

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA THE NATURAL RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES AND
CITY OF SANTA ROSA AND REDWOOD EMPIRE CHAPTER TROUT UNLIMITED 4600011175
FOR A GRANT UNDER THE URBAN STREAMS RESTORATION PROGRAM
CALIFORNIA WATER CODE §7048**

THIS AGREEMENT is entered into by and between the Department of Water Resources (DWR) of the State of California, herein referred to as the "State" and the Project Sponsor the City of Santa Rosa and Project Co-sponsor Redwood Empire Chapter Trout Unlimited. The Project Sponsor and Co-sponsor will be collectively referred to as "Grantee" throughout this Grant Agreement. The State and Grantee do hereby agree as follows:

1. PURPOSE. The purpose of this Agreement is to provide Urban Stream Restoration Program (USRP) grant funds pursuant to California Water Code (CWC) Section 7048 and implementing regulations and as provided for by the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) for planning and implementation of a project affecting an Urban Stream which will reduce flooding and erosion damage, protect or restore natural ecological values of streams, and promote community involvement, education, or stewardship on Lower Colgan Creek in Sonoma County.
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 June 30, 2018, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. The execution date is the date the State signs this Grant Agreement indicated on page 9.
3. TOTAL PROJECT COST. The reasonable cost of the Project is estimated to be \$2,502,239.
4. GRANT AMOUNT. The maximum amount payable by State under this Grant Agreement shall not exceed \$941,224. Subject to the availability of funds, State shall provide a grant to Grantee to assist in financing the project to be carried out as described in Exhibit A (Work Plan).
5. GRANTEE COST SHARE. No cost share is required for USRP grants. If project costs exceed grant amount, the Grantee agrees to fund the difference between the estimated Total Project Cost in its grant application and the Grant Amount specified in Paragraph 4.
6. GRANTEE RESPONSIBILITY. Grantee shall faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A, and in accordance with all subsequently attached Exhibits (Exhibit A through Exhibit F). Grantee shall comply with all of the terms and conditions of this Grant Agreement, CWC Section 7048, Chapter 2.4 of Title 23 of the California Code of Regulations and all other applicable provisions of the CWC and California Public Resources Code. Any planning and design assistance provided to Grantees by DWR is provided pursuant to CWC Section 7048.
7. BASIC CONDITIONS. State shall have no obligation to disburse money for a project under this Grant Agreement unless and until Grantee has satisfied the following conditions in accordance with the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.
 - a) An urban water supplier that receives grant funds governed by this Grant Agreement shall maintain compliance with the Urban Water Management Planning Act (California Water Code section 10610 et. seq.)
 - b) For the term of this Grant Agreement, Grantee submits timely Quarterly Progress Reports as required by Paragraph 18, "Submission of Reports."
 - c) Grantee submits deliverables as specified in Paragraph 21 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:

- i. When applicable, final plans and specifications certified by a California Registered Civil Engineer as to compliance for each approved project as listed in Exhibit A of this Grant Agreement.
- ii. Work that is subject to the California Environmental Quality Act (CEQA) and/or environmental permitting shall not proceed under this Grant Agreement until the following actions are performed:
 1. Grantee submits all applicable environmental permits as indicated on the Environmental Information Form to the State,
 2. Documents that satisfy the CEQA process are received by the State,
 3. State has completed its CEQA compliance review as a Responsible Agency, and
 4. Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.
 5. Prior to adoption of a Mitigated Negative Declaration or Environmental Impact Report under CEQA, and in addition to other tribal notification requirements imposed by CEQA, the Grantee agrees to comply with Public Resources Code §75102 to notify the California Native American tribe (which is on the contact list maintained by the Native American Heritage Commission) of Project Construction if that tribe has traditional lands located within the area of the Project.

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 demonstrate compliance with all applicable requirements of CEQA, including but not limited to, tribal notification and consultation requirements imposed by AB 52 (Gatto, 2014.) 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, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

- iii. A monitoring and maintenance plan as required by Paragraph 21, "Project Monitoring and Maintenance Plan Requirements."

8. BUDGET LINE ITEM FLEXIBILITY

- a) Line Item Adjustment(s). Subject to the prior review and approval of the State's Project Manager, adjustments between existing line item(s) may be used to defray allowable direct costs up to twenty percent (20%) of the Grant Amount, including any amendment(s) thereto. A line item adjustment in excess of twenty percent (20%) or the cumulative total of line item adjustments that exceed \$200,000 shall require a formal Agreement amendment. If the Line Item Budget includes an amount for Personnel Services, that amount is based on the hours, classifications, and rates submitted by the Grantee in its application. Any changes to the hours, classifications, and rates must be approved, in advance and in writing, by the State's Program Manager.
- b) Procedure to Request an Adjustment. Grantee may submit a request for an adjustment in writing to the State's Program Manager. Such adjustment may not increase or decrease the total Grant Amount. The Grantee shall submit a copy of the original Agreement Budget sheet reflecting the requested changes. Changes shall be noted by striking the original amount(s) followed with revised change(s) in bold and underlined. Budget adjustments deleting a budget line item or adding a new budget line item requires a formal amendment and are not permissible under this provision. The State may also propose adjustments to the budget.

9. DISBURSEMENT OF GRANT FUNDS. Following the review of each invoice, 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. For each project, funds will be disbursed by State in response to each approved invoice in accordance with the 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 Project Costs.

10. ELIGIBLE PROJECT COST. Grantee shall apply State funds received to eligible project costs only, in accordance with applicable provisions of the law, and Exhibit C (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 on the project after May 22, 2015 shall be 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.

