will comply 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).
 - b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b) to inform employees, contractors, or subcontractors about all of the following:
 1. The dangers of drug abuse in the workplace,
 2. Grantee's policy of maintaining a drug-free workplace,
 3. Any available counseling, rehabilitation, and employee assistance programs, and
 4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
 - c) Provide as required by Government Code Sections 8355(c), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 1. Will receive a copy of Grantee's drug-free policy statement, and

2. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

- D.14 FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER:** Upon completion of a construction project and as determined by State, Grantee shall provide for a final inspection and certification by a California Registered Civil Engineer that the project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement and to the State's satisfaction.
- D.15 GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.16 INCOME RESTRICTIONS:** Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by Grantee under this Grant Agreement shall be paid by Grantee to State, to the extent that they are properly allocable to costs for which Grantee has been reimbursed by State under this Grant Agreement.
- D.17 INDEMNIFICATION:** Grantee agrees to indemnify State and its officers, agents, and employees against and to hold the same free and harmless from any and all claims, demands, damages, losses, costs, expenses, or liability due or incident to, either in whole or in part, and whether directly or indirectly, arising out of the IRWM Program, including without limitation, arising out of post-construction operation and maintenance.
- D.18 INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantee, if any, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.19 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 to the extent permitted by Government Code sections 6250 et seq. or other applicable laws. 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, as provided in paragraph 17.
- D.20 INSPECTIONS OF PROJECTS BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times, providing a minimum of a 24-hour notice, 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.21 NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee, Local Project Sponsors, and their contractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Grantee, Local Project Sponsors, and their contractors shall ensure that the evaluation and

treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee, Local Project Sponsors, and their contractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 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 Grant Agreement by reference and made a part hereof as if set forth in full. Grantee, Local Project Sponsors, and their contractors 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 contracts to perform work under the Grant Agreement.

- D.22 OPINIONS AND DETERMINATIONS:** The parties agree that review or approval of any IRWM Program applications, documents, permits, plans and specifications or other program information by the State is for administrative purposes only and does not relieve the Grantee of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the IRWM Program.
- D.23 PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** Grantee and Local Project Sponsors 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 IRWM Program without prior permission of State. Grantee and Local Project Sponsors shall not take any action concerning the performance of this Grant Agreement, 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 acquired through this Grant Agreement be remitted to State.
- D.24 REMEDIES, COSTS, AND ATTORNEY FEES:** Grantee agrees that any remedy provided in this Grant Agreement is in addition to and not in derogation of any other legal or equitable remedy available as a result of breach of this Grant Agreement, whether such breach occurs before or after completion of the IRWM Program, and exercise of any remedy provided by this Grant Agreement shall not preclude either party from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Grant Agreement, it is agreed that the prevailing party shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.
- D. 25 RETENTION:** State shall, for each project, withhold ten percent (10.0%) of the funds requested by Grantee for reimbursement of Eligible Costs until the project is completed and Grantee has met requirements of paragraph 19, Submissions of Reports.
- D.26 RIGHTS IN DATA:** Grantee and Local Project Sponsors agree 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 in the public domain. Grantee and Local Project Sponsors 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 and Local Project

Sponsors shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

- D.27 SEVERABILITY OF UNENFORCEABLE PROVISION:** If any provision of this Grant Agreement is held invalid or unenforceable by a court of final jurisdiction, all other provisions of this Grant Agreement shall be construed to remain fully valid, enforceable, and binding on the parties.
- D.28 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 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.29 TERMINATION, IMMEDIATE REPAYMENT, INTEREST:** This Grant Agreement may be terminated by written notice at any time prior to completion of the IRWM Program, at the option of State, upon violation by Grantee of any material provision after such violation has been called to the attention of Grantee and after failure of Grantee to bring itself into compliance with the provisions of this Grant Agreement within a reasonable time as established by State. In the event of such termination, Grantee agrees, upon demand, to immediately repay to State an amount equal to the amount of grant funds disbursed to Grantee prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to Grantee to the date of full repayment by Grantee.
- D.30 TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.31 TRAVEL:** Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement. Travel and per diem shall be reimbursed consistent with the rates applicable at the time of travel. These rates are published at <http://www.dpa.ca.gov/jobinfo/statetravel.shtm> or its successor website. For the purpose of computing such expenses, Grantee's designated headquarters shall be: 2800 W. Burrel Avenue, Visalia, CA 93291. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State. Exhibit H, Travel and Per Diem Expenses, provides the travel reimbursement rates posted at the time of execution of this Grant Agreement.
- D.32 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.