Advanced funds will not be provided, unless as provided for in property right acquisition, explained in Paragraph 11. Costs that are not eligible for reimbursement include but are not limited to:

- a) Costs, other than those noted above, incurred prior to the award date of the Grant.
 - b) Purchase of equipment not an integral part of a project.
 - c) Establishing a reserve fund.
 - d) Purchase of water supply.
 - e) Replacement of existing funding sources for ongoing programs.
 - f) Support of existing agency requirements and mandates (e.g. punitive regulatory agency requirements).
 - g) 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 the grant award with the State.
 - h) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs. However, this will only be allowed as Grantee cost share (i.e., Funding Match).
 - i) Overhead not directly related to project costs.
 - j) Regular operation and maintenance costs.
11. PROPERTY RIGHTS ACQUISITIONS. Grantee may acquire real property rights for the purpose of the protection, restoration, and enhancement of urban stream channels. Whenever any real property fee title or interest is to be acquired with grant funds, the following shall apply:
- a) State will not make payments for property rights acquisitions in excess of fair market value; additionally the state will not participate in any transactions in excess of fair market value.
 - b) Acquisitions will be backed by 1) an appraisal supporting the purchasing price, and 2) written concurrence from DWR or the State of California Department of General Services (DGS), attesting to the appraisal's compliance with applicable DGS standards and requirements. For low value property interests, State, in its sole discretion, may waive any of the foregoing submittal requirements.
 - c) Grantee shall submit a preliminary title report, vesting documents, and a fully conformed appraisal report to State pursuant to the Appraisal Report Provisions. The report shall be prepared and signed by a qualified general appraiser, who is licensed by the California Department of Real Estate Appraisers and demonstrates compliance with the Uniform Standards for Professional Appraisal Practices.
 - d) The property rights shall be acquired from a willing seller and in compliance with current laws governing acquisition of properties by public agencies.
 - e) Grantee shall provide sufficient notice to adjacent landowners and other members of the public to enable public input on interests that may be affected by the acquisition and changes in land use.

- f) Grantee shall use, manage, and maintain the property in a manner consistent with the purpose of the acquisition, for at least 20 years. Grantee further assumes all management and maintenance costs associated with the acquisition, including the costs of ordinary repairs and replacements of a recurring nature, and costs of enforcement of regulations. State shall not be liable for any cost of such management or maintenance.
 - g) Grantee shall identify all riparian rights that will be affected by a real property acquisition and propose appropriate treatment of such rights.
 - h) Fee title shall generally be acquired by the local agency Sponsor. However, if the Co-sponsor has non-profit 501(c) (3) status, it may acquire fee title. In the latter case, fee title shall be transferred within 180 days after completion of the on-site work to the local agency Sponsor, which hereby agrees to accept such transfer.
 - i) An Irrevocable Offer to dedicate real property interest for public use that is less than a fee title, such as an easement or license, shall be recorded concurrently with the instrument that conveys the real property interest to the Project Sponsor or Co-sponsor.
 - j) Grantee shall complete an Example Land Acquisition Cost Schedule, which includes budget items relevant to the acquisition.
 - k) Method of payment. Funds provided by State for real property acquisitions shall be deposited by State with an escrow holder acceptable to State and with escrow instructions regarding funding and disbursement provided by State. If the escrow does not close by the date set forth in State's escrow instructions, or such other date as may be agreed to by the parties, the funds shall be returned to State.
 - l) Grantee shall supply a copy of any recorded vesting documents to State after close of escrow.
12. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 7 "Basic Conditions" 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 Quarterly Progress Reports as required by Paragraph 18, "Submission of Reports." Invoices submitted by Grantee 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 a project during the period identified in the particular invoice for the construction, operation, or maintenance of a project. For real property acquisition components of projects, see Paragraph 11, Property Rights Acquisitions.
 - c) Appropriate receipts and reports for all 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 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. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's grant amount, and those costs that represent Grantee costs.
 - v. Original signature and date (in ink) of Grantee's Project Manager.
 - e) Payment will be made no more frequent than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Submit the original "wet signature" copy of the invoice form to the following address:

Environmental Program Manager
Division of Integrated Regional Water Management (IRWM)
Urban Streams Restoration Program

901 P Street, Room 411A
Sacramento, California 95814

- f) State reserves the right to retain a maximum of five percent (5%) of the funds requested by the Grantee reimbursement until State's receipt of the Final Report as required by Paragraph 18 and Exhibit E or as otherwise authorized by the State.
- g) State may reject an invoice if:
 - a. It is submitted without signature
 - b. It is submitted under signature of a person other than Grantee's duly authorized representative
 - c. Grantee fails to timely submit a final invoice within the time period specified in Paragraph 2. State will notify grantee of any costs so rejected, and the reasons therefore. State may withhold up to 100 percent of payment for a specific statement of cost if the progress of the Project is not satisfactory. An invoice containing a mathematical error will be corrected by State, after notification to Grantee, and will thereafter be treated as if submitted in the corrected amount. State will provide Grantee with notification of the corrected invoice.
- h) State will notify Grantee, whenever, upon review of an invoice, State determines that any portion or portions of the costs claimed:
 - i. Are ineligible to be paid under Federal or State law, or the terms of this Grant agreement
 - ii. Do not constitute Eligible Project Costs approved by State for funding under the terms of this Grant agreement
 - iii. Are not supported by invoices or receipts acceptable to State. Grantee may, within thirty (30) days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency (ies). If Grantee fails to timely submit adequate documentation curing the deficiency (ies), State will adjust the pending invoice by the amount of the ineligible and/or unapproved cost(s).

13. 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 Amount and take any other action that it deems necessary to protect its interests. Where a portion of the grant has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 9, 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 grant amount a contract breach subject to the default provisions in Paragraph 14, "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.

14. DEFAULT PROVISIONS. Grantee will be in default under this Grant Agreement if any of the following occur:
- a) Breach of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grant Recipient and State evidencing or securing Grant Recipient's obligations.
 - b) Making any false warranty, representation, or statement with respect to this Grant Agreement.
 - c) Failure to operate or maintain project 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 (LCP) requirements.

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

- a) 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.
- b) Terminate any obligation to make future payments to Grantee.

- c) Terminate the Grant Agreement.
- d) Take any other action that it deems necessary to protect its interests.

15. 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 operations and maintenances 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 the State prior to commencement of implementation activities.
16. RELATIONSHIP OF PARTIES. Grantee is solely responsible for design, construction, and operation and maintenance of the projects. 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 and Local Project Sponsors under this Grant Agreement.
17. 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, Clean Water, Watershed Protection, and Flood Protection Act of 2000 and Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 financing.
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 and corrected 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 the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit E. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Final Report is a requirement for the release of any funds retained for such project.
- a) Quarterly Progress Reports: Grantee shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Grantees activities, milestones achieved, work planned for the next quarter, any accomplishments, and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Quarterly Progress Report should be submitted to the State no later than March 31, 2016 with future reports then due on successive three-month increments based on the invoicing schedule and this date.
 - b) Final Reports: Upon completion of the project, Grantee shall provide a final written report in a format as directed by the State in Exhibit E, that includes (but is not limited to) the following:
 - i. A description of conditions before the project was executed.
 - ii. A summary of the restoration and planning work and techniques used.
 - iii. A description of the results of the project.
 - iv. An analysis of the techniques used, and a description of planned long-term monitoring.
 - v. Photographs of progress and utilization of restoration techniques and activities.
 - vi. Photographs of community participation in planning or implementation activities (i.e. design charettes, community meetings, site tours, volunteer workers) if part of the project.
 - vii. Photographs on-site before, during and after implementation to document project conditions. Specific geographic positions through maps and/or GPS readings of where the photos were taken (photo-points), so images can be produced from the same vantage point in subsequent

years to document long-term vegetation growth, channel formation, and geomorphic response to bankfull and flood flows.

19. PROJECT PERFORMANCE AND ASSURANCES. Grantee agrees to faithfully and expeditiously perform or cause to be performed all project work as described in the 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.
20. LABOR COMPLIANCE. Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. The Grantee certifies that it has a Labor Compliance Program (LCP) in place or has contracted with a third party that has been approved by the Director of DIR to operate an LCP. Current DIR requirements may be found at <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>.
21. PROJECT MONITORING AND MAINTENANCE PLAN REQUIREMENTS. Grantee agrees to use, manage, and maintain the property acquired, developed, rehabilitated or restored with the grant funds provided in this Agreement consistent with the purposes of the program. A monitoring and maintenance plan shall be submitted to the State prior to disbursement of grant funds for construction or monitoring activities listed in this Agreement. Monitoring and maintenance plans should include the following information: baseline conditions, a brief discussion of monitoring techniques to be used, frequency of actions and adaptive management, and the location of monitoring points and maintenance activities.

Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property.
22. 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 CWC) 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.
23. NOTIFICATION OF STATE. For each project, Grantee shall promptly notify State, in writing, of the following items:
 - a) Events or proposed changes that could affect the Work Plan, Budget, Schedule, 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 wording/scope of work, 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 fourteen (14) calendar days prior to the event.
 - c) Completion of work on a project. Grantee shall notice the State of the Final inspection of a project 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. 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.
- e) Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

- 25. 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.
- 26. AMENDMENTS. The provisions of this agreement may be amended by agreement between State and Grantee; minor shifts in Work Plan, Budget, and Schedule may be approved by the IRWM – Riverine Ecosystem Section Chief.
- 27. SURVIVAL. Any provision of this Agreement that imposes an obligation after the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.
- 28. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement will be:

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

City of Santa Rosa
David Guhin
Director of Santa Rosa Water
69 Stony Circle
Santa Rosa CA, 95401
Phone: (707) 543-4299
e-mail: dguhin@srcity.org

Direct all inquiries to the Project Manager:

Department of Water Resources, IRWM
Kevin Marr, Environmental Scientist

City of Santa Rosa
Steve Brady, Senior Environmental Specialist

Mailing Address:
901 P Street, Room 411A
Sacramento, CA 95814
Phone: (916) 651-9621
e-mail: kevin.marr@water.ca.gov

Mailing Address:
69 Stony Circle
Santa Rosa CA, 95401
Phone: (707) 543-3919
e-mail: sbrady@srcity.org

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

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

- Exhibit A – Work Plan
- Exhibit B – Schedule
- Exhibit C – Budget
- Exhibit D – Standard Conditions
- Exhibit E – Report Formats and Requirements
- Exhibit F – State Audit Document Requirements

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

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

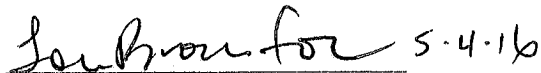


Arthur Hinojosa, P.E., Chief
Division of Integrated Regional Water Management

Date 5-6-16

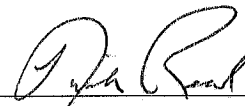
APPROVED AS TO FORM
Angela C...
BY _____

Approved as to Legal Form and Sufficiency



Robin Brewer, Assistant Chief Counsel
Office of Chief Counsel

SPONSOR: CITY OF SANTA ROSA


By 
Signature

Linda Reed

Acting Director of Santa Rosa Water

Address: 69 Stony Circle
Santa Rosa CA, 95401

CO-SPONSOR: REDWOOD EMPIRE CHAPTER
TROUT UNLIMITED

By 
Signature

Jerry Bender

President

Address: P.O. Box 3237
Santa Rosa CA, 95402

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**EXHIBIT A
WORK PLAN**

CITY OF SANTA ROSA

Lower Colgan Creek Restoration Project Phase 2**Project Goals and Objectives**

The Lower Colgan Creek Restoration Phase 2 project meets all three of the USRP program goals. The project will increase flood capacity from containing the 25 year to the 100 year flood event. The restoration design accomplishes this goal by increasing the channel width and adding in restoration features that will increase habitat variability and allow planting of native trees in the channel. These elements will increase the amount and quality of the riparian habitat. The project also will support the community to learn more about the benefits of creeks and participate in the creek restoration project. The goal of the education program is to increase community participation in the City's Creek Stewardship Program for residents of southwest Santa Rosa.