EXHIBIT E REPORT FORMAT

QUARTERLY REPORT

Quarterly Reports shall generally use the following format. This format may be modified as necessary to effectively communicate information on the projects contained in the Work Plan. The quarterly report should reflect the status of all of the projects identified in the Grant Agreement. A brief summary of program status should also be provided.

For each project, describe the work performed during the quarter including:

PROJECT INFORMATION

- Legal matters;
- Engineering matters;
- Environmental matters;
- Status of permits, easements, rights-of-way, and approvals as may be required by other State, federal, and/or local agencies;
- Major accomplishments during the quarter (i.e. tasks completed, milestones met, meetings held or attended, press releases, etc.);
- Discussion of the ambient surface water and groundwater data submittal effort for the previous quarter, including a description of the data submitted and date(s) of submittal;
- Issues/concerns that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter; and
- Description of the differences between the work performed and the work outlined in the project work plans.
- Discussion of project performance achieved over the previous quarter relative to the criteria established in the Project Assessment and Evaluation Plan (PAEP).

COST INFORMATION

- Listing showing costs incurred during the quarter by the grantee, the local project sponsor overseeing the work, and each contractor working on the project. Listing should include hours per task worked on during the quarter for above personnel;
- A discussion on how the actual budget is progressing in comparison to the project budget included in the Work Plan; and
- A revised budget, by task, if changed from latest budget in Work Plan.

SCHEDULE INFORMATION

- A schedule showing actual progress verse planned progress as shown in Exhibit B;
- A discussion on how the actual schedule is progressing in comparison to the schedule in Exhibit B; and
- A revised schedule, by task, if changed from latest schedule in Exhibit B.

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. This format may be modified as necessary to effectively communicate information on the various projects contained in the IRWM Program. A Project Completion Report is required for each project identified in the Work Plan, Exhibit A.

EXECUTIVE SUMMARY

The Executive Summary consists of a maximum of ten (10) pages summarizing project information (see report status section below for topics). The Executive Summary should include the following:

- Brief description of work proposed to be done in the original Exhibit A Work Plan;
- Description of actual work completed and any deviations from the work plan identified in the Grant Agreement;
- Describe the mechanism or process that allows for continued performance monitoring of the objectives;

REPORTS AND/OR PRODUCTS

- Provide a copy of the final technical report or study;
- Provide a map and shapefile(s) showing the location of the completed project. A description of the geographic projection and datum used for the shapefile must be submitted with the shapefile (a NAD '83 datum and a UTM 11 projection should be utilized);
- If any wells were constructed as part of the project, provide the following information: well logs; borehole geophysical logs; state well number; site information to include horizontal (NAD '83) and vertical (NAVD '88) datum to be determined within 0.5 feet;
- Provide an electronic copy of any as-built plans (media: CD-ROM; PDF format);
- Provide copies of any data collected along with location maps;
- If applicable, describe the findings of any study and whether the study determined the engineering, hydrologic, hydrogeologic, environmental, economic and financial feasibility of the project.

COST & DISPOSITION OF FUNDS INFORMATION

- A list of invoices showing:
 - The date each invoice was submitted to State;
 - The amount of the invoice;
 - The date the check was received; and
 - 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 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.);
 - Construction cost information, shown by material, equipment, labor costs, and change orders;
 - Any other incurred cost detail; and
 - A statement verifying separate accounting of grant disbursements.
- Summary of project cost including:

- Accounting of the cost of project expenditure;
- Include all internal and external costs not previously disclosed;
- A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

ADDITIONAL INFORMATION

- A final project schedule showing actual progress verse planned progress;
- Certification that the project was conducted in accordance with the approved work plan and any approved modifications thereto; and
- Submittal schedule for Post Performance Report and outline of the 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 projects funded by this Grant Agreement.

EXECUTIVE SUMMARY

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

REPORTS AND/OR PRODUCTS

- Summary of the regional priorities, objectives, and water management strategies of the IRWM Plan;
- Brief comparison of work proposed in the original Water Security, Clean Drinking Water, Coastal And Beach Protection Act Of 2002 IRWM Implementation Grant application and actual work done;
- Brief description of the projects completed and how they will further the goals identified in the IRWM Plan;
- Identify remaining work and mechanism for their implementation;
- Identify any changes to the IRWM Plan as result of project implementation; and
- Submit an updated IRWM Plan.