Project Description

Lower Colgan Creek drains a predominantly urban area and was straightened and confined into a grass-lined trapezoidal channel. The channel is undersized to contain the 100 year storm event and requires regular removal of in-channel vegetation to mitigate for the reduced channel capacity. Comparison of bioassessment data in Santa Rosa shows that this creek has the lowest diversity of aquatic macroinvertebrates and the least amount of canopy cover. The creek is lined with invasive plants and accumulates a large amount of trash from illegal dumping and littering. The proposed project is located in Southwest Santa Rosa which is the least developed part of the city where many roads lack sidewalks for safe routes to school and has fewer parks and recreation areas compared to other areas of the community. This community has the lowest number of community volunteers that participate in the City's award winning Creek Stewardship Program. The City of Santa Rosa (City) is partnering with the Sonoma County Water Agency (SCWA) to restore 1.4 miles of Lower Colgan Creek. The Lower Colgan Creek Restoration Project is a three-phased project that divides the reach into segments that can be constructed within one construction season. The general plan for the restoration is to increase the meander pattern of the creek, re-grade the cross section to a more natural geometry and install a series of pools and riffles. In addition, the project will remove invasive plants and install genetically appropriate, native vegetation. A bicycle and pedestrian path will extend on the west side of the creek providing a safe Class 1 pathway for area residents. The environmental education program is designed to connect students and the local community to the benefits of healthy creeks. The restoration reach segment for this phase is 2,000 linear feet and begins approximately 150 ft. downstream of Victoria Drive. The proposed implementation project has one community organization as a co-sponsor. The Redwood Empire Chapter of Trout Unlimited (RETU) will expand the environmental education program that they developed as a component of the Lower Colgan Creek Restoration Phase 1 project. Though not the community sponsor, the Laguna de Santa Rosa Foundation (Laguna Foundation) has also agreed to support the project by propagating and planting the native plants for the restoration project. The Laguna Foundation will coordinate two volunteer planting events and work with the local community to help keep the project area clean.

Tasks and Deliverables**Task 1- Project Administration****Subtask 1a Project Management**

City staff will manage the project to ensure that the project is completed on time.

Subtask 1b Grant Reporting and Billing

City staff will produce quarterly progress report, track project expenses and produce invoices.

Deliverables: Quarterly Reports, one Final Report and invoices for work completed.

Subtask 1c Contract with Labor Compliance Firm

Prior to the start of work the City will contract with a firm authorized to ensure labor compliance.

Deliverables: Provide copy of contract with Labor Compliance Firm.

Subtask 1d Award Construction Contracts

The bulk of the project will be subject to the City's open and competitive bidding process. This bidding process will produce a contract that will conduct all of the construction deliverables, except the riparian plantings and educational activities. The deliverable will be an executed contract to conduct the work described in this proposal.

Deliverables: Provide copy of awarded construction contract.

Subtask 1e Sponsor/Grant Acknowledgement Sign

The City of Santa Rosa will design and have the contractor install two sponsors and grant acknowledgement signs. The City will submit a draft of the sign to DWR for approval before creating and installing. Installation of the sign will occur before the start of construction.

Deliverables: Provide digital copy of Sponsor sign for DWR Approval, Photo of installed sign after approval.

Task 2 – Planning Design and Permitting

Subtask 2a Create Project Construction Drawings (100% Complete)

The City will create a complete set of construction drawings for DWR approval, prior to getting bids on the project.

Deliverables: Provide complete set of construction drawings for DWR approval.

Subtasks 2b – 2f Acquire Environmental Permits

Prior to beginning construction the City will acquire and send copies of the following permits:

- 404-Nationwide Permit from the US Army Corps of Engineers
- Incidental Take Permit for the California tiger salamander from the California Dept. of Fish and Wildlife
- Streambed Alteration Agreement with the California Dept. of Fish and Wildlife
- 401 Water Quality Certificate from the North Coast Regional Water Quality Control Board
- General Construction Permit State of California Water Quality Control Board

Deliverables: Provide DWR copies of all environmental permits listed above.

Task 3 – Restoration

Subtask 3a Stormwater Pollution Prevention Plan

The City will create a stormwater pollution prevention plan as a part of the project's bid documents. This plan will be provided to DWR staff for review and acceptance.

Deliverables: Provide DWR with copy of Stormwater Pollution Prevention Plan.

Subtasks 3b – 3x Restoration Activities

The City will be responsible for all construction activities and will have a City Inspector onsite at all times. A portion of the work will be performed by the Laguna de Santa Rosa Foundation (project partner), who will custom propagate and install all of the plants, except for the willow poles used in the restoration features. The willow poles will be installed by the contractor performing the major excavation and installing the habitat structures.

These Subtasks as listed in the budget and the project description are required to allow for expanding the creek channel. The timing and sequence of construction will be finalized after the contract is awarded and the project schedule is approved from the contractor.

In order to construct the project the existing vegetation and one access road need to be removed. Flow within the creek needs to be bypassed around the project site in order for the excavation and realignment of the creek channel to occur. Dewatering of the site is required throughout the project to ensure a dry work site. Restoration of the site will include installation of boulders, boulder weirs, erosion control fabric, over 1,200 native riparian plantings. To ensure 75% survival plantings will be maintained for a five-year period.

The work under these subtasks 3b thru 3x as listed in the project schedule includes all labor, materials, tools and equipment, and doing all the work involved in modifying the storm drain inlets and storm drain pipes complete in place including excavation, backfill, furnishing and installing inlet grates and frames, minor concrete work, removing and disposing of existing storm drain pipes, and for doing all the work involved in constructing storm drains including excavation, placing backfill, bracing and shoring.

	Task	Entity Performing Work
3b	Creek Bypass Plan / Implementation	Contractor
3c	Worksite dewatering plan / Implementation	Contractor
3d	Install CTS Exclusionary Fencing	Contractor
3e	Temporary Construction Fencing	Contractor
3f	Perimeter Fencing	Contractor
3g	Conduct Soil Sampling For Landfill Approval	Contractor
3h	Modify Storm Drain Outfalls	Contractor
3i	Remove Non-Native Vegetation	Contractor
3j	Clear and Grub Area	Contractor
3k	Tree Removal	Contractor
3l	Creek Channel Excavation	Contractor
3m	Hydroseeding	Contractor
3n	Upper Riparian Planting	Laguna Foundation
3o	Channel Planting	Laguna Foundation
3p	Willowsprig Planting	Contractor
3q	Install Willow Rock Slope Protection	Contractor
3r	Install Bioblock	Contractor
3s	Install Redwood Log Habitat Structure	Contractor
3t	Install Boulder Weirs	Contractor
3u	Fabric erosion control matrix	Contractor
3v	Rock slope protection fabric	Contractor
3w	Maintenance Period	Laguna Foundation
3x	Watering Hydroseeded Areas	Contractor

Deliverables: Complete all restoration activities described above. Notification of completion will be verified by site visit, photos and/or video. As-built designs certified by a Registered Civil Engineer

Task 4 – Pedestrian Path and Educational Signs

Subtask 4a Install 10 foot Wide Paved Pedestrian Path

The contractor will install a 10 foot wide paved pedestrian path at the top of the western creek bank. The path will include geogrid fabric, with class 2 Aggregate base and an asphalt concrete surface.

Deliverables: Complete construction of the paved path on the top of the western bank. Notification of completion will be verified by site visit, photos and/or video.

Subtask 4b Install 10 foot Wide Gravel Path/Maintenance Road

The contractor will install a 10 foot wide gravel pedestrian path/ maintenance road at the top of the eastern creek bank. This path will include geogrid fabric and a class 2 aggregate base.

Deliverables: Complete construction of the unpaved path on the top of the western bank. Notification of completion will be verified by site visit, photos and/or video.

Subtask 4c Create and Install Educational Kiosks

The Community partner, the Redwood Empire Trout Unlimited (RETU), will create two educational kiosks and the City will install them after construction is completed. The kiosks will be bilingual English and Spanish and will promote positive creek stewardship and have QR Codes that will link smart phones to the project website.

Deliverables: Upon approval, two kiosks will be installed. Digital and/or paper printed copies of the proposed kiosks will be provided to DWR for approval. Notification of completion will be verified by site visit, photos and/or digital video.

Task 5 – Community Stewardship and Education

Subtask 5a Fall Upland Planting Event

The Laguna de Santa Rosa Foundation (Laguna Foundation) will conduct a volunteer community planting event in the fall. This event will occur after the major construction is completed and will only occur in the upper riparian zones. The planting event will not be expected to complete all of the plantings. The remainder of the plantings will be completed by the Laguna Foundation's restoration practitioners.

Deliverables: Provide DWR with all articles and advertisements related to promoting the event. Provide DWR with number of volunteers and hours of service provided.

Subtask 5b Spring Upland Planting Event

The Laguna Foundation will conduct a volunteer community planting event in the spring. This event will occur after the threats of high flow in the channel and will only occur primarily in the lower riparian zones. The planting event will not be expected to complete all of the plantings. The remainder of the plantings will be completed by the Laguna Foundation's restoration practitioners.

Deliverables: Provide DWR with all articles and advertisements related to promoting the event. Provide DWR with number of volunteers and hours of service provided.

Subtask 5c Volunteer Restoration Maintenance Events

The Laguna Foundation will conduct two volunteer restoration maintenance events where the community will be invited to meet their neighbors, help pick up trash, pull weeds and water plants if needed. These volunteer events are only supplemental to the regular monitoring and maintenance that the Laguna Foundation's restoration practitioners will do throughout the maintenance period.

Deliverables: Provide DWR with all articles and advertisements related to promoting the event. Provide DWR with number of volunteers and hours of service provided.

Subtask 5d Classroom Education and Field Trips

Starting in school year 2017/2018 RETU will continue to work with the three elementary schools located in the Colgan Creek Watershed. Environmental educators will be guest lecturers in these classes and implement the environmental education curriculum that was developed for the Phase 1 project. The elementary classes will be provided bus transportation for a field trip throughout the watershed. Each field trip can accommodate up to two classes per participating school.

Deliverables: Provide DWR with all articles and advertisements related to promoting the education program. In Quarterly Reports provide DWR with list of schools and number of classes that participate.

Subtask 5e Bioassessment with High School Students

Starting in school year 2016/2017 RETU will continue to work with the three high schools located in the Colgan Creek Watershed. Environmental educators will be guest lecturers in these classes and implement the environmental education developed for this grade level. Students will continue to measure and monitor water quality and upload the data to the Colgan Creek Website, but will also start a two lab bioassessment module. This module will have the students collect habitat data to characterize the creek health and gather macroinvertebrates to determine how well the creek is responding to the restoration activities. The proposed project will purchase some classroom equipment to conduct the habitat typing which will include: three densitometers, three 30meter measuring tapes, three stadia rods and a digital turbidity meter.

Deliverables: Provide DWR with all articles and advertisements related to promoting the education program. In Quarterly Reports provide DWR with list of schools and number of classes that participate.