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 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.

POST PERFORMANCE REPORT

The Post Performance Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the operation of the various projects in the IRWM Program funded by this Grant Agreement.

REPORTS AND/OR PRODUCTS

- Summary of the operations of the project;
- Brief discussion of the project benefits to water quality, water supply, and the environment;
- Brief comparison and any explanations for any differences between the expected versus actual project success in meeting IRWM priorities as stated in the original IRWM Implementation Grant application;
- Summary of any additional costs and/or benefits deriving from the project; and
- Any additional information relevant to or generated by the continued operation of the project.

ELECTRONIC REPORT FORMATTING

Grantee agrees that work funded under this Agreement will be provided in an electronic format to State. Electronic submittal of final reports, plans, studies, data, and other work performed under this grant shall be as follows:

- Text preferably in MS WORD or text PDF format.
- Files generally less than 10 MB in size.
- Files named so that the public can determine their content. For example, file naming of reports must have the title and, if subdivided into smaller sized files, the chapter number/letter and names in the report Table of Content (TOC); files of maps, figures, and tables by number/letter as referenced in the TOC; well logs files with DWR required naming convention; and Appendix number/letter and named in the TOC.
- For projects involving a modeling component, grantee shall provide the major input data files, parameters, calibration statistics, output files, and other information requested by DWR's Project Manager.

EXHIBIT F
GRANTEE RESOLUTION

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF Approve and accept)
a grant from the California Department of) RESOLUTION NO. 2010-0686
Water Resources for the County of Tulare) AGREEMENT NO. 24676
Disadvantaged Community Water Study)
Project.)

UPON MOTION OF SUPERVISOR ENNIS, SECONDED BY SUPERVISOR
ISHIDA, THE FOLLOWING WAS ADOPTED BY THE BOARD OF SUPERVISORS, AT
AN OFFICIAL MEETING HELD AUGUST 17, 2010, BY THE FOLLOWING VOTE:

AYES: SUPERVISORS ISHIDA, VANDER POEL, COX, WORTHLEY AND ENNIS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE



ATTEST: JEAN M. ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: *Jean M. Rousseau*
Deputy Clerk

- 1 Approved and accepted a grant from the California Department of Water Resources ("DWR") for the County of Tulare Disadvantaged Community Water Study Project ("Study") from October 1, 2010 through March 31, 2014 in an amount not to exceed \$2,000,000.
- 2 Authorized Jean Rousseau, County Administrative Officer, to be the Project Manager on behalf of Tulare County.
- 3 Authorized the Chairman to sign three copies of the Grant Agreement.

CAO
Co. Counsel
DAY

EXHIBIT G STATEWIDE MONITORING

REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL

Ambient surface water and groundwater quality monitoring data (may 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 E.

Surface water quality monitoring data shall be submitted to the Surface Water Ambient Monitoring Program (SWAMP), which is administered by the State Water Resources Control Board (SWRCB). If a project work plan contains a surface water monitoring element, the Grantee shall also prepare, maintain, and implement a Quality Assurance Project Plan (QAPP) in accordance with:

- The SWAMP QAPP and data reporting requirements.
- The USEPA's *EPA Requirements for Quality Assurance Project Plans* (Publication EPA AQ/R-5, 2001).

The QAPP shall be submitted to the State for review and a decision regarding approval. Guidance for preparing the QAPP is available at:

<http://www.waterboards.ca.gov/swamp/qapp.html>

SWAMP comparable electronic format shall be followed. SWAMP data formats and templates can be accessed at:

<http://mpsl.mlml.calstate.edu/swdbcompare.html>

After the Grantee has followed the proper quality assurance and quality control (QA/QC) procedures and prepared the data for submittal to SWAMP, the data shall be uploaded, using the methodology established by SWAMP, to the California Environmental Data Exchange Network (CEDEN) database at the following link:

<http://bdat.ca.gov>

Groundwater quality monitoring data shall be submitted to the State through the SWRCB Groundwater Ambient Monitoring and Assessment (GAMA) Program. If a project work plan contains a groundwater ambient monitoring element, the Grantee shall contact the SWRCB GAMA Program for guidance on the submittal of ambient groundwater data. Information on the SWRCB GAMA Program can be obtained at:

<http://www.waterboards.ca.gov/gama/index.html>

Prior to the Grantee implementing any sampling or monitoring activities, State must be notified in writing as the planned procedure for submittal of groundwater data to GAMA.