Subtask 5f Maintain and upload data

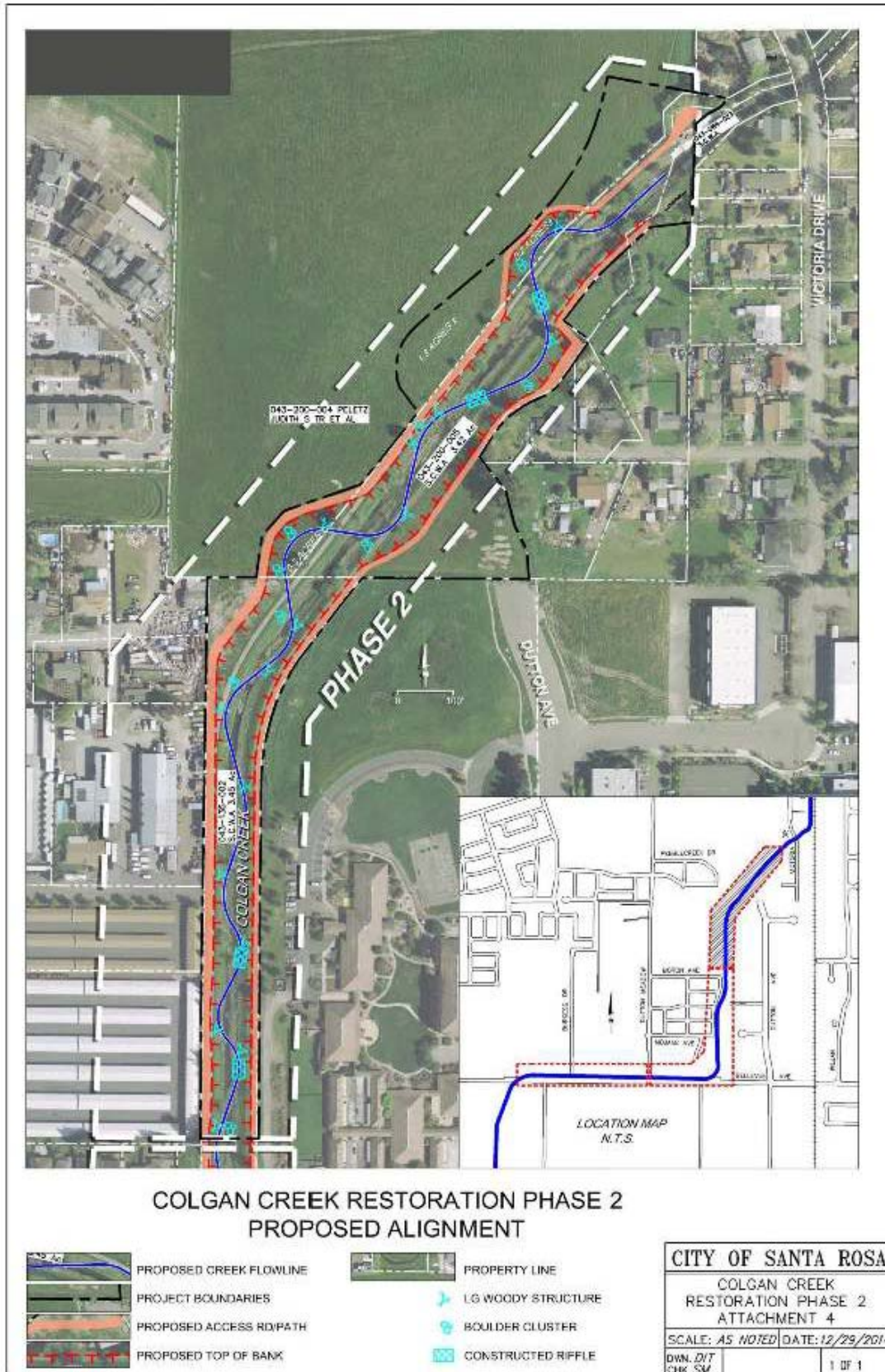
Starting in school year 2017/2018 the funding for the Phase 1 project will no longer support the Colgan Creek Website and map server. The City will work with RETU to move the website to a less costly server or add it to the City of Santa Rosa's website. RETU staff will work on the maintenance of the website and map server through the grant time frame. In addition to maintenance, new functions to the website are also planned. RETU staff will add an iNaturalist page, which will store the data from the biotic organisms that are seen around Colgan Creek and will modify the website to be optimized for use with SMART phones to complement the use of QR codes on the educational kiosks.

The RETU community group will also need to supply project management to coordinate the grant deliverables and will need to have their accountant provide the billing.

Deliverables: Provide DWR with links to website and new iNaturalist page. In Quarterly Reports share with DWR the results of website traffic (number of hits) from general hits and mobile device traffic.

Project Location: 2800 Dutton Avenue, Santa Rosa, CA 95407 (GPS: 38.409082, -122.723852; Google Maps 2015)

Project Site Map



**EXHIBIT B
SCHEDULE**

A8. Schedule City of Santa Rosa - Lower Colgan Creek Restoration Phase 2																	
			Jan-Mar 2016	Apr-Jun 2016	Jul-Sep 2016	Oct-Dec 2016	Jan-Mar 2017	Apr-Jun 2017	Jul-Sep 2017	Oct-Dec 2017	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2021
Task 1		Project Administration															
	1a	Manage Project															
	1b	Grant Reporting and Billing	D	D	D	D	D	D	D	D	D	D	D	D	D	D	
	1c	Contract with Labor Compliance Program Firm						D									
	1d	Award Construction Contract					D										
	1e	Sponsor/Grantor Acknowledgement signage						D									
Task 2		Planning Design and Permitting															
	2a	Complete Project Construction Drawings 100% Complete				D											
	2b	404-Permit US Army Corps of Engineers				D											
	2c	Incidental Take Permit, California Dept. of Fish and Wildlife				D											
	2d	Streambed Alteration Agreement, California Dept. of Fish and Wildlife				D											
	2e	401 Water Quality Certificate, North Coast Regional Water Quality Control Board				D											
	2f	General Construction Permit, California Water Quality Control Board															
Task 3		Restoration															
	3a	Storm Water Pollution Prevention Plan							D								
	3b	Creek Bypass Plan / Implementation															
	3c	Worksite dewatering plan / Implementation															
	3d	Install CTS Exclusionary Fencing															
	3e	Temporary Construction Fencing															
	3f	Perimeter Fencing															
	3g	Conduct Soil Sampling For Landfill Approval															
	3h	Modify Storm Drain Outfalls								D							
	3i	Remove Non-Native Vegetation															
	3j	Clear and Grub Area									D						
	3k	Tree Removal									D						
	3l	Creek Channel Excavation									D						
	3m	Hydroseeding									D						
	3n	Upper Riparian Planting									D						
	3o	Channel Planting										D					
	3p	Willowsprig Planting											D				
	3q	Install Willow Rock Slope Protection											D				
	3r	Install Bioblock											D				
	3s	Install Redwood Log Habitat Structure											D				
	3t	Install Boulder Wiers											D				
	3u	Fabric erosion control matrix											D				
	3v	Rock slope protection fabric											D				
	3w	Maintenance Period															
	3x	Watering Hydroseeded Areas															
Task 4		Pedestrian Path and Educational Signs															
	4a	Install 10ft Wide Paved Ped/Bike Path (West Side)									D						
	4b	Install 10ft Wide Gravel Path/Maintenance Road (East Side)									D						
	4c	Create and Install Educational Kiosks										D	D				
Task 5		Community Stewardship															
	5a	Fall Upland Planting Event								D							
	5b	Spring Channel Planting Event										D					
	5c	Volunteer Maintenance Events											D	D	D	D	
Task 6		Environmental Education															
	6a	Classroom Education and Fieldtrips										D		D		D	
	6b	Bioassessment with High School										D		D		D	
Task 7		Educational Website															
	7a	Upload Water Quality Data														D	
	7b	Maintain Website														D	
		Legend:															

**EXHIBIT C
BUDGET**

Lower Colgan Creek Restoration Project Phase 2 Budget; Final 10/06/15 Final: 8/20/15				
Project Tasks	Total Project Costs	USRP Grant Funds	Local Funds	
			SCAPOSD	Storm Water Funds
Task 1. Project Management & Administration	\$27,100	\$18,000	\$0	\$9,100
Task 2. Design, CEQA, Permitting, Bidding	\$306,950	\$0	\$0	\$306,950
Task 3. Implementation	\$1,733,126	\$791,376	\$493,960	\$447,790
Task 4. Pedestrian Path and Educational Signs	\$201,200	\$15,000	\$123,750	\$62,450
Task 5. Community Education and Educational Website	\$40,430	\$36,210	\$0	\$4,220
Total Project Costs	\$2,502,239	\$941,223	\$617,710	\$943,305

Please update the budget for the project if necessary

EXHIBIT D
STANDARD CONDITIONS

D.1 ACCOUNTING AND DEPOSIT OF GRANT DISBURSEMENT:

- a) **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 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) **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 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. During construction of the Project, Grantee 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 that the sign has been erected by providing them with a site map with the sign location noted and a photograph of the sign.

D.3 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. For guidance on the Amendment Requirements see Exhibit F.

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 Project, with the costs of such audit borne by State. After completion of the Project, 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.

Pursuant to Government Code Section 8546.7, the parties shall be subject to the examination and audit of State for a period of three years after final payment under this Grant Agreement with respect of all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or subcontractors shall be preserved for this purpose for at least three (3) years after Project completion. See Exhibit F for a listing of documents/records that State Auditors would need to review in the event of a grant being audited.

- D.6 BUDGET CONTINGENCY/LIMIT ON STATE FUNDS:** Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 and subject to the availability of funds, including any mandates from the Department of Finance, the Pooled Money Investment Board or any other state authority, the State will not make payments of any kind -- advances or reimbursements -- until funding is made available by the State Treasurer.
- D.7 CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:
- a) The contractor 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 contractor, 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.8 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.9 COMPUTER SOFTWARE:** The 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.10 CONFLICT OF INTEREST**
- 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 Employee:** 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.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 \$5,000 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 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).
- 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: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Grant Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Grant Agreement.