REQUIREMENTS FOR PROJECT ASSESSMENT AND EVALUATION PLAN (PAEP) SUBMITTAL:

Project Assessment and Evaluation Plans (PAEPs) shall be prepared for each project receiving grant funding. For each project, a PAEP shall be submitted to State prior to project construction or monitoring, and as deemed appropriate by State. For information about preparing PAEPs and the recommended content, relevant documentation may be found at the following web site:

<http://www.waterboards.ca.gov/funding/paep.html>

EXHIBIT H TRAVEL AND PER DIEM EXPENSES*

I. SHORT-TERM PER DIEM EXPENSES

A. In computing reimbursement for continuous short-term travel of more than 24 hours and less than 31 consecutive days, the employee will be reimbursed for actual costs up to the maximum allowed for each meal, incidental, and lodging expense for each complete 24 hours of travel, beginning with the traveler's times of departure and return, as follows:

1. On the first day of travel on a trip of 24 hours or more:

Trip begins at or before 6 a.m.	Breakfast may be claimed on the first day.
Trip begins at or before 11 a.m.	Lunch may be claimed on the first day.
Trip begins at or before 5 p.m.	Dinner may be claimed on the first day.

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m.	Breakfast may be claimed.
Trip ends at or after 2 p.m.	Lunch may be claimed.
Trip ends at or after 7 p.m.	Dinner may be claimed.

If the fractional day includes an overnight stay, receipted lodging may also be claimed. No meal or lodging expense may be claimed or reimbursed more than once on any given date or during any 24-hour period.

3. Reimbursement shall be for actual expenses, subject to the following maximum rates:

Meals:

Breakfast	\$ 6.00	Receipts are not required for regular short-term travel meals
Lunch	\$10.00	
Dinner	\$18.00	
Incidentals	\$ 6.00	

Lodging:

Statewide	Actual up to \$84.00 plus tax
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When required to conduct State business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging to a maximum of \$110 plus tax.

When required to conduct State business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging to a maximum of \$140 plus tax.

If lodging receipts are not submitted, reimbursement will be for meals only at the rates and time frames set forth in B.1 below.

- B. In computing reimbursement for continuous travel of less than 24 hours, actual expenses, up to the maximums in A.3 above, will be reimbursed for breakfast and/or dinner and/or lodging in accordance with the following time frames:
1. Travel begins at or before 6 a.m. and ends at or after 9 a.m.: Breakfast may be claimed. Travel begins at or before 4 p.m. and ends at or after 7 p.m.: Dinner may be claimed. If the trip of less than 24 hours includes an overnight stay, receipted lodging may be claimed. **No lunch or incidentals may be reimbursed on travel of less than 24 hours.**
 2. Employees on short-term travel who stay in commercial lodging establishments or commercial campgrounds will be reimbursed for actual lodging expenses substantiated by a receipt. Employees who stay with friends or relatives, or who do not produce a lodging receipt, will be eligible to claim meals only.

II. LONG-TERM TRAVEL AND PER DIEM EXPENSES

- A. Employee maintains a separate residence in the headquarters area:
Long-term travelers who maintain a permanent residence at their primary headquarters may claim daily long-term lodging up to \$24.00 with a receipt, and long-term meals of \$24.00 for each period of travel from 12 to 24 hours at the long-term location. For travel of less than 12 hours, the traveler may claim either \$24.00 in receipted lodging or \$24.00 in long-term meals.
- B. Employee does not maintain a separate residence in headquarters area:
Long-term travelers who do not maintain a permanent residence at their headquarters may claim daily receipted lodging up to \$12.00, and long-term meals of \$12.00 for each period of travel from 12 to 24 hours at the long-term locations. For travel of less than 12 hours, the travelers may claim either \$12.00 in receipted lodging **or** \$12.00 in long-term meals.

III. MILEAGE REIMBURSEMENT*

Reimbursement for personal vehicle mileage is 55* cents per mile.

IV. VEHICLE RENTAL

Reimbursement for vehicle rental shall be for actual and necessary costs of such rental and airplane usage shall be allowed at the lowest fare available. Claims for reimbursements shall be allowed upon submittal of the appropriate receipt. Refer to California Code of Regulations, Title 2, Sections 599.627 and 599.628.

* Refer to the latest expenses and reimbursement information in the following web page:
<http://www.dpa.ca.gov/personnel-policies/travel/hr-staff.htm>.