D.17 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.18 INSPECTIONS: 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 local project sponsor, sub-agreements, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State. Grantee acknowledges that the Project work site will be reportable under the Public Records Act (California Government Code §§6250 et. seq.). State shall have the right to inspect the Grantee's office at any and all reasonable times after completion of the project to ensure compliance with the terms and conditions of this Grant Agreement. During regular office hours, State shall have the right to inspect and to make copies of any books, records, or reports of the Grantee relating to this Grant Agreement. Grantee shall maintain and shall make available at all times for such inspection accurate records of 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.19 NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its 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 and contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and 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, §§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 and its 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.20 NO THIRD PARTY RIGHTS:** The parties to this Grant Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking established herein.
- D.21 PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** 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 without prior permission of State. Grantee 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.22 REMEDIES, COSTS, AND ATTORNEY FEES:** The 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 to the State as a result of breach of this Grant Agreement by the Grantee, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Grant Agreement by the State shall not preclude the State 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.23 RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) of the funds requested by Grantee for reimbursement of Eligible Costs until the project is completed and Grantee has met requirements of Paragraph 17, "Submissions of Reports." Grantee may submit a request to the State to exempt the Grantee from the retention requirement, or request payment of retention at the close of specific tasks shown in Exhibit C. Waiving the Grantees retention requirement is at the sole discretion of the State.
- D.24 RIGHTS IN DATA:** The 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 in the public domain. The 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 the State for financial support. The 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.
- D.25 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.26 STATE REVIEWS AND INDEMNIFICATION:** 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. To the extent permitted by law, the Grantee agree to indemnify, defend and hold harmless the State and the State against any loss or liability arising out of any claim or action brought against the State from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from, or in any way connected with:
- a) The Project or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof;
 - b) Performing any of the terms contained in this Grant Agreement or any related document;
 - c) Any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the California Hazardous Waste Control Law and CWC Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or
 - d) Any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Grantee for use in any disclosure document utilized in connection with any of the transactions contemplated by this Grant Agreement. Grantee agrees to pay and discharge any judgment or award entered or made against the State with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of the Grant Agreement.
- D.27 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.28 TERMINATION, IMMEDIATE REPAYMENT, INTEREST:** This Grant Agreement may be terminated by written notice at any time prior to completion of the Project, at the option of the State, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant Agreement within a reasonable time as established by the State. In the event of such termination, the Grantee agrees, upon demand, to immediately repay to the State an amount equal to the amount of grant funds disbursed to the 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 the Grantee to the date of full repayment by the Grantee.
- D.29 UNENFORCEABLE PROVISION:** In the event that any provision of this Grant Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Grant Agreement have force and effect and shall not be affected thereby.
- D.30 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.31 WITHHOLDING OF GRANT DISBURSEMENTS:** The State may withhold all or any portion of the grant funds provided for by this Grant Agreement in the event that the Grantee has materially violated, or threatens to materially violate, any term, provision, condition, or commitment of this Grant Agreement; or the Grantee fails to maintain reasonable progress toward completion of the Project.

EXHIBIT E
REPORT FORMAT AND REQUIREMENTS

These reporting outlines should be followed. Submitting reports in an alternative format requires State approval.

QUARTERLY PROGRESS REPORT

Grantee shall submit Quarterly Progress Reports on a consistent basis to meet the State's requirement for disbursement of funds. The quarterly progress report should describe the work performed during the reporting period. For each project, describe the work performed including:

PROJECT INFORMATION (INCLUDE ANY OF THE BELOW THAT WERE APPLICABLE DURING THE REPORTING PERIOD)

- 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 data submittal effort(s) 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.
- Description of any differences between the work performed and the work outlined in the project work plans.

COST INFORMATION

- Provide a Table showing all costs incurred during the quarter by the Grantee, and each contractor working on the project. The Table should include all costs as they relate to the Work Plan tasks.
- A discussion on how the actual budget is progressing in comparison to the project budget included in the Work Plan.
- A revised budget, including an explanation of why the revisions were necessary, by task, if changed from latest budget shown in Exhibit C, Budget. A revised budget may require an official amendment to the Agreement before it is accepted as final.

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.
- A revised schedule, by task, if changed from latest schedule in Exhibit B. Note, a revised schedule may require an official amendment to the Agreement before it is accepted as final.

ANTICIPATED ACTIVITIES NEXT QUARTER

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

FINAL REPORT

A Final Report is required for the project identified in the Work Plan, Exhibit A. This report will include the following Sections:

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 USRP Grant application.
- Description of actual work completed and any deviations from the work plan identified in the Grant Agreement. List any official amendments to the Agreement, with a short description of the amendment

METHODS/ANALYSIS/CONSTRUCTION/RESULTS

- A description of conditions before the project was executed.
- An analysis of the techniques used, and a description of planned long-term monitoring.
- If applicable, describe the findings of any study and whether the study determined the engineering, hydrologic, hydrogeological, environmental, economic and financial feasibility of the project.
- A description of the results of the project.
- Photographs of restoration techniques and activities; and community participation (i.e. design charettes, community meetings, site tours, volunteer workers) if part of the project.
- Photographs during and after construction to document project conditions. Include specific geographic positions through mapped photo points and/or GPS readings, so images can be produced from the same vantage point in subsequent years to document long-term vegetation growth, channel formation, and geomorphic response to bankfull and flood flows.

REPORTS AND/OR PRODUCTS

- Provide a copy of any final technical report or study, produced for this project.
- Provide a copy of the final Monitoring and Maintenance Plan for this project.
- 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; (e.g. NAD '83 datum and either a UTM 10 or UTM 11 projection, dependent on the project's location).
- Provide an electronic copy of any as-built plans (media: DVD-ROM; PDF format).
- For projects involving a modeling component, Grantee shall provide the major input data files, parameters, calibration statistics, and output files.
- Provide copies of any data collected along with location maps.

COST & DISPOSITION OF FUNDS INFORMATION

- A summary Table of invoices showing:
 - The date each invoice was submitted to State.
 - The amount of the invoice.
 - The date the check was received.
 - The amount of the check (If a check has not been received for the final invoice, then state so).
- A spreadsheet summary of the original budget costs by task versus the final project costs

ADDITIONAL INFORMATION

- A final project schedule showing actual progress verse planned progress.
- Certification from a California Registered Civil Engineer that the project was conducted in accordance with the approved Work Plan and any approved modifications thereto.
- Submittal schedule for Monitoring Reports to be undertaken beyond the grant period and an outline of the proposed reporting format.

ELECTRONIC REPORT FORMATTING

Grantee agrees that work funded under this Grant 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.

EXHIBIT F
STATE AUDIT DOCUMENT REQUIREMENTS

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

List of Documents for Audit

Internal Controls:

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

Agreements and Contracts:

1. Original signed Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants received from the State.
3. A listing of all other funding sources for the project.
4. All subcontractor and consultant contracts and related or partners documents, if applicable.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under this Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related budget line items under this Grant Agreement.
3. Reimbursement requests submitted to the State for this 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 this Grant Agreement.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

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

Administration Costs: Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on this grant funded project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to this Grant Agreement.

Project Files:

1. All supporting documentation maintained in the project files.
2. All correspondence related to this Grant Agreement